



A bold voice for transportation workers

June 28, 2022

Dear Senator:

I am writing on behalf of the Transportation Trades Department (TTD) of the AFL-CIO. TTD is the largest transportation labor federation in the nation and notably represents all of the rail unions and workers in this country. We appreciate the May 23rd [letter](#) that you and your colleagues sent to the Surface Transportation Board (STB) outlining your concerns over the ongoing service failures of the U.S. freight rail network. As you expressed in your letter, unreasonable freight rail service is now a crisis for rail customers and shippers across the nation, including farmers, ranchers, manufacturers, and energy producers in your states.

It is clear that the major U.S. freight railroads are failing to meet their statutory “common carrier” obligation to provide freight rail customers with “reasonable service” at “reasonable rates”. The STB has general standards regarding reasonable rates. However, the non-specific language used, and lack of details, in the current statute have resulted in uncertainty for both shippers and carriers and made enforcement of the obligation extremely challenging. Therefore, we urge you to help remedy this crisis by supporting legislation reauthorizing the Surface Transportation Board that would 1) clearly define this element of the “common carrier” obligation and 2) provide the STB with more effective mechanisms to enforce this obligation.

Attached to this letter is a copy of a joint statement of “common carrier” principles adopted by U.S. rail unions and rail shipper associations. In the joint statement, the shipper associations and rail unions urge Congress to better define the “reasonable service” portion of the railroads’ common carrier obligations and to grant the STB with an effective and expedited enforcement process that enables rail customers to obtain reasonable service from America’s freight railroads.

The origin of the ongoing freight service rail crisis is no mystery. In the six years leading up to the pandemic, the major “Class I” freight railroads reduced their total workforce by 30%, or roughly 45,000 workers, and reduced their equipment. The railroads deliberately chose to reduce these operating expenses in order to maximize their profits. To be clear, the nation’s freight rail service problems are the result of deliberate operating decisions by the Class I railroads. The railroads shaped a freight rail network that cannot reasonably respond to the country’s supply chain challenges, and in some cases they even created new challenges in the supply chain.

Transportation Trades Department, AFL-CIO

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Greg Regan, President / Shari Semelsberger, Secretary-Treasurer



Railroad customers and workers, including many of your constituents, have become increasingly concerned about the operating policies adopted by these railroads. The dramatic reduction in headcount and the stark decline in rail service for shippers are inextricably linked. Despite working around the clock, the remaining rail workforce is simply not large enough to meet the current volume and demand for freight rail. It is incumbent upon the freight railroads to halt the rapid deterioration of the remaining workforce by seriously addressing the myriad of hiring and retention issues.

Given these deliberate actions by the freight railroads, we appreciate your communication to the STB urging the agency to continue monitoring the service provided by the Class I's and to exercise its existing authority to the fullest extent possible to help remedy the service issues that currently plague our rail system. We recognize that the STB has utilized its existing authority to respond to the service problems and appreciate all that the agency has done.

However, additional action is needed to address the continuing and serious nature of these service problems and the railroads' failure to act willfully to fix the problems that they created.

In closing, we urge you to support legislation to provide the STB with additional authority to ensure the reasonable service that shippers deserve and that is necessary for the railroads to satisfy their common carrier obligations.

Sincerely,

A handwritten signature in black ink, appearing to read 'Greg Regan', with a stylized flourish at the end.

Greg Regan
President

cc: Shari Semelsberger, Secretary-Treasurer
Matthew Colvin, Chief of Staff