



Amendment to Farm Bill by Sens. Amy Klobuchar and John Hoeven passes in Senate

Missouri River Energy Services (MRES) is pleased to recognize Senators Amy Klobuchar (D-MN) and John Hoeven (R-ND) for their Amendment 2299 to the Farm Bill.

The amendment requires an update of the 2010 study by the Departments of Agriculture and Transportation within one year and updates at least every three years thereafter. The 2010 study included dramatic findings about the excessive costs farmers and other ag customers are forced to pay due to the lack of competition in the freight rail industry, including: "considerable evidence" that freight rail companies used excessive fuel surcharges to boost profits artificially; that excessive rail rates for moving coal is causing a significant increase in electricity rates for rural consumers; that rail competition decreased in almost 75 percent of agricultural areas between the years 1992 and 2007; and that rail customers in rural America have experienced a decrease in the unrestricted interchange of traffic, in routing choices and the level of competition due to the consolidation of the freight railroad industry.

The amendment also requires the Secretary of Agriculture, in order to ensure reasonable rates and adequate service for rural America, to participate in any policy proceedings or other proceedings of the Surface Transportation Board, which oversees the nation's freight rail system, which may establish freight rail policy.

MRES appreciates the leadership and support of Senators Klobuchar and Hoeven that is helping to protect rail-dependent shippers from excessive freight railroad practices.

The Senate adopted Amendment 2299 on June 20, with the entire Farm Bill passing out of the Senate on June 21. The bill now moves to the U.S. House of Representatives where support for 2299 is uncertain at this time.