

Fertilizer Transportation: In Brief

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Introduction

The cost and supply of chemical fertilizers used by farmers has been an issue of interest to certain Members in the 119th Congress. Since January 2021, U.S. prices for chemical fertilizers have rapidly increased at times—such as in 2022, with Russia’s invasion of Ukraine, and in 2026, during the U.S. conflict with Iran. Russia and the Persian Gulf countries are major suppliers of fertilizer to the United States and many other countries.

The Trump Administration has taken a number of actions to try to ease the flow of goods domestically, including fertilizer. The Trump Administration issued a five-month waiver of the Jones Act—from March 18, 2026, to August 17, 2026—to facilitate the transportation of fertilizer and other commodities that are normally shipped from the Persian Gulf and through the Strait of Hormuz.¹ (The Jones Act requires that waterborne cargo transported between any two U.S. points be carried on U.S.-built vessels.) Additionally, on May 26, 2026, the U.S. Department of Transportation (DOT) issued a 90-day waiver of the hours-of-service limitations and other requirements for truck drivers transporting fertilizers in certain states to address “the fertilizer supply crisis during the critical spring application season.”² The Secretary of Agriculture has also addressed fertilizer, stating a goal of “reshoring” all production back to the United States. In addition, the federal government has committed to providing a loan guarantee of over \$1 billion to develop potash mining in central Michigan and \$500 million in grants in FY2026 for the construction of new U.S. fertilizer plants.³

Since the COVID-19 pandemic, Congress has shown increased interest in the security of U.S. supply chains. Particularly, Congress has sought to encourage the domestic production of critical foreign-sourced products.⁴ For example, one Member’s website states, “The most secure supply chain is one that starts in America.”⁵ Several bills introduced in the 119th Congress reflect this sentiment, including

- the Grown in America Act (H.R. 1707), which would provide a tax credit for products purchased from U.S. producers;

¹ U.S. Customs and Border Protection Cargo Systems Messaging Service #68448732, *Updated Guidance #3: Implementation of Jones Act Waiver issued to the Department of War*, dated March 17, 2026, April 24, 2026, <https://content.govdelivery.com/accounts/USDHSCBP/bulletins/41471dc>. On August 10, 2026, the Trump Administration extended the waiver until November 14, 2026, for petroleum-related products only and on a voyage-by-voyage (case by case) basis under the condition that no Jones Act qualified ship is available for the shipment.

² U.S. Department of Transportation (DOT), Federal Motor Carrier Safety Administration, “Waiver for the Transportation of Fertilizer Products in Select States - 05-26-2026,” <https://www.fmcsa.dot.gov/emergency/waiver-transportation-fertilizer-products-select-states-05-26-2026>.

³ “Rollins Says USDA Will Target Domestic Fertilizer Growth,” *AGDAILY*, May 21, 2026, <https://www.agdaily.com/crops/rollins-says-usda-will-target-domestic-fertilizer-growth/>; Joshua Baethge, “Rollins Announces New Efforts to Boost Domestic Fertilizer Production,” *FarmProgress*, May 20, 2026, <https://www.farmprogress.com/farm-policy/rollins-announces-new-efforts-to-boost-domestic-fertilizer-production>; Department of Energy, “LPO Announces Conditional Commitment to Michigan Potash to Produce Fertilizer for U.S. Farmers,” January 17, 2025, <https://www.energy.gov/edf/articles/lpo-announces-conditional-commitment-michigan-potash-produce-fertilizer-us-farmers>; and U.S. Department of Agriculture (USDA), “Secretary Rollins Announces \$500 Million for Fertilizer Investment and Expansion to Strengthen America’s Fertilizer Supply Chain,” July 1, 2026, <https://www.usda.gov/about-usda/news/press-releases/2026/07/01/secretary-rollins-announces-500-million-fertilizer-investment-and-expansion-program-strengthen>. Potash is potassium fertilizer.

⁴ CRS Report R47982, *Critical Mineral Resources: National Policy and Critical Minerals List*, by Linda R. Rowan; and CRS Report R46834, *American Rescue Plan Act of 2021 (P.L. 117-2): Public Health, Medical Supply Chain, Health Services, and Related Provisions*, coordinated by Johnathan H. Duff and Kavya Sekar.

⁵ Rep. Sharice Davids, “Transportation & Infrastructure,” <https://davids.house.gov/issues/transportation-infrastructure>.

