



North Dakota House of Representatives

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Representative Dori Hauck

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COMMITTEES:

Education
Agriculture (Vice Chair)

August 3, 2026

312217

Honorable Patrick J. Fuchs
Chairman
Surface Transportation Board
395 East Street SW
Washington, D.C. 20423

Honorable Karen J. Hedlund
Member
Surface Transportation Board
395 East Street SW
Washington, D.C. 20423

Honorable Michelle A. Schultz
Vice Chairman
Surface Transportation Board
395 East Street SW
Washington, D.C. 20423

ENTERED
Office of Chief Counsel
September 3, 2026
Part of
Public Record

Dear Chairman Fuchs, Vice Chairman Schultz, and Member Hedlund:

As legislative leaders representing farmers, ranchers, agriculture processors, manufacturers, and "main street" businesses that anchor North Dakota's economy, we are committed to protecting fair and reliable access to the nation's transportation system. This includes this nation's rail network, which is essential for moving our state's crops and commodities. With that imperative in mind, we are writing to express our concerns regarding the proposed merger of Union Pacific Railroad and Norfolk Southern Railway.

Our industries are dependent on a functioning, competitive rail network. This proposed merger would create an anticompetitive environment, potentially causing long-term damage to the American economy. A coast-to-coast Union Pacific-Norfolk Southern railroad would give control of nearly half our nation's freight rail to one railroad company.

A key consideration for the Surface Transportation Board is whether rail competition would be enhanced with this merger. Under the current structure of railroad companies, agricultural commodities produced in this state and other agricultural states are transported from where they are grown to where they are processed or consumed. The current system enables the interchange of freight, providing flexibility and access to markets beyond our borders.

This proposed merger would disfavor shipments originating with or destined for another major railroad, either by reducing service or by increasing pricing. In effect, this would reduce the shipping options afforded to our farmers for bringing their commodities to market. Under this proposed coast-to-coast network, our shippers would face limited market reach and higher prices, which would be reflected throughout the supply chain. These higher prices ultimately will be passed on to consumers in our state, the nation, and the world.

A recent American Farm Bureau Federation Market Intel report contemplates the risk to America's farmers.¹ Economist Daniel Murch stated:

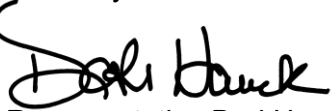
The vulnerability of agricultural shippers to further consolidation is magnified by the inelastic nature of rail demand, meaning farmers often cannot meaningfully reduce or change how they ship, even when rail costs rise. For many bulk commodities, especially grain produced far from river systems or major processing centers, rail is not easily substitutable. Trucking long distances significantly increases per-unit costs, while barge access is geographically limited.

Decades of transportation economics research shows that demand for rail transportation of agricultural commodities becomes increasingly inelastic as transportation alternatives disappear. Across rural regions where shippers lack nearby barge access or cost-effective trucking options, railroads have historically carried 85% to 95% of grain output, reflecting a near-total reliance on rail service.

This merger reduces our shippers' ability to participate in free, fair, and open competition, which fails to prioritize America's domestic and global interests over the interests of other nations. It is imperative for the Surface Transportation Board to scrutinize the long-term impact of this merger to determine whether it represents an improvement or rather a weakened competitive rail landscape.

Through continued innovation, we have a limitless future for our state. This merger would disrupt the transportation system that has helped us capitalize on our resources and feed and supply the rest of the nation and world. The harm from this consolidation outweighs any proclaimed public benefit. We urge a thorough review and an ultimate rejection of this merger.

Sincerely,



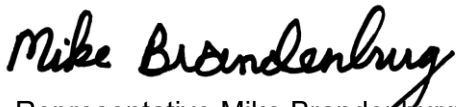
Representative Dori Hauck



Representative Karen A. Anderson



Representative Mike Beltz



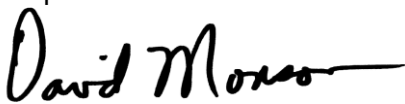
Representative Mike Brandenburg



Representative Kathy Frelich



Representative Jeff Hoverson



Representative David Monson



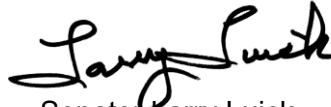
Senator Cole Conley



Senator Robert Erbele



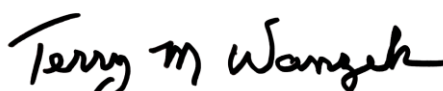
Senator Randy D. Lemm



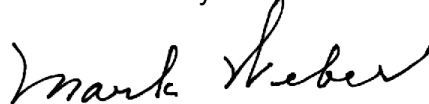
Senator Larry Luick



Senator Michelle Powers

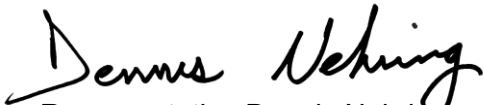


Senator Terry M. Wanzek



Senator Mark F. Weber

¹ *Proposed Rail Merger Comes at Farmers' Expense*, American Farm Bureau, March 11, 2026. (<https://www.fb.org/market-intel/proposed-rail-merger-comes-at-farmers-expense>).


Representative Dennis Nehring


Representative Kathy Skroch

DR/MF

cc: United States Senators John Hoeven, Kevin Cramer
United States Representative Julie Fedorchak
Governor Kelly Armstrong