United States Senate
WASHINGTON, DC 20510

October 30, 2025

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

The Honorable Michelle Schultz
Vice Chair
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

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

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

We write regarding the recently proposed merger between the Union Pacific Railroad (UP) and Norfolk Southern (NS) Railway and to encourage the Surface Transportation Board ("STB," or "the Board") to subject this proposed merger to a rigorous and comprehensive evaluation not just for its potential short-term efficiencies, but for its ability to demonstrate clear and tangible long-term improvements in competition.

As you know, the STBs post-2001 "Major Rail Consolidation Procedures" were adopted specifically to place heightened emphasis on whether Class I railroad mergers *enhance*, rather than merely preserve, competition, and to ensure that any potential anticompetitive effects or other harms are outweighed by *substantive and demonstrable* gains to the public interest. The proposed UP/NS merger will be the first to come before the Board under these rules, and it is essential that you establish a strong precedent and apply these heightened standards in the way they were intended.

In conducting its review, we strongly encourage the STB to take into consideration the impact the proposed merger, if approved, may have on our nation's agricultural producers, and on the STBs mandate to preserve long-term competition and ensure efficient, economically viable rail service.

Impact on Agricultural Supply Chains

U.S. farmers, ranchers, and producers are facing historic market losses as they strive to provide the highest quality, lowest-cost food supply in the world. They depend on reliable and competitive rail service to move their agricultural products to markets both domestic and international. Our producers already face limited competitive options for rail service. Further consolidation could compound these challenges by reducing routing flexibility, constraining network fluidity, increasing market power, and limiting access for both producers and processors. As part of its review of the proposed merger, the STB should take into account the long-term implications for the movement of agricultural products across the domestic rail network, including potential impacts on shipping costs and market access.

Preserving Long-Term Competition

Since the passage of the Staggers Rail Act of 1980, which largely deregulated freight railroads, the number of Class I carriers in the U.S. has dropped from over 30 to just six. Today, four of those carriers control more than 90 percent of U.S. rail freight. Already highly consolidated, the current landscape of railroads as it exists today represents a fragile equilibrium with two in the west, two in the east, and two through the middle.

As the STB reviews the proposed merger, it is important to consider how additional consolidation could alter this equilibrium. In particular, the Board should examine potential impacts on key freight corridors, where fewer alternatives for shippers could reduce competitive pressure on rates and service. Over time, such dynamics risk embedding higher costs, diminished service quality, and less innovation across the network. These conditions, once entrenched, are difficult to reverse and may discourage future market entrants. The STB's post-2001 merger rules are designed precisely to guard against this outcome, requiring that mergers demonstrably strengthen competition rather than simply accelerate consolidation.

Efficient, and Economically Viable Rail Service

Historical precedent highlights what is at stake. The 1996 Union Pacific–Southern Pacific merger triggered widespread service breakdowns and safety lapses. Integration challenges led to nine worker fatalities, a Federal Railroad Administration finding of a "fundamental breakdown" in safety practices, and freight disruptions lasting more than a year and a half—delays that cost the broader economy an estimated $4 billion.

If approved, a combined UP/NS would handle more than 40 percent of all U.S. freight rail traffic. The Board should weigh the risks of a similar disruption given the proposed scale: a transcontinental system spanning 50,000 route miles across 43 states. Service interruptions of this magnitude could have severe consequences, especially for agricultural producers. Time-sensitive shipments during harvest could be delayed or spoiled, export windows could be missed, and access to global markets could be sharply reduced.

We thank you for your careful consideration of this merger application, and its impact on domestic agricultural production, as well as the STB's mandate to enhance long-term competition. We look forward to working with you to ensure the STB continues to promote an efficient, competitive, and economically viable freight rail network that serves the public interest.

Sincerely,

John Hoeven
United States Senator

Amy Klobuchar
United States Senator

Tim Sheehy
United States Senator

Martin Heinrich
United States Senator

Bill Cassidy, M.D.
United States Senator

Tina Smith
United States Senator

Steve Daines
United States Senator

Raphael Warnock
United States Senator

Roger Marshall, M.D.
United States Senator

Patty Murray
United States Senator

M. Michael Rounds
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Ruben Gallego
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Roger F. Wicker
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Tammy Baldwin
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Jim Banks
United States Senator

Tammy Duckworth
United States Senator

Joni K. Ernst
United States Senator

Richard J. Durbin
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