- the Homegrown Fertilizer Act (H.R. 8457, S. 4148), which would provide grants to encourage U.S. fertilizer production and favor grant applicants who dedicate their sales to U.S. farmers;
- the Securing American Agriculture Act (H.R. 1995, S. 912), which would require a U.S. Department of Agriculture (USDA) security assessment of agricultural inputs sourced from China; and
- the House-passed Farm, Food, and National Security Act of 2026 (H.R. 7567), which would require the Secretary of Agriculture to study the feasibility of making loans to farmers to construct on-farm fertilizer storage facilities.

Other bills would address the price of fertilizers, such as the Fertilizer Research Act (H.R. 6192, S. 2808) and the Fertilizer Transparency Act (H.R. 8104, S. 4152). The PRECISE Act (S. 1616, H.R. 6143) would promote more efficient use of farming inputs, including fertilizer. In addition, the Promoting Resilient Supply Chains Act (S. 257) would address supply chains across industries.

Given the Administration's recent actions and statements concerning fertilizers and congressional interest in fertilizer pricing and supply, this report offers a review of how fertilizers are transported to and within the United States and how federal policy affects that movement.

Fertilizer Transportation

Fertilizers are generally transported by trucks, railroads, barges, and ships.⁶ Anhydrous ammonia, which is used as a fertilizer and an input to manufacture other fertilizers, is transported by pipeline.⁷ Trucks are typically used to transport fertilizers over shorter distances, such as less than 500 miles, and to agriculture retail facilities and farms. Railroads are often used to transport fertilizers longer distances, such as from one region of the country to another, and to carry fertilizer raw material inputs in large quantities from mines or manufacturing facilities and to and from ports or land border crossings. The fertilizer industry estimates that trucks carry about half of all fertilizers in the United States when measured in tons, but when measured in ton-miles (weight and distance),⁸ railroads carry about two-thirds of fertilizers.⁹ River barges, such as those carrying cargo on the Mississippi River system (including its tributaries) and Columbia-Snake system, are a competitive alternative to rail. Oceangoing ships are primarily used to import and export fertilizers but are often not price competitive for moving fertilizers domestically along U.S. coastlines for reasons explained in “Waterborne,” below. Issues with rail service and domestic coastal shipping may limit the efficacy of increasing domestic production for domestic users of fertilizers.

The three main types of fertilizer are nitrogen, phosphate, and potassium.¹⁰ Nitrogen fertilizer is mostly made from natural gas that the United States produces in abundance, especially in Texas,

⁶ USDA, “Fertilizer Transportation Dashboard,” accessed August 2, 2026, <https://agtransport.usda.gov/stories/s/Fertilizer-Transportation-Dashboard/dtqv-e4ux/>.

⁷ Anhydrous ammonia is a liquefied gas form of ammonia. For more on the transportation of anhydrous ammonia and other hazardous liquids via pipeline, see CRS Report R44201, *DOT's Federal Pipeline Safety Program: Background and Issues for Congress*, by Paul W. Parfomak.

⁸ A ton-mile is equal to the movement of one ton of freight across one mile.

⁹ The Fertilizer Institute (TFI), “Transportation,” https://www.tfi.org/resource-library/industry-topics/transportation-resources/?mg_page=1.

¹⁰ Animal manures and compost are nonchemical fertilizers that are typically produced and utilized on the farm or transported as far as nearby farms; they are not discussed in this report.

Louisiana, and Oklahoma. Phosphate fertilizer is made from mined phosphate rock; Florida is the largest domestic producer, but North Carolina, Idaho, and Utah also have mine sites. Potassium fertilizer is mined potash, of which the United States has little and thus imports mostly from Saskatchewan, Canada. Sulfur is also a fertilizer, and sulfuric acid is critical to producing phosphorous fertilizer.¹¹ Sulfur is a byproduct of the oil refining process, and the Gulf region is a major source of this product.

Fertilizers are transported in three forms as identified by The Fertilizer Institute (TFI):¹²

1. a solid form called prill (e.g., urea, ammonia nitrate, calcium nitrate, potassium nitrate);
2. a liquid form (e.g., urea ammonium nitrate, ammonium nitrate solution, ammonium polyphosphate solution, aqua ammonia); or
3. a compressed gas (e.g., anhydrous ammonia).

