

The Honorable Joseph R. Biden
President of the United States
Washington, DC 20500

The Honorable Kamala Harris
Vice President of the United States
Washington, DC 20500

June 30, 2022

Dear President Biden and Vice President Harris:

The U.S. rail industry is essential to the U.S. economy. The industry's ability to deliver goods and maintain the nation's highest quality infrastructure depends on a vital supplier sector. The most recent data available show rail suppliers contribute \$74.2 billion in GDP output and nearly \$17 billion in taxes.

Rail suppliers are a key part of the multimodal supply chain, which continues to face challenges that lead to less available goods and product moving slower to market. As representatives of industries who rely on vast numbers of inputs, we are acutely aware of this current dynamic. We are also aware of the service challenges among our primary customers – Class I freight railroads – which continue to point to labor shortages as a primary factor in their own issues.

Against this backdrop, the undersigned organizations write you today regarding the White House's expected naming of a Presidential Emergency Board (PEB) to help resolve the contract negotiation impasse between our Class I railroad partners and their invaluable employees. We specifically ask the White House to ensure individuals appointed to the PEB meet three crucial criteria: 1) they are accredited arbitrators; 2) have experience with rail-labor negotiations; and 3) are impartial.

Adhering to these specifications will follow past precedent and norms across administrations in both parties. Most importantly, a credible PEB is more likely to produce a reasonable recommendation, which in turn reduces the potential for rail service disruptions that would not only hurt our business operations but would be incredibly harmful to the broader supply chain and U.S. economy. Rail suppliers would feel the pain on both ends, as goods we rely on would be negatively impacted by service disruptions and many of our customers would be navigating particularly difficult circumstances.

If the labor negotiations move to Congress, we ask lawmakers to equally understand the need for a reasonable agreement and continued rail operations without disruption.

Thank you for your time and attention regarding this issue.

Sincerely,

National Railroad Construction and Maintenance Association

Railway Engineering-Maintenance Suppliers Association, Inc.

Railway Supply Institute

Railway Tie Association

CC: Speaker Pelosi, Majority Leader Schumer, Minority Leaders McCarthy and McConnell, Chairs DeFazio and Murray and Ranking Members Graves and Burr