

STB AND USDA SIGN AGREEMENT CREATING GRAIN LOGISTICS TASK FORCE

WASHINGTON, May 21, 1998--Surface Transportation Board (STB) Chairman Linda Morgan and Agriculture Secretary Dan Glickman today signed a memorandum of understanding establishing a joint grain logistics task force. The task force will address shipper and railroad information needs related to recurring seasonal problems that affect the transportation of grain and grain products.

“USDA and the STB will establish a system to provide grain shippers and railroads with early warnings about the potential for service- and congestion-related problems. This agreement is a direct result of our deep concern for American farmers and their way of life,” said Glickman. “Timely information will help the market anticipate and resolve grain handling and transportation problems.”

The grain logistics task force will identify the types of information that will help the grain and rail industries better plan for and adjust to shifts in demand and supply for grain and grain transportation. This includes information about the capacity of the grain handling and transportation system to collect, store, position, and move grain, as well as information about grain supplies and use. The task force will also establish appropriate mechanisms for collecting and reporting this information.

STB and USDA share an interest in addressing grain transportation problems, and this agreement allows the two agencies to combine and coordinate resources toward that goal.

“This effort, together with other recent Board initiatives intended to promote a more responsive railroad system, should ensure that shippers and railroads will receive information needed to facilitate their transportation planning,” said Morgan. “The availability of the information also will encourage the type of formalized dialogue that the Board has directed between shippers and carriers regarding the provision of rail service.”

“This agreement continues a process that will help the nation’s shippers, receivers, producers, and railroads adjust to the sweeping changes brought about by the 1996 Farm Bill,” said Glickman. “Less government control of agricultural production and marketing means greater government responsibility for providing the marketplace with the tools necessary to function smoothly. Information is one of those tools.”

Today’s memorandum of understanding formalizes an April 20 agreement reached by Secretary Glickman and Chairman Morgan at a rail grain transportation meeting hosted by Senator Tim Johnson.

Glickman and Morgan also praised Senators Tom Daschle of South Dakota and Byron Dorgan of North Dakota, who attended Senator Johnson’s meeting, for their strong support for this cooperative effort.

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