The major import gateways for fertilizer are Louisiana ports on the Mississippi River; Canadian rail crossings from Minnesota to Montana; Houston, TX; Wilmington, NC; Tampa, FL; Portland, OR; and Stockton, CA. The leading export gateways are Tampa, FL; Canadian and Mexican rail crossings; and Louisiana ports.¹³

Road

A DOT estimation model of freight movement in the United States indicates that the top states for moving fertilizer by truck, as measured by tons moved, are also major agricultural producing states—Iowa, Illinois, Nebraska, Arkansas, Texas, and Washington.¹⁴ The New York City region ranks sixth in total tons moved, possibly indicating nonagricultural uses of fertilizer such as for golf courses and lawns.¹⁵

Trucks are also used to connect with other transportation modes where fertilizer producers or hubs are not located on a rail line or waterway. Two provisions in the bill known as the BUILD America 250 Act (H.R. 8870, as ordered reported by the House Committee on Transportation and Infrastructure) would allow trucks carrying dry bulk commodities (e.g., prill) a higher weight variance over axles and would allow trucks outfitted with a sixth axle to carry heavier loads.¹⁶

Rail

The DOT estimation model of freight movement in the United States indicates that the top origin and destination pairs for moving fertilizer by rail include

¹¹ Sulfur is the fourth major crop nutrient, according to The Sulphur Institute, “Sulphur in Agriculture: Sulphur—The Fourth Major Crop Nutrient,” <https://www.sulphurinstitute.org/sulphur-in-agriculture/sulphur-the-fourth-major-crop-nutrient/>. Sulfuric acid is also used to keep drip irrigation pipes clean.

¹² TFI, “Rail,” <https://www.tfi.org/advocacy/our-issues/transportation/rail/>.

¹³ U.S. Census Bureau, USA Trade Online, “Build A Report,” <https://usatrade.census.gov/>. Portland, OR, is an export gateway for Canadian potash.

¹⁴ Data from 2024 for Commodity Code 22: Fertilizer, Bureau of Transportation Statistics, Freight Analysis Framework Version 5, accessed July 28, 2026, https://faf.ornl.gov/faf5/dtt_total.aspx or in downloadable format at <https://faf.ornl.gov/faf5/>.

¹⁵ The relatively high tonnage might also be explained by the city’s conversion of sewage sludge to fertilizer pellets and/or food waste into compost. Federal data on domestic trucking movements are not sufficiently granular to determine the exact product being trucked.

¹⁶ CRS Report R48759, *Surface Transportation Reauthorization: Commercial Trucking Issues*, by John Frittelli.

- nitrogen fertilizer from North Dakota¹⁷ to other upper Midwest destinations such as Chicago, Indiana, Iowa, Minneapolis, and Wisconsin;¹⁸
- phosphate from mines and processing plants in southeast Idaho to Oregon, Washington, and California;
- export of potash from Carlsbad, NM, to Galveston, TX;
- nitrogen fertilizer from Baton Rouge, LA, to Cincinnati, OH; and
- nitrogen fertilizer from Oklahoma to Nebraska and California by rail and truck.

Railroads also transport Canadian potash mined in Saskatchewan to Portland, OR, for export by ship and through rail border crossings at Eastport, ID; Portal and Pembina, ND; and International Falls, MN, for domestic use.¹⁹

An exception to the predominantly long-haul use of railroads is the short-haul rail transport of phosphate rock from the mines in central Florida to nearby processing plants in the vicinity of Tampa. Phosphate rock is especially heavy and produced in vast quantities, making rail transport more economical than truck, even for short trips.

In the case of shipping anhydrous ammonia, which is toxic-by-inhalation (TIH), railroads and ammonia shippers have disputed liability in train accidents. Several accidents over the past 25 years suggest that liability in cases of hazardous materials (hazmat) transported by train has increased substantially. In February 2001, a train carrying anhydrous ammonia derailed in a train yard in Red Deer, Alberta, killing one and requiring the evacuation of 1,300 residents.²⁰ In 2002, a train derailment in Minot, ND, resulted in the release of ammonia from one tank car, killing one person, injuring 333 others, and requiring a more than week-long evacuation of 11,600 residents. The estimated total losses from the incident in Minot, ND, were \$125 million.²¹ Although not a fertilizer product nor a TIH, the spilling and fire of vinyl chloride in East Palestine, OH, from a train derailment in February 2023 reportedly cost the railroad \$1.2 billion.²²

Anhydrous ammonia shippers have stated that rail rates for carrying the product are “exceedingly high” to cover the cost of the necessary insurance. Additionally, these shippers have reported that railroads have required them to increase their general liability coverage from \$10 million to \$100

¹⁷ The origin of this fertilizer could be Dakota Gas in Beulah, ND. See Dakota Gasification Company, “Transportation,” <https://www.dakotagas.com/products/transportation/index>; and Argus, “Major North American Fertilizer Production and Rail Network,” map, 2023, <https://www.dascoinc.com/wp-content/uploads/2023/12/north-american-fertilizer-production-map.pdf>.

