

October 7, 2015

Dear Member of Congress:

The undersigned agricultural producer and agribusiness organizations whose members produce, handle, market and ship the vast majority of America's agricultural commodities and products urge you to enact legislation that would extend the current Dec. 31, 2015 deadline by which Class I rail carriers are to develop, test and implement Positive Train Control (PTC) on their rail networks.

Implementation of PTC safety technology was mandated by the Rail Safety Improvement Act of 2008, and in the Federal Railroad Administration's regulations implementing the statute. However, as noted in a Government Accountability Office (GAO) study issued in September 2015, the deadline will not be achieved by any of the Class I carriers, each of which has reported major challenges in installing and implementing this new technology. In several instances, as GAO cites, the delays have been the result of technological and government-related complications. These include the need to design, produce and install more than 20 new major components necessary to make PTC systems operable; a limited number of manufacturers; difficulty in obtaining radio spectrum and Federal Communications Commission permits for the required communications infrastructure; delays in receiving approval of safety plans from federal regulators; and the complex challenge of achieving interoperability among varying types of PTC systems within and between carriers.

U.S. agriculture depends on efficient and safe transportation involving all modes – truck, rail, barges and vessels – to move commodities to domestic and international customers. We are deeply concerned that failure to extend the current deadline for installation and implementation of PTC technology may affect not only toxic-by-inhalation and poisonous-by-inhalation materials (TIH-PIH) and passenger rail traffic, but may well have disruptive ripple effects on the rail transportation network as a whole, resulting in severe service disruptions and inefficiencies in moving a projected near-record harvest during the peak fall shipping season, reminiscent of what U.S. agriculture experienced in the fall and winter of 2013-14.

Recent written statements provided to Congress and federal agencies by several railroad officials have heightened our concerns in this regard. In a Sept. 9, 2015 letter to Senate Commerce, Science and Transportation Committee Chairman John Thune, BNSF Railway Co. President and Chief Executive Officer Carl Ice wrote that the “deadline will impact all freight service, as opposed to only TIH-PIH and passenger trains, on the lines where PTC is not fully installed and implemented....” In addition, CSX Corp. Chairman Michael Ward wrote with respect to rail lines near several major metropolitan areas that “due to the comingling of CSX freight trains with passenger trains, CSX is seriously considering suspending freight operations over these lines.”

The undersigned organizations have serious doubts that the applicable legal standards governing railroads' statutory common-carrier obligation would permit an individual railroad to cease all transportation of freight simply because it did not meet the current Dec. 31, 2015 deadline to install PTC on its rail network. Nonetheless, the statements of these two Class I railroad officials illustrate the potential adverse implications for a broad range of agricultural commodity and product shipments, as well as for other types of non-agricultural shipments, that could result if Congress does not take action in a timely manner.

We believe the bipartisan approach taken in H.R. 3651 introduced by House Transportation and Infrastructure Committee Chairman Bill Shuster and Ranking Member Peter DeFazio to extend the PTC implementation deadline to Dec. 31, 2018 represents a prudent approach. Further, by requiring railroads to submit updated plans for implementing PTC for approval by the Secretary of Transportation before any further extensions beyond three years are granted, the House legislation ensures such implementation will occur in an expeditious manner to enhance rail safety without unnecessary delays, while still taking into account real-world technological and implementation constraints. Further, such legislation would avert potential unnecessary disruptions in rail service that would harm U.S. agriculture, the national economy and U.S. jobs.

To prevent this looming potential disruption in U.S. freight rail service, the undersigned organizations respectfully request that you support prompt enactment of legislation extending the PTC implementation deadline.

Sincerely,

Agribusiness Association of Iowa
Agribusiness Council of Indiana
Agricultural Retailers Association
American Farm Bureau Federation
American Soybean Association
Cooperative Network
Corn Refiners Association
Grain and Feed Association of Illinois
Institute of Shortening and Edible Oils
Iowa Institute for Cooperatives
Kansas Cooperative Council
Kansas Grain and Feed Association
Meat Import Council of America
Michigan Agri-Business Association
Minnesota Grain and Feed Association
Missouri Agribusiness Association
National Barley Growers Association
National Cattlemen's Beef Association
National Chicken Council
National Corn Growers Association
National Council of Farmer Cooperatives
National Farmers Union
National Grain and Feed Association
National Oilseed Processors Association
National Pork Producers Council
National Potato Council
National Sorghum Producers
National Sunflower Association
National Turkey Federation
Nebraska Grain and Feed Association
North American Meat Institute
North American Millers' Association
North Dakota Grain Dealers Association

Northeast Agribusiness and Feed Alliance
Ohio AgriBusiness Association
Oklahoma Grain and Feed Association
Pacific Northwest Grain & Feed Association
South Dakota Association of Cooperatives
South Dakota Grain & Feed Association
Soy Transportation Coalition
The Agriculture Transportation Coalition
The Fertilizer Institute
United States Hide, Skin and Leather Association
U.S. Canola Association
US Dry Bean Council
USA Dry Pea & Lentil Council
Washington State Council of Farmer Cooperatives
Wisconsin Agri-Business Association