



Transportation Communications Union/IAM

International Association of Machinists and Aerospace Workers



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Dear Senator:

The Transportation Communications Union/IAM is strongly opposed to Senate Amendment 1591, Senator Kohl's "Railroad Antitrust Enforcement Act of 2012," which he intends to offer to S. 1813, the Surface Transportation bill pending on the floor.

Contrary to the claims of a few, it is simply not true that the railroads are exempt from antitrust laws. The railroads do have limited antitrust exemptions that are narrowly applied and extend only to those areas where the railroads' conduct is subject to oversight by the U.S. Surface Transportation Board (STB). This includes, but is not limited to certain rate agreements between railroads, which set rules, and regulations pertaining to fees they pay each other for the use of railroad equipment. Railroad mergers and consolidations, which are approved by the STB, are likewise exempt from antitrust laws.

One of the most harmful effects of S.A. 1591 is that it could unfairly apply the antitrust laws to the railroads retroactively. This could create great uncertainty over past railroad mergers and consolidations and could wreak havoc with the consolidation of workforces resulting from these mergers.

Changing the antitrust laws would cause dual oversight and confusion in the railroad industry, thereby causing the railroads many thousands of dollars in additional expense, which would have a negative impact on railway labor. In the current economic climate, this is money that could be used to enhance the railroads' business thereby causing a more secure workplace for employees, including members of TCU.

The STB is charged with implementing national rail transportation policies set by Congress. It should be allowed to continue without the disruption that the passage of S.A. 1591 would cause.

We in TCU urge you to oppose attempts to change the railroads' antitrust exemption and urge you to vote against S.A. 1591 should it be made in order.

Sincerely yours,

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