¹⁸ The source data, Freight Analysis Framework, distinguishes Chicago and Minneapolis from the rest of Illinois and Minnesota, respectively.

¹⁹ Canpotex, “Transportation Logistics,” accessed July 28, 2026, <https://www.canpotex.com/how-we-move-potash/transportation-logistics/>; and see data for potash (3104), U.S. Census Bureau, USA Trade Online, “Build A Report.”

²⁰ Transportation Safety Board of Canada, “Railway Investigation Report R01E0009,” February 2, 2001, <https://www.tsb.gc.ca/eng/rapports-reports/rail/2001/r01e0009/r01e0009.html>.

²¹ C.J. Kruse et al., *Marine Highway Transport of Toxic Inhalation Hazard Materials*, National Academies of Sciences, Engineering, and Medicine, Transportation Research Board, National Cooperative Freight Research Program, NCFRP Report 18, 2012; and National Transportation Safety Board, *Derailed of Canadian Pacific Railway Freight Train 292-16 and Subsequent Release of Anhydrous Ammonia Near Minot, North Dakota January 18, 2002*, Railroad Accident Report NTSB/RAR-04/01, March 9, 2004, <https://www.nts.gov/investigations/AccidentReports/Reports/RAR0401.pdf>.

²² Norfolk Southern, Form 10-Q for the Quarterly Period Ended September 30, 2025, filed with the Securities and Exchange Commission, October 23, 2025, <https://www.sec.gov/ix?doc=/Archives/edgar/data/0000702165/000162828025046128/nsc-20250930.htm>.

million before they can accept ammonia shipments.²³ Railroads claim that this increase is necessary because “an incident involving a TIH release could result in financial liability that compromises our ability to continue serving all the customers who rely on [us] to move their goods across North America.”²⁴

Waterborne

The waterborne transport of fertilizer in the United States can be measured in tons carried, or tonnage. The most significant waterborne fertilizer tonnage is carried by barge up the Mississippi River and its tributaries (the Ohio River, Illinois Waterway, and Arkansas River) from the Port of New Orleans and Port of Greater Baton Rouge to states such as Illinois, Indiana, Tennessee, Kentucky, Missouri, Minnesota, Iowa, and Oklahoma. Oklahoma has several large fertilizer plants, and the McClellan-Kerr Arkansas River System (which connects the state to the Mississippi River) carries substantial fertilizer volumes by barge. Additionally, significant tonnage is carried by barges between Louisiana and Texas ports via the Gulf Intracoastal Waterway and the Mississippi River and upbound on the Columbia-Snake System.

The Jones Act, which requires vessels transporting cargo between U.S. ports be built in the United States and crewed by U.S. citizens, is a factor in the use of oceangoing ships for fertilizer transport.²⁵ In part because U.S.-built and crewed oceangoing ships are much more expensive than foreign-built and crewed ships, and the type of ship needed to transport certain kinds of fertilizer is not available in the U.S.-built fleet (details below), the importation and exportation of fertilizer is much more prevalent than its domestic intercoastal and intracoastal transport. One ship in the Jones Act oceangoing fleet supports the fertilizer industry. This ship, a tanker built in 1994, carries molten sulfur from U.S. Gulf Coast refineries to Tampa, where a fertilizer manufacturer appears to use it to produce sulfuric acid for processing phosphate rock into phosphorous fertilizers.²⁶ Additionally, a Jones Act compliant seagoing articulated tug barge (ATB), built in 2017, carries anhydrous ammonia from Louisiana to Tampa.²⁷ U.S. shippers most commonly utilize ATBs to move refined petroleum products.²⁸ Compared with a ship, an ATB is cheaper to build and requires far fewer crew, but because it is slower and has considerably less cargo capacity, it is more economical for shorter voyages.

²³ Letter from Chris Jahn, president and CEO, American Chemistry Council (ACC), et al., to Katie Farmer, president and CEO, BNSF Railway Company (BNSF), August 28, 2024, <https://www.stb.gov/wp-content/uploads/Letter-to-BNSF-TIH-Tariff-Requirements-Aug-2024.pdf>, regarding recent changes to BNSF’s tariff requirements for shipments of its toxic-by-inhalation (TIH) materials; and Letter from Chris Jahn, president and CEO, ACC, to the Hon. Martin Oberman, chair, Surface Transportation Board (STB), et al., September 12, 2023, <https://www.stb.gov/wp-content/uploads/ACC-Letter-to-STB-Rail-Liability-September-12-2023.pdf>, regarding railroad liability and insurance requirements for shipments of hazardous materials.

