

News
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CONGRESSMAN


Nick Rahall

WEST VIRGINIA-4th DISTRICT

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RAHALL TO MOVE EARLY WITH STAGGERS ACT REFORM LEGISLATION

Beckley, W. Va. -- U.S. Rep. Nick Rahall (D-WV) announced today that he is re-drafting legislation to amend the Staggers Rail Act of 1980 in an effort to ensure that railroad rates on coal are maintained at reasonable levels. The bill will be introduced into the 100th Congress early next year.

Rahall played an instrumental role in formulating the compromise between railroad and coal interests which enabled the Staggers Act to pass the House of Representatives in 1980. However, in 1983, he was the first in Congress to sense that the Interstate Commerce Commission was ignoring provisions of the law that protected captive coal shippers which caused him to introduce legislation to fine-tune the act during the 99th Congress.

"On an almost daily basis coal producers in West Virginia and throughout the nation's coalfields are bringing to my attention the diminishing returns they are receiving on their operations due to high railroad coal transportation rates. This situation is contributing to mine closings and increased coal industry unemployment levels," Rahall said. "In essence, railroad rates are not tracking the trend in coal minemouth prices which in many cases, such as with export coal, are often not even covering the cost of production. Yet, rather than lowering their rates, we have seen many instances where the railroad would rather lose the coal traffic. Evidently, they are putting a premium on moving less tonnage at a higher rate of return. This, however, does not help the unemployment picture in the Appalachian region."

Rahall said he is moving forward in drafting legislation that will be responsive to the needs of coal producers and users. "I have come to the conclusion that coal's interests were not adequately represented in the compromises that were made in the version of the C.U.R.E. (Consumers United for Rail Equity) bill that was finally considered as an amendment to the Conrail sale bill in the Energy and Commerce Committee late this year," Rahall observed. "Frankly, that amendment was so compromised that I am surprised the railroads did not join in supporting it as an end run against something with more teeth."

Rahall added: "When it comes to an issue that impacts jobs in West Virginia, I will not compromise."

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