



**SOY TRANSPORTATION
COALITION**

NEWS RELEASE

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Lower complaint filing fees for agricultural and other shippers

Ankeny, Iowa – On July 7th, the Surface Transportation Board (STB) announced it will significantly reduce the fee for rail customers to file a rate or “unreasonable practice” complaint from \$20,000 to \$350. The \$150 fee to file an expedited small rate case will remain in effect.

The STB’s decision is welcome news to agricultural and other shippers who rely heavily on the rail industry to satisfy customer demands. Shippers have long argued that the \$20,000 filing fee resulted in the STB being inaccessible to those receiving unreliable rail service or paying exorbitant rates. This resulted in the STB being widely criticized as overly disposed toward the interests of railroads at the expense of rail customers. A lower filing fee will provide a more level playing field between the two.

The Surface Transportation Board is a semi-autonomous federal agency charged with resolving railroad rate and service disputes and approving proposed railroad mergers and acquisitions. The STB is governed by a three person board – comprised of a chairman and two commissioners. Each member of the board is nominated by the president and confirmed by the Senate for a five year term of office.

In its decision, the STB explained, “The filing of a complaint is often the Board’s only mechanism for investigating and addressing potential rate violations or other unlawful practices. High fees for the filing of formal complaints may discourage shippers and others from bringing complaints before the Board. The changes to the Board’s regulation reducing such fees should improve the agency’s management of its docket and resources.”

In a February 15 notice of a proposed rulemaking change, Daniel Elliott, STB Chairman, stated, “Charging a small business more than \$20,000 to bring a complaint is not right.”

Mike Steenhoek, executive director of the Soy Transportation Coalition, commended the Surface Transportation Board for its decision. “In reducing the filing fees for shippers to seek relief from potentially unreasonable practices, the Surface Transportation Board has restored some balance between the interests of railroads and rail customers. Government agencies should never erect excessive obstacles between them and the individuals and organizations they were created to serve. Chairman Elliott and the STB should be applauded for making themselves more accessible and accountable.”

The Soy Transportation Coalition has been active in reaching out to the members of the Surface Transportation Board and helping educate them about the concerns of agricultural shippers. Chairman Elliott gave a presentation to the STC board at its March 2010 board meeting and later participated in the organization's tour of the Port of Los Angeles. In November of 2010, Elliott accepted an invitation from the STC to participate in an agricultural shipper field trip in central Iowa. In June of 2011, STB Commissioner Francis Mulvey attended a similar Soy Transportation Coalition field trip in the Ft. Wayne, Indiana, area.

"A number of organizations, including the National Grain and Feed Association, deserve much credit for effectively advocating for agricultural shippers before the Surface Transportation Board," explains Steenhoek. "The efforts of many to reach out to the STB commissioners and better acquaint them with the concerns of agricultural shippers have certainly been helpful in ensuring the agricultural perspective is better taken into account at the Surface Transportation Board."

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Established in 2007, the Soy Transportation Coalition is comprised of ten state soybean boards, the American Soybean Association, and the United Soybean Board. The goal of the organization is to position the soybean industry to benefit from a transportation system that delivers cost effective, reliable, and competitive service.