²⁴ Letter from Farmer, president and CEO, BNSF, to Jahn, president and CEO, ACC, September 9, 2024, https://www.stb.gov/wp-content/uploads/09092024_ACC_Response.pdf, regarding recent changes to BNSF’s tariff requirements for shipments of TIH materials.

²⁵ The Jones Act (§27 of the Merchant Marine Act of 1920; P.L. 66-261) requires that any waterborne transport between one U.S. point and another U.S. point be carried in a U.S.-built vessel and crewed and owned by U.S. citizens. For more on the Jones Act, see CRS Report R45725, *Shipping Under the Jones Act: Legislative and Regulatory Background*, by John Frittelli.

²⁶ The ship is the *Sulphur Enterprise* built in 1994.

²⁷ gCaptain.com, “Delivery of the Harvest Represents Significant Milestone for the U.S. Fleet,” July 25, 2017, <https://gcaptain.com/delivery-harvest-represents-significant-milestone-u-s-fleet/>.

²⁸ In the aggregate, barges carry as much total tonnage as do ships in U.S. coastwise service. U.S. Army Corps of Engineers (USACE), Institute for Water Resources, *Waterborne Commerce of the United States, Calendar Year 2023, Part 5—National Summaries*, p. 1-15.

In absence of the waivers issued by the Trump Administration or other policy incentives, the cost implications of the Jones Act and the relatively low number of Jones Act compliant ships available for domestic shipping may encourage shippers to import products on cheaper, foreign-built and -crewed vessels. For instance, at least one domestic phosphate fertilizer manufacturer has found it more cost-effective to import phosphate rock mined in Peru to supply a fertilizer manufacturing plant in Louisiana rather than shipping in supplies from its phosphate mines in Florida.²⁹ Although the Louisiana plant is located on the Mississippi River and a relatively short voyage from Florida, shipping of the domestic phosphate rock out of Port Tampa Bay to the plant in a cost-effective manner would require, per the Jones Act, a U.S.-built dry bulk ship, which does not exist. In contrast, an abundance of foreign-built dry bulk vessels are available to ship phosphate rock from Peru to Louisiana. According to the U.S. Geological Survey, Peru accounts for almost all phosphate rock imported by the United States.³⁰

Ammonia fertilizers are shipped in liquid form in liquified petroleum gas (LPG) tankers. California's Port of Stockton is the fertilizer import hub for the Central Valley and rice patties near Sacramento.³¹ Although the port could receive these kinds of fertilizers on U.S.-built LPG tankers from Houston or New Orleans, it imports these commodities on foreign-built ships from the major ammonia fertilizer exporting countries of Trinidad and Tobago, Norway, and Russia.³² On the East Coast, the same is true for the ports of Baltimore, MD, Norfolk, VA, and Wilmington, NC, which import their nitrogen fertilizer in the form of urea from Trinidad and Tobago, Russia, and Algeria rather than sourcing it from Baton Rouge or New Orleans, which export this product.³³

As discussed above, sulfuric and phosphoric acids are essential feedstock for phosphorous fertilizers. Acids require chemical tankers with stainless steel cargo holds because of their highly corrosive properties. Although the foreign-built world fleet has over 1,400 stainless steel chemical tankers,³⁴ the Jones Act fleet has none—this could constrain the distribution of acids for fertilizers even though they are abundantly produced by oil refineries and phosphate mines in U.S. coastal areas. Global supply chain disruptions from the closure of the Strait of Hormuz have impacted the availability and price of sulfur and sulfuric acid, as have Chinese export controls, according to some lawmakers.³⁵ In April and May 2026, for example, the Mosaic Corporation announced temporary reductions in phosphate fertilizer production in Brazil and the United States in response to high sulfur prices.³⁶

²⁹ Specialty Crop Grower, "Opinion: Shipping Law Under Scrutiny Amid Supply Chain Struggles," November 23, 2022, <https://specialtycropgrower.com/opinion-shipping-law-under-scrutiny-amid-supply-chain-struggles/>.

³⁰ USACE Waterborne Commerce data confirm there is no U.S. coastwise shipment of phosphate rock. USA Trade Online data confirm New Orleans imports all its phosphate rock (251010) from Peru.³⁰ U.S. Census Bureau, USA Trade Online, "Build A Report." As mentioned above, Tampa is a major export port for shipment of processed fertilizer to foreign markets.

