



RETAIL INDUSTRY LEADERS ASSOCIATION

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www.rila.org

September 7, 2022

Representative Peter DeFazio
Chairman
Committee on Transportation and Infrastructure
United States House of Representatives
2134 Rayburn House Office Building
Washington, DC 20515

Representative Sam Graves
Ranking Member
Committee on Transportation and Infrastructure
U.S. House of Representatives
1135 Longworth House Office Building
Washington, DC 20515

Senator Patty Murray
Chairwoman
Senate HELP Committee
United States Senate
154 Russell Senate Office Building
Washington, DC 20510

Senator Richard Burr
Ranking Member
Senate HELP Committee
United States Senate
217 Russell Senate Office Building
Washington, DC 20510

Dear Chairman DeFazio, Ranking Member Graves, Chairwoman Murray, and Ranking Member Burr:

As leading retailers, our supply chains are built on an extensive infrastructure. From coastal ports to roads and rails, we move millions of goods to consumers throughout the country. For this reason, the Retail Industry Leaders Association (RILA) is reaching out to express support for the recommendations published by the Presidential Emergency Board (PEB) and urge Congress to implement the PEB recommendations if a voluntary agreement is not finalized.

RILA is the U.S. trade association for leading retailers. We convene decision-makers, advocate for the industry, and promote operational excellence and innovation. Our aim is to elevate a dynamic industry by transforming the environment in which retailers operate. RILA members include more than 200 retailers, product manufacturers, and service suppliers, which together account for more than \$1.5 trillion in annual sales, millions of American jobs, and more than 100,000 stores, manufacturing facilities, and distribution centers domestically and abroad.

As you know, President Biden appointed a Presidential Emergency Board to publish recommendations for a compromise between rail carriers and rail labor unions. Recently, the PEB issued a report with recommendations that include annual wage increases through 2024 –including retroactive wage increases from 2020 -- annual bonuses as well as several updates to the healthcare plan. This framework is a positive step and has already been accepted by multiple rail labor unions, including the International Association of Machinists, the Transportation Communications Union, and the Brotherhood of Railway Carmen.

We are hopeful more labor unions will finalize the agreement in the coming days. However, we remain concerned that further delays will put our domestic supply chains at risk. The railways are an essential element of U.S. freight networks and are already enduring their own set of challenges, including worker shortages, service challenges, equipment shortages, congestion, and other disruptive forces. Freight rail in America accounts for around 40% of long-distance freight volume—more than any other mode of transportation. A strike at this juncture would be devastating to the rail industry

and to millions of American retailers and other businesses. In addition, reports indicate a strike could impact the economy by up to two billion dollars each day in lost activity. Failure to reach a reasonable agreement could result in significant disruptions to the rail network, the retail industry and ultimately the American consumer.

For these reasons, we urge the Congress to encourage a final agreement between the rail carriers and the rail unions. Absent this voluntary agreement by the September 16th deadline, Congress should take swift action to implement the PEB recommendations.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael Hanson", with a long horizontal flourish extending to the right.

Michael Hanson, Senior Executive Vice President, Public Affairs
Retail Industry Leaders Association (RILA)

