

passenger service is merely a temporary episode in the Nation's transportation history because crowded airways and clogged highways of America will not be equal to tomorrow's transportation tasks.

It seems to us quite important to make a determined effort to preserve rail transportation because our trend of rapid urbanization and population growth unmistakably foretell that America will have to return to the use of widespread rail passenger service. Japan's line and the European railroads prove the feasibility and desirability of modern rail passenger systems.

I will not review, Mr. Chairman, the facts in the *Santa Fe* case because that has been well covered by previous witnesses. I will review, though, briefly, what our views are as to the ICC decision.

Actually, the ICC decision in this case could well be adequate to cope with the problem which S. 2711 seeks to solve. The reason a carrier resorts to the section 13a remedy is to override a State law requiring continuation of passenger service. Since the ICC has determined that a premature discontinuance vitiates Federal jurisdiction and returns the carrier to the original position of being subject to State law, I see little value in S. 2711. However, we do support the bill.

Irrespective of the merits of S. 2711, it is simply a device to preserve the status quo as some have interpreted it. Beyond that, S. 2711 is of no value in seeking to preserve the nucleus of rail passenger service in the Nation. We believe that the committee should not limit itself at this time to considering a bill as narrow as S. 2711, but that it should review all of the pending bills to amend section 13a and the testimony submitted in connection therewith, and report out the kind of an amendment which it determines will best serve the public interest.

In the latter part of my statement, Mr. Chairman and members of the committee, I reassert our earlier proposal which we have already submitted, to amend section 13a to require that discontinuance petitions should receive initial consideration by a State joint board that would sit as a trial court sits to consider these things, to find the facts, and that a decision of the State joint board would then be appealed by an aggrieved party to the ICC, who would review errors of law, as trying to restore some kind of balance in the working of section 13a.

That is a summarization of my statement.

(Mr. Rodgers' prepared statement follows:)

STATEMENT OF PAUL RODGERS, GENERAL COUNSEL, NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS

Mr. Chairman and members of the committee, my name is Paul Rodgers. I am the General Counsel for the National Association of Regulatory Utility Commissioners (NARUC), formerly known as the National Association of Railroad and Utilities Commissioners.

The NARUC is a quasi-governmental nonprofit organization founded in 1889. Within its membership are the governmental bodies of the *fifty* States and of the District of Columbia, Puerto Rico and the Virgin Islands engaged in the regulation of carriers and utilities. Our chief objective is to serve the public interest through the improvement of government regulation.

The members of the NARUC appreciate the opportunity you have given me as their spokesman to make their views known on S. 2711, which proposes an amendment to Section 13a(1) of the Interstate Commerce Act relative to passenger train discontinuance procedures.

We of the NARUC are vitally concerned with the development of a sound and adequate rail passenger service which will be responsive to the needs of a growing America.