

DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION

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FOR IMMEDIATE RELEASE

Minnesota Senator Dayton Criticizes His Own Legislation, Neighboring State

(Sioux Falls, SD) – Claiming that “[t]he Mayo Clinic is worth a hell of a lot more than the whole state of South Dakota”, Senator Mark Dayton yesterday criticized a South Dakotan for promoting legislation that expands and improves a Federal railroad loan program, and could create thousands of jobs in South Dakota and Minnesota.

However, Senator Dayton sponsored the legislation he is now criticizing. Senator Dayton’s criticism of his own legislation began when he learned that the Dakota, Minnesota & Eastern Railroad (DM&E) was applying for such a loan in relation to its rail revitalization project, which the Mayo Clinic in Rochester, MN, has opposed.

“Senator Dayton’s derogatory comments about South Dakota are inappropriate,” said DM&E President & CEO Kevin V. Schieffer. “We would encourage Senator Dayton to read his own legislation before criticizing others for helping him get it enacted. This project is overwhelmingly supported by every South Dakota community through which it passes, and most of Minnesota’s. Senator Dayton may make points with his most powerful constituent by belittling South Dakota, but it is neither professional nor productive – particularly when he is a source of his own complaint. His actions are not constructive, but do strengthen our resolve to develop this project as soon as possible.”

There is widespread support for the DM&E rail project among South Dakota’s delegation, governor, farm groups, economic development organizations, and communities. It would be the largest private investment in the state’s history, and is estimated to increase grain prices along the rail line by 10 to 20 cents per bushel, and spur new business creation.

30 of the 32 Minnesota communities through which the rail project passes are on record in support of the rail revitalization project, as are Minnesota agriculture and economic development groups. It is opposed by Rochester and the Mayo Clinic, because the Mayo Clinic located its hospital next to the train track many years ago when it needed the railroad to transport patients. Now Mayo thinks additional train traffic will hurt Mayo’s business, despite the fact that the STB and the federal courts have rejected those claims.

Senator Dayton cosponsored Senate Bill 919 on April 27, 2005, approximately one month before its language reforming the federal loan program was incorporated into the Senate passed Transportation Reauthorization bill, which Senator Dayton voted for on two separate occasions.

After learning yesterday that he had sponsored the legislation he was now criticizing, Senator Dayton announced he would remove his name as a sponsor of the bill (S. 919). His action in this regard is not expected to have a material impact. President Bush signed Dayton’s legislative language into law on August 10, 2005.

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