



SOY TRANSPORTATION COALITION WASHINGTON REPORT



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Legislation

August recess underway. Congress is currently in the middle of its annual August recess. Congress will reconvene on Monday, September 9.

Shuster, Gibbs announce plans for water resources reform legislation in September. On August 2nd, Congressman Bill Shuster (R-PA), Chairman of the House Committee on Transportation and Infrastructure and Congressman Bob Gibbs (R-OH), Chairman of the Subcommittee on Water Resources and Environment announced plans for the committee to consider the Water Resources Reform and Development Act (WRRDA) of 2013 when Congress returns in September. The committee leaders' plans also received the support of Speaker of the House John Boehner and House Majority Leader Eric Cantor.

In a conference call with waterways stakeholders, Chairman Shuster projected that the committee will likely mark up the legislation in late September. If successfully advanced out of the committee, the full House of Representatives will debate and vote on the measure in October.

“One of my top priorities is moving forward with unprecedented water resources infrastructure reform legislation. This bill will be the most policy and reform-focused legislation of its kind in the last two decades,” Shuster said. “In September, our committee plans to consider the Water Resources Reform and Development Act (WRRDA). This legislation will contain no earmarks and will make major reforms to increase transparency, accountability, and Congressional oversight in reviewing and prioritizing future water resources development activities. WRRDA will cut federal red tape and bureaucracy, streamline the project delivery process, promote fiscal responsibility, and strengthen our water transportation networks to promote American competitiveness, prosperity, and economic growth.”

“We are literally studying infrastructure projects to death. While it once took the Corps of Engineers three to five years to complete a study, it has now become the norm for this process to take 10 to 15 years,” said Gibbs. “The unwieldy review process remains tied up in red tape, costing us time and money and preventing action. Congress must change the way the Corps of Engineers does business.”

“Chairman Shuster and Chairman Gibbs have done a great job developing a water resources bill focused on major policy reforms – and without earmarks,” said Speaker of the House John Boehner (R-OH). “I look forward to the Transportation and Infrastructure Committee moving a bill that addresses our infrastructure needs in a fiscally responsible manner.”

“We need fiscally responsible solutions that cut red tape and improve our essential infrastructure,” said House Majority Leader Eric Cantor (R-VA). “The bill by Chairman Shuster and Chairman Gibbs offers a

way to cut through the Federal Government's excessive bureaucracy and help America become more competitive. I look forward to consideration of WRRDA this fall."

Congress is obligated to authorize a Water Resources Development Act every two years. However, the most recent WRDA bill was passed in 2007. During the conference call, Chairman Shuster expressed a desire for the House to return to a routine of passing WRDA legislation every two years.

Thune proposes PTC delay to 2020. Senator John Thune (R-SD) recently introduced legislation to delay the federal deadline for positive train control (PTC) by five years to 2020.

In 2008, a Metrolink and Union Pacific train crashed into each other near Los Angeles – killing 25 people. The collision was later determined to be the result of the engineer of the Metrolink train texting while operating the train. The accident prompted Congress to adopt the Rail Safety Improvement Act of 2008, which mandates that railroads institute expensive crash avoidance technology, referred to as positive train control, on their networks by 2015.

Because PTC is largely an unproven technology, the rail industry has repeatedly suggested that an extension of the mandate would be necessary. PTC is projected to cost the rail industry \$12 billion and will be implemented on approximately 60,000 miles of track.

"This bill ensures that safety for rail passengers and secure freight transportation remains a priority while the Federal Railroad Administration moves forward in implementing PTC," Thune said in a statement. "I understand that this bill is a starting point and I will continue to work with my colleagues, the FRA, railroads, and industry stakeholders to ensure that PTC is implemented in a safe and timely manner."

Senators Murray, Cantwell propose revision to U.S. port taxes. Senators Patty Murray (D-WA) and Maria Cantwell (D-WA) recently proposed legislation to amend the tax on imports that enter the United States in an effort to discourage the diversion of shipments to Canada and Mexico.

