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USDA AND DOT JOIN FORCES TO ADDRESS CRITICAL AGRICULTURAL TRANSPORTATION ISSUES

KANSAS CITY, MO, July 27, 1998--At the first national summit of its kind, U.S. Agriculture Secretary Dan Glickman and U.S. Transportation Secretary Rodney E. Slater pledged that their departments would join forces to meet the transportation challenges facing farmers and rural Americans.

Glickman and Slater signed an agreement creating a joint Department of Agriculture (USDA)-Department of Transportation (DOT) task force that will formalize information sharing between the departments, identify issues critical to rural mobility, consider joint research efforts, develop joint policy initiatives, and undertake outreach to users and providers of rural transportation services. The departments will also increase coordination and efficiency by identifying and eliminating duplicative activities.

“Last year’s rail-grain crisis served as a wake-up call,” said Glickman. “It reminded us that our transportation systems must keep pace with the revolutionary changes occurring in the global marketplace. Secretary Slater and I are committed to helping farmers move their products as efficiently and cost-effectively as possible.”

In his keynote speech to the summit, Secretary Slater also announced that he will develop a rural transportation initiative to assure that rural America shares fully in the economic and social benefits the transportation system can provide.

“We can produce the finest grain in the world, but it does not do anyone much good if it sits in the elevator at the track,” said Secretary Slater. “It is our goal to make sure that all Americans, whether in rural or urban areas, share fully in the economic and social benefits which our transportation system provides.”

The DOT plan, which Secretary Slater will unveil this fall, is to include railroad components which he had urged be included in the recently passed TEA-21, the Transportation Equity Act for the 21st Century. TEA-21 provides for loans and loan guarantees for up to \$3.5 billion for rail rehabilitation and improvement financing. Of that, \$1 billion is reserved for projects on regional and local carriers, projects which are considered priorities.

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The DOT plan also contains a new light density rail line pilot program to provide grants to states. Many of the lines serving rural communities are light density, and this program could offer additional opportunities for capital improvements and rehabilitation projects.

Also today, Secretary Glickman unveiled a draft USDA report that identifies key transportation issues facing American agriculture in the future. The report notes that agriculture is the largest user of freight transportation services in the country. Rail, waterways, roads, and air are all significant modes of transportation for American farm products. This document and the summit are key steps toward developing USDA's long-term agricultural transportation strategy, which is vital to ensuring America's competitiveness in the world economy.

While much of USDA's National Agricultural Transportation summit focuses on long-term actions, Secretary Glickman today announced an important interim measure designed to alleviate grain car shortages during peak marketing periods. USDA and the Surface Transportation Board are releasing for public comment a joint early warning alert. This alert is designed to help shippers and carriers coordinate grain transportation logistics by providing them with detailed information about agricultural market conditions.

President Clinton and Vice President Gore have made the needs of American farmers and rural America important national priorities. On July 23, President Clinton announced a detailed action plan for rural America that expands the rural economy through exports and development, improves the farm income safety net, strengthens rural infrastructure and promotes health, welfare and a clean environment.

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