

# Transportation Supply Chain Challenges



*America's agricultural industry and their rural communities play an important role in our nation's economy. An economically efficient and effective intermodal transportation system is important for the financial well-being of agribusinesses and rural communities throughout the United States.*

Congress and the Administration need to support federal policies that build upon the strengths of each mode of transportation. Such a system will enhance the competitiveness of the United States in an increasingly global economy.



## Commercial Trucking

*Agricultural retailers heavily depend on commercial drivers for “just in time” delivery of farm supplies and other essential products and services to their farm and ranch customers. Commercial truck traffic is a vital component to the nation's economic prosperity. Our industry, like many others, are experiencing a growing driver shortage and higher shipping prices due to increased regulatory costs and burdens from existing Hours of Service (HOS) regulations do not work for today's agricultural industry and the Electronic Logging Device (ELD) requirements.*

There is also a growing driver shortage due to retirements or departures to other industries due to increased regulations. The current Gross Vehicle Weight (GVW) limit for Federal Interstate Highways of 80,000 lbs. on 5 axles was established in 1982, prior to the standardization of anti-lock brakes and significant progress that has been made in vehicle safety and pavement technology. Outdated weight restrictions has resulted in more trucks hauling over 80,000 lbs. traveling on local roads and less than ideal infrastructure.



## Freight Rail

*The U.S. agricultural industry also heavily depends on a healthy, efficient and competitive freight rail system that is essential to the nation's economic growth. Rail service plays a critical role in distributing crop nutrient and crop protection materials. In the past 40 years, rail carriers have consolidated to the point where just four control over 90 percent of the freight rail traffic.*

The Surface Transportation Board (STB) is an economic regulatory agency responsible for overseeing the rail marketplace. Since 2001, rail rates have doubled due to a lack of competition and reliable freight rail service for many manufacturers, agricultural retailers, distributors, farmers, and energy producers across the country. Without STB regulatory reform, the nation's agriculture productivity will be stalled, and consumers will continue to be affected by increased food and energy costs. We support practical regulatory reforms that promote competitive freight rail service for all stakeholders.



## Surface Transportation Reauthorization Act

*The Surface Transportation Reauthorization Act has far-reaching implications for various sectors of the economy, including the agricultural industry. This comprehensive legislation aims to address the nation's transportation infrastructure needs and ensure the smooth functioning of the supply chain. For the agricultural industry, which relies heavily on efficient transportation systems to move goods from farms to markets, the Act represents both opportunities and challenges.*

For the agricultural industry, the Act offers numerous benefits that can enhance efficiency, reduce costs, and improve connectivity. Building a resilient and adaptable transportation network is essential for the agricultural industry to thrive in an ever-changing global market. The Surface Transportation Reauthorization Act sets the stage for a future where the agricultural industry can leverage improved infrastructure to enhance productivity and competitiveness.

## Request to Congress



- ✓ Support the reauthorization of the Surface Transportation Act.
- ✓ Work with Congress and other industry organizations to ensure the Highway Trust Fund is equitably funded by all types of vehicles (gas, diesel, bio-diesel, ethanol, natural gas, electric, etc.) to address the nation's highway infrastructure needs.
- ✓ Support legislation establishing a 10 percent axle weight variance for dry bulk.
- ✓ Support legislation sponsored establishing a safety data collection program for 6-axle vehicles through a 10-year pilot program for states to increase truck weights on federal interstates up to 91,000 lbs on six axles.
- ✓ Support legislation that directs the U.S. Department of Transportation (DOT) to move forward with regulations to allow 18- to 20-year-old CMV drivers to operate across state lines if the data does not demonstrate that those involved in the current pilot program drive less safely than other CMV drivers.
- ✓ Support additional reforms to the Farm-Related Restricted CDL program, including on-line renewals and authorizing the use of certain Class A commercial vehicles for eligible agribusinesses.
- ✓ Support Hours of Service (HOS) legislation to eliminate "planting and harvesting" seasonal provisions and authorize a pilot program for farm supply transporters operating up to a 200-air mile radius.
- ✓ Support legislation that prevents the elimination of the sale of motor vehicles with internal combustion engines and maintains consumer vehicle choice.
- ✓ Support legislation that better defines Class 1 rail carriers' common carrier obligation and provides regulators with clearer oversight rules.
- ✓ Support legislative efforts that include increased transparency in rail pricing, promoting competition within the rail industry, and infrastructure improvements that could enhance the efficiency and capacity of the transportation network.