The proposed legislation, the Maritime Goods Movement Act for the 21st Century, would impose an import tax not only on goods entering the country at U.S. seaports but also at ports of entry over land.

The Harbor Maintenance Trust Fund (HMTF) was created by Congress in 1986 to provide funding for harbor and channel dredging. Funds generated by the Harbor Maintenance Tax (a 0.125% ad valorem tax on imports) are deposited into the HMTF. Because the tax is assessed on imports arriving at U.S. ports, American port officials are concerned that significant volumes of U.S. imports will be unloaded at Canadian or Mexican ports and, in turn, transported over land via rail or truck to U.S. cities in order to avoid the tax. This creates a disincentive, port officials contend, to call at U.S. ports.

Port of Seattle CEO Tay Yoshitani argues that this diversion of cargo amounts to approximately 400,000 twenty foot containers each year.

The legislation would also expand the uses for the funds generated by the Harbor Maintenance Tax.

Administration

DOT proposes to reduce paperwork burden on truckers. The U.S. Department of Transportation recently proposed to reduce the paperwork regulations imposed on truck drivers, an effort that officials predict could annually save the industry approximately \$1.7 billion.

The directive is a part of President Obama's effort to identify, reduce, and, when possible, eliminate unnecessary federal rules and regulations, according to Secretary of Transportation Anthony Foxx.

"President Obama challenged his administration to find ways to cut waste and red tape, a challenge I pledged to meet during my confirmation hearing," Foxx said in a written statement announcing the proposal.

Current federal regulations stipulate that truck drivers are obligated to conduct daily inspections of their semis before and after trips and file a Driver Vehicle Inspection Report (DVIR) after each inspection, regardless of whether or not a problem was detected. Annually only about five percent of reports identify problems. The new draft regulations would stipulate that drivers would only have to file a report if an actual problem was identified.

"We can better focus on the five percent of problematic truck inspection reports by eliminating the 95 percent that report the status quo," Federal Motor Carrier Safety Administration (FMCSA) head Anne S. Ferro said.

While the eased restrictions are being promoted, the U.S. DOT recently instituted new regulations limited the number of hours drivers can spend behind the wheel. The regulations, opposed by the trucking industry, have the potential to augment the national driver shortage and increase the costs of transporting goods via truck.

New commander appointed for Army Corps of Engineers Mississippi Valley Division. Brigadier General Peter "Duke" DeLuca has been appointed to lead the Army Corps of Engineers Mississippi Valley Division – based in Vicksburg. DeLuca replaces Brigadier General John Peabody, who will assume the responsibility of Deputy Commanding General for Civil and Emergency Operations.

The Mississippi Valley Division has jurisdiction over the Army Corps of Engineers' operations in managing the Mississippi River watershed.

Surface Transportation Board

STB to host National Grain Car Council meeting. The Surface Transportation Board (STB) will host its annual National Grain Car Council meeting in Kansas City on Thursday, September 12, in Kansas City. The meeting is open to the public and will occur at the Westin Crown Plaza from 1:00 pm – 5:00 pm.

The National Grain Car Council was established as a working group comprised of the three STB commissioners, grain shippers, and rail officials to facilitate solutions and recommendations to the STB on matters related to rail grain car availability. The purpose of the gathering is to discuss rail carrier preparedness to transport the 2013 fall harvest.

During the meeting, Mike Steenhoek, executive director of the Soy Transportation Coalition, will be sharing the highlights of the recent study, “Making Rural America an Attractive Place for Rail Investment.”

More information on the meeting can be accessed at: www.stb.dot.gov.

STB to require documentation of PTC expenses. The Surface Transportation Board announced on August 14 a requirement that obligates railroads to document expenses for positive train control (PTC) implementation. The rule, designed to highlight the costs of PTC in relation to other expenses, goes into effect on September 19.