



September 14, 2022

The Honorable Nancy Pelosi
 Speaker
 U.S. House of Representatives
 Washington, DC 20515

The Honorable Kevin McCarthy
 Minority Leader
 U.S. House of Representatives
 Washington, DC 20515

The Honorable Charles Schumer
 Majority Leader
 United States Senate
 Washington, DC 20510

The Honorable Mitch McConnell
 Minority Leader
 United States Senate
 Washington, DC 20510

Dear Honorable Congressional Leaders,

We, the undersigned organizations, are asking Congress to intervene and avert a rail strike if the labor dispute is not resolved by ongoing talks by Thursday. We cannot afford a nationwide rail shutdown. It will cost the economy billions each day, but it's working families who will ultimately pay the price.

A rail strike would be catastrophic to the California and national economy. An essential part of the intricate goods movement and transportation sector, rail connects people and commerce across the nation. As we saw last year, the collapse of the goods movement sector has a detrimental impact on every aspect of our economy and daily life. Now, with inflation continuing to rage, a new series of disruptions will be even more costly for businesses and consumers across the nation.

Should talks fail, we urge Congress to act by implementing a compromise recommended by an independent Presidential Emergency Board (PEB) appointed by the Biden Administration. The PEB solution would immediately reward rail employees as they deserve and keep trains running. It includes

the most substantial wage increases for rail workers in decades and maintains top-notch health care for rail employees. This path would also provide certainty to rail shippers. Already, eight of 12 rail unions have now reached tentative agreements based on the framework presented by the White House's chosen arbitrators.

Congress has the power to save jobs, avert shortages, prevent increased congestion and emissions, and protect consumers.

According to a report by the Association of American Railroads, a strike could cost the economy more than \$2 billion per day by idling 7,000 freight trains daily. Additionally, Amtrak is already warning of passenger disruptions and route cancelations, as half of all commuter rail relies, at least partly, on tracks owned by freight rail.

The disruptions wrought by COVID-19 and in fall 2021 sent ripple effects through the economy from which business and consumers are still recovering. Now is not the time to exacerbate an ongoing crisis. This is especially true given the ongoing West Coast port labor negotiations, which have stalled and continue to bring additional concern and uncertainty to the goods movement economy. **The entire goods movement sector—and therefore the entire national economy—face unprecedented uncertainty and instability at a critical time of rebuilding and reinvestment through the Build Back Better Act.**

The nation's rail system carries hazardous materials, raw material for manufacturing, equipment for building homes, and California's agricultural goods to our ports for distribution around the world. But rail also brings chlorine to purify water and energy that powers our homes, businesses, and cars. A rail strike would jeopardize access to clean drinking water and reliable and affordable energy.

We urge a swift resolution and call on Congress to act if talks do avert a strike by Thursday, September 15.

Thank you,

ROBERT C. LAPSLEY
President, California Business Roundtable

MATTHEW HARGROVE
President, California Business Properties Association

ROBERT RIVINIUS
Executive Director, Family Business Association of California

JIM WUNDERMAN
President and CEO, Bay Area Council

NICHOLAS ORTIZ
President and CEO, Greater Bakersfield Chamber of Commerce

JULIAN CAÑETE
President and CEO, California Hispanic Chambers of Commerce

DAN C. DUNMOYER
President and CEO, California Building Industry Association

TRACY HERNANDEZ
Founding CEO, Los Angeles County Business Federation

LANCE HASTINGS
President and CEO, California Manufacturers and Technology Association

SANDY CAJAS
President, Regional Hispanic Chamber of Commerce

RACHEL MICHELIN
President and CEO, California Retailers Association

JEREMY HARRIS
President and CEO, Long Beach Area Chamber of Commerce

MARIA SALINAS
President and CEO, Los Angeles Area Chamber of Commerce

CARLOS RODRIGUEZ
Chief Policy Officer, Building Industry Association of Southern California

JENNIFER BARRERA
President & CEO, California Chamber of Commerce

RICHARD LAMBROS,
Managing Director, Southern California Leadership Council

cc: U.S. Senator Dianne Feinstein
U.S. Senator Alex Padilla
California Congressional Delegation