³¹ U.S. Geological Survey, "California's Central Valley," <https://ca.water.usgs.gov/projects/central-valley/about-central-valley.html>.

³² See data from 2022-2024 for double salts and mixtures of calcium and ammonium nitrate (310280), mixtures of urea and ammonia nitrate in solution (281410), and anhydrous ammonia (310260) from U.S. Census Bureau, USA Trade Online. Trinidad and Tobago is about 200 nautical miles closer to the Panama Canal than is New Orleans.

³³ Data for commodities (310210 and 310280), U.S. Census Bureau, USA Trade Online.

³⁴ Clarksons Research, *The Chemical Tanker Register*, 2023.

³⁵ David LaRoss, "Lawmakers Say Chinese Export Controls Have Deepened Fertilizer Crisis," World Trade Online, August 24, 2026, <https://insidetradetrade.com/daily-news/lawmakers-say-chinese-export-controls-have-deepened-fertilizer-crisis>.

³⁶ See, for example, Ilena Peng, "Fertilizer Maker Mosaic Cuts Output After Iran War Raises Costs," *Bloomberg News*, (continued...)

The five-month waiver of the Jones Act due to the Iran conflict has induced multiple shipments of domestic cargo to U.S. ports on foreign-built and foreign-flagged vessels. These include eight domestic shipments of anhydrous ammonia between Texas, Louisiana, and Florida facilities on foreign-built and flagged LPG tankers, one shipment of urea in solution from Puerto Rico to Texas on a foreign-flag chemical tanker, and one shipment of monoammonium phosphate from North Carolina to New Orleans on a dry bulk foreign-flag ship.³⁷

Pipeline

Pipelines are a significant mode of transportation for ammonia fertilizer. A 1,700 mile pipeline transports anhydrous ammonia north from terminals along the Mississippi River in Louisiana to Missouri, Illinois, Indiana, Iowa, and Nebraska.³⁸ This pipeline was built in 1971 and carries 1.5 million tons of anhydrous ammonia per year.³⁹ Its most recent expansion appears to be a 14-mile extension to a fertilizer plant near Wever, IA.⁴⁰ This fertilizer plant opened in 2017 and reportedly was the first nitrogen-based fertilizer plant built in the United States in 30 years.⁴¹ In 2019, a second ammonia pipeline that originated in Oklahoma and Texas and terminated in Minnesota and supplied other Midwestern states was abandoned reportedly because of low profitability.⁴² This pipeline was 1,100 miles in length and was installed in 1968. The three ammonia producers that fed this pipeline reported their plans to switch to truck, rail, and barge shipments following the pipeline's closure.⁴³ Shipments on the pipeline had declined over the preceding decade, and substantial maintenance work was required to keep it running. Its closure was reportedly expected by the three ammonia producers that fed the pipeline, and two of them had switched to producing other forms of nitrogen fertilizer not requiring pipeline transport before its closure.⁴⁴

Policy Considerations for Congress

Congress may consider policy options that would increase competition and potentially lower rates for rail and waterborne transport of fertilizer. Congress may also choose to review regulatory requirements if there is interest in easing truck and pipeline transport of ammonia.

May 11, 2026, accessible at <https://www.mining.com/web/fertilizer-maker-mosaic-cuts-output-after-iran-war-raises-costs/>.

³⁷ As of August 26, 2026. Waiver shipments are posted at Maritime Administration (MARAD), "Domestic Shipping," <https://www.maritime.dot.gov/ports/domestic-shipping/domestic-shipping>. In comparison to the 10 fertilizer-related shipments, there have been over 200 petroleum-related shipments.

³⁸ Sunoco LP, "Ammonia System Pipeline," <https://www.sunocolp.com/segments/pipelines/view/ammonia-system>. For a more detailed map of origin and destination terminals, see Megan Acker, "Sunoco LP Ammonia Pipeline," slide presented at Ammonia Energy Association, webinar, June 3, 2025, p. 3.

³⁹ Acker, "Sunoco LP Ammonia Pipeline," p. 3.

⁴⁰ OCI Global, "OCI Global and NuStar Sign Agreement to Deliver Ammonia into the Midwest," May 3, 2023, <https://oci-global.com/news-stories/press-releases/oci-global-and-nustar-sign-agreement-to-deliver-ammonia-into-the-midwest/>.

⁴¹ Rod Swoboda, "New \$3 Billion Fertilizer Plant Opens in Iowa," *Farm Progress*, April 24, 2017, <https://www.farmprogress.com/business/new-3-billion-fertilizer-plant-opens-in-iowa>.

