

Major Provisions of the Staggers Act of 1980

1. **Minimum Rail Rate-** can be as low as railroad variable cost.
2. **Maximum Rail Rates-** ICC has no jurisdiction over maximum rail rates unless the railroad has market dominance and the rate/variable cost ratio is > 180 percent. If both of these conditions apply the ICC may decide if the rate is reasonable.
3. **Zone of Rate Flexibility-** A railroad may raise any rate by the percentage increase in the railroad cost recovery index plus 4 percent. The ICC can not suspend these increases and can only investigate those with a rate/variable cost ratio > 190 percent.
4. **General Rate Increases -** None are permitted except those necessary to compensate for inflation.
5. **Rate Bureaus -** There can be no discussion or voting on single line (local) rates and only those carriers participating in joint movements may discuss and vote on these proposals.
6. **Contracts -** all contracts must be filed with the ICC. Once the contract is approved by the ICC it has no regulatory jurisdiction over the contract.
7. **Abandonments -** Unprotested abandonments are permitted 75 days after the date of application. Protested but uninvestigated abandonments are permitted 120 days after the date of application. Final decision on protested and investigated abandonments must be made within 255 days of filing of a protest. Thus if someone protests on the 75th day, and the ICC investigates and takes the maximum time to decide the case (255 days) it would be 330 days (255 + 75).
8. **Mergers -** The ICC has a maximum of 24 months to conclude evidentiary proceedings. After these proceedings are concluded, the ICC is required to render a decision within 180 days.
9. **Exemptions -** The ICC may grant regulation exemptions for markets in which railroads have no market power.