



ARC

*Alliance for
Rail Competition*

412 First St. S.E., Suite One, Washington, DC 20003
Phone (202) 484-7133, Fax: (202) 484-0770 www.railcompetition.org

FARM BILL IS PASSED OUT OF THE SENATE AND THE SENATE ADOPTS KLOBUCHAR/HOEVEN TRANSPORTATION AMENDMENT FOR INCLUSION IN FARM BILL ON VOICE VOTE

Late Wednesday (June 20th), the Senate adopted Amendment 2299, the Klobuchar/Hoeven transportation amendment, to the Farm Bill by voice vote. The transportation amendment is mandatory. See amendment below

The FARM BILL At this point the prospects for passage of the Farm Bill in the Senate appear to be favorable. The Senate passed the Farm Bill (Agriculture Reform, Food and Jobs Act of 2012, S.3240) by a vote of 64 to 35. The shipper's attention now shifts to the House.

The impetus behind the Transportation Amendment came from a team of captive shippers including the Alliance for Rail Competition, Consumers United for Rail Equity, National Rural Electric Coops and many rural electric coops. At a late hour yesterday, the BNSF reportedly mounted a voice of opposition to the amendment – apparently not wanting the USDA/USDOT to develop reports on agricultural transportation. The report will be called upon to report on the sufficiency in rural areas of transportation capacity, the sufficiency of competition in the transportation system, the reliability of transportation services, and the reasonableness of transportation rates; the sufficiency of facility investment in rural areas necessary for efficient and cost-effective

transportation; and the accessibility to shippers in rural areas of Federal processes for the resolution of grievances arising within various transportation modes.

Congratulations and thanks to all for the work they and especially the farm groups and grower groups did with the U.S. Senators and their staff to ensure that Senator Klobuchar and Senator Hoeven were successful with their amendment.

The Transportation Amendment:

SEC. 6203. STUDY OF RURAL TRANSPORTATION ISSUES.

(a) In General.--The Secretary and the Secretary of Transportation shall jointly conduct a study of transportation issues regarding the movement of agricultural products, domestically produced renewable fuels, and domestically produced resources for the production of electricity for rural areas of the United States, and economic development in those areas.

(b) Inclusions.--The study shall include an examination of--

(1) the importance of freight transportation, including rail, truck, and barge, to--

(A) the delivery of equipment, seed, fertilizer, and other products important to the development of agricultural commodities and products;

(B) the movement of agricultural commodities and products to market;

(C) the delivery of ethanol and other renewable fuels;

(D) the delivery of domestically produced resources for use in the generation of electricity for rural areas;

(E) the location of grain elevators, ethanol plants, and other facilities;

(F) the development of manufacturing facilities in rural areas; and

(G) the vitality and economic development of rural communities;

(2) the sufficiency in rural areas of transportation capacity, the sufficiency of competition in the transportation system, the reliability of transportation services, and the reasonableness of transportation rates;

(3) the sufficiency of facility investment in rural areas necessary for efficient and cost-effective transportation; and

(4) the accessibility to shippers in rural areas of Federal processes for the resolution of grievances arising within various transportation modes.

(c) Report to Congress.--Not later than 1 year after the date of enactment of this Act, the Secretary and the Secretary of Transportation shall submit a report to Congress that contains the results of the study required under subsection (a).

(d) Periodic Updates.--The Secretary and the Secretary of Transportation shall publish triennially an updated version of the study described in subsection (a).

SEC. 6204. AGRICULTURAL TRANSPORTATION POLICY.

Section 203 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622) is amended by striking subsection (j) and inserting the following:

“(j) Policy Development Proceedings.--The Secretary shall participate on behalf of the interests of agriculture and rural America in all policy development proceedings or other proceedings of the Surface Transportation Board that may establish freight rail transportation policy affecting agriculture and rural America.”.