



DEPARTMENT OF TRANSPORTATION

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Secretary of Transportation Claude S. Brinegar today said legislation proposed by the Administration and now before Congress could prevent anticipated increases in the costs of dry bulk commodity barge shipments on inland waterways.

The proposal, sent to Congress July 17, reflects the conclusions of a two-year Department of Transportation study into barge mixing which recommended revision of the Interstate Commerce Act of 1940 to repeal:

- * The No-Mixing Rule, which prohibits interchange of barge-loads of dry bulk exempt commodities (such as grain and coal) with regulated items (such as iron pipe and paper) in the same tow.
- * The Three-Commodity Restriction, which prohibits more than three types of exempted barge-loads of commodities from being in any one tow.

"Unless those constraints are relaxed," the Secretary pointed out, "transportation flexibility will be hampered, there will be a rise in costs which ultimately will be passed on to the consumer and operational difficulties will be created for inland water carriers."

Prepared at the direction of Congress, the study was authorized by a law passed on December 28, 1970. The law also gave barge operators three years of temporary relief from restrictions imposed by a Supreme Court decision upholding strict interpretation of the 1940 Act as amended.

"If Congress does not act in time, the deadline will be up this December and the carriers will not have flexibility in shipping," Secretary Brinegar noted.

In addition to the repeal of the mixing rule and three-commodity restriction, the study recommended:

- * Continuation of the provision of the 1940 Act which defines which commodities are exempt from regulation and

* Continuation of unpublished rates.

The study contained the first tabulation of rates charged for barge movements of exempt dry bulk commodities over the Mississippi River System and Gulf Intracoastal Waterway.

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