⁴² Argus Media, "Ammonia Pipeline Decommission to Strain Logistics," September 16, 2019, <https://www.argusmedia.com/en/news-and-insights/latest-market-news/1978026-ammonia-pipeline-decommission-to-strain-logistics>.

⁴³ Fertecon Agribusiness Intelligence, *Magellan Ammonia Pipeline Closure: An Impact Assessment*, July 2019, <https://www.readkong.com/page/fullscreen/magellan-ammonia-pipeline-closure-an-impact-assessment-6474457>.

⁴⁴ Fertecon, *Magellan Ammonia Pipeline Closure: An Impact Assessment*.

Railroad Competition and Safety

TFI has frequently brought its concerns about poor rail service and high freight rates before the Surface Transportation Board (STB), the federal agency that has oversight of such matters.⁴⁵ A long-standing policy question is whether railroads should be forced to interchange carloads with a competing, parallel railroad where their tracks interchange with one another. A recent rule promulgated by the STB to expand the circumstances under which this interchange would be required was overturned by the U.S. Court of Appeals for the Seventh District on the grounds that the rule exceeded the STB's statutory authority.⁴⁶ A concern is whether some shippers have sufficient cargo to support upkeep to more than one railroad right-of-way and how to ensure adequate revenue for the railroad to invest in its infrastructure.⁴⁷ The current largely deregulated framework was enacted by Congress in 1980 when railroads were in financial peril.⁴⁸ TFI is also skeptical of a proposed merger between two of the largest six U.S. railroads.⁴⁹

As mentioned in “Rail,” above, shippers of TIH materials are concerned that railroad companies are trying to “de-market” their cargoes. Rates have increased significantly, and railroad companies have argued that they are essentially “betting the farm” in carrying these goods because even though they are paying high insurance rates, the insurance does not necessarily cover the total liability from a TIH incident.⁵⁰ Congress could investigate the origins, destinations, and quantities of anhydrous ammonia shipped in the United States to determine if any of these shipments could viably be transported offshore by coastal ship and away from population centers.⁵¹ Sulfuric acid could also be examined in this regard.

Coastal Shipping

If Congress were to address the lack of ships needed to move fertilizer products domestically along U.S. coastlines, this could improve connectivity in the U.S. supply chain. As noted in “Waterborne,” dry bulk ships, LPG tankers, and chemical tankers are needed to move different fertilizer products. These ship types have been missing from the Jones Act qualified fleet for decades, which suggests a lack of economic interest from Jones Act carriers in serving these markets.⁵² Seasonal products requiring a few ship voyages per year, such as fertilizers, may be problematic markets for Jones Act carriers to serve. With higher paid American crews compared with foreign crews, these ships are not price competitive with foreign-flag operators in foreign markets. Therefore, Jones Act carriers typically do not serve foreign markets during down periods

⁴⁵ TFI, “Rail.”

⁴⁶ STB, “Reciprocal Switching for Inadequate Service,” 89 *Federal Register* 38646, May 7, 2024; and FreightWaves, “Setback for Rail Shippers as Court Vacates Switching Rule,” July 9, 2025.

⁴⁷ This could be similar to the situation with the unprofitable second ammonia pipeline, discussed above.

⁴⁸ CRS Report R48881, *Surface Transportation Reauthorization: Passenger and Freight Rail Issues*, by Ben Goldman.

⁴⁹ TFI, “TFI Statement on Proposed Union Pacific Norfolk Southern Merger,” December 19, 2025, <https://www.tfi.org/media-center/2025/12/19/tfi-statement-on-proposed-union-pacific-norfolk-southern-merger/>; and CRS In Focus IF13242, *Major Railroad Mergers and Acquisitions*, by Ben Goldman and John Frittelli.

⁵⁰ For further discussion of rail safety matters, see CRS Report R47911, *Freight Rail Safety Issues in the 119th Congress*, by Ben Goldman.

⁵¹ Note the earlier discussion concerning anhydrous ammonia shipments executed under the Jones Act waiver.

⁵² For example, in 1996, grain and feed producers at a congressional hearing spoke of not being able to ship along the U.S. coast because of the lack of Jones Act-qualified dry bulk ships. U.S. Congress, House Committee on Transportation and Infrastructure, Subcommittee on Coast Guard and Maritime Transportation, *The Impact of U.S. Coastwise Trade Laws on the Transportation System of the United States*, 104th Cong., 2nd sess., June 12, 1996.

in domestic demand,⁵³ do not incorporate deliveries to foreign ports in their route planning to reduce their empty sailing miles, and have less flexibility to deliver partial loads. For instance, the LPG tankers that deliver ammonia to Stockton from Trinidad and Tobago first stop at a Mexican port to unload a portion of their cargo.

Congress could consider lifting the Jones Act restrictions for seasonal products with seemingly no economic impact on domestic shipbuilders or carriers. Under a similar rationale, Congress lifted a restriction in 1984 for passenger travel between the U.S. mainland and Puerto Rico (P.L. 98-563) and in 1998 for commercial passenger boats travelling between U.S. points and carrying 12 or fewer passengers (P.L. 105-383). The 1998 passenger vessel statute states that the federal agency in charge (DOT's Maritime Administration) is to issue a notice and opportunity for public comment and can issue the waiver only after determining that it "will not adversely affect United States vessel builders; or the coastwise trade business of any person that employs vessels built in the United States in that business."⁵⁴

Ships and crews are needed in wartime to move military cargoes, and banning foreign ships from U.S. domestic trade is thought to be a means of promoting the U.S. merchant marine industry. While the Jones Act has helped preserve the U.S. merchant marine industry, U.S. shipyards have not built a ship for export since 1960, and the high cost of Jones Act ships, as exhibited in the case of fertilizer, has discouraged domestic coastal shipping in favor of the importation and exportation of products on less expensive foreign-built and crewed vessels.⁵⁵ The fleet of ships eligible for use under the Jones Act has been steadily shrinking since at least World War II. Since 2000, it has shrunk from 181 ships to 93 ships.⁵⁶

Although not a near-term solution for lowering fertilizer prices, Congress could consider additional federal support for the domestic shipbuilding industry, such as the SHIPS for America Act (H.R. 3151, S. 1541), Building Ships in America Act (S. 1536), and Save Our Shipyards Act (H.R. 2125).⁵⁷

Ammonia Distribution

Congress could consider easing or clarifying the sets of regulations affecting the ammonia supply chain. Because the ammonia pipeline is connected to port terminals on the Mississippi River in the vicinity of New Orleans, this infrastructure is subject to at least two and possibly three federal agency regulations concerning cybersecurity. The sets of regulations are not harmonized, which could create ambiguity or inconsistent requirements for those with multimodal facilities.⁵⁸ Similarly, first responders to hazmat spills in any mode of transportation have duplicative

⁵³ Winter heating fuel is also a seasonal market. There are no U.S.-built and Jones Act-qualified liquefied natural gas (LNG) tankers to transport natural gas, such as from the Gulf Coast to New England. CRS In Focus IF10878, *U.S. LNG Trade Rising, But No Domestic Shipping*, by Michael Ratner and John Frittelli.

⁵⁴ 46 U.S.C. §12121.

⁵⁵ Import substitution due to the Jones Act is relevant to other commodities as well; see CRS Insight IN12592, *Shipbuilding to Improve Domestic Supply Chains: Opportunities and Challenges*, by John Frittelli.

⁵⁶ MARAD, "United States-Flag Privately-Owned Merchant Fleet Report: Oceangoing, Self-Propelled Vessels of 1,000 Gross Tons and Above that Carry Cargo from Port to Port," January 5, 2026, https://www.maritime.dot.gov/sites/marad.dot.gov/files/2026-02/DS_USFlag-Fleet_2025_DEC.pdf.

⁵⁷ CRS Insight IN12592, *Shipbuilding to Improve Domestic Supply Chains: Opportunities and Challenges*, by John Frittelli.

⁵⁸ CRS Report R49009, *Cybersecurity: Considerations on Regulatory Harmonization*, by Chris Jaikaran.

reporting requirements when utilizing federal training grant funds. Congress could consider consolidating these requirements to lessen the administrative burden on these entities.⁵⁹

Congress could consider facilitating the driver's licensing requirements for a common means of delivering ammonia fertilizer to farm fields. Farmers apply ammonia fertilizer to their crops using nurse tanks. Farmers do not need a commercial driver's license (CDL) or hazmat endorsement to pull nurse tanks on their fields, but retailers delivering the tanks to the farms need a CDL. The retail drivers can forego the hazmat endorsement requirement by obtaining a restricted, seasonal CDL that must be annually renewed. The Seasonal Agriculture CDL Modernization Act (H.R. 4601, §§2(a) and 2(b)) proposes to ease the yearly renewal process by establishing an online system and clarifying that the weight of nurse tanks does not determine CDL requirements for the delivery drivers.

⁵⁹ CRS Report R48759, *Surface Transportation Reauthorization: Commercial Trucking Issues*, by John Frittelli.

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