# **Brotherhood of Maintenance of Way Employes Division**of the International Brotherhood of Teamsters



## **NEWS CLIPS**

July 3, 2009

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## FRA seeks comments on planned hours-of-service law enforcements; two BMWED federations merge

Next month, new hours-of-service laws mandated by the Rail Safety Improvement Act will take effect for certain freight railroad workers, including operating crews.

The <u>Federal Railroad Administration (FRA)</u> has published a series of interpretations explaining how the agency will enforce the new laws, which are designed to address fatigue. To take effect on July 16, the laws will increase the amount of off-duty time required between shifts and prohibit a railroad from interrupting that time; cap the number of service and limbo-time hours; and set mandatory days off when an employee works six or more consecutive days.

The FRA has asked interested parties to comment on its interpretations. Several rail labor unions are reviewing them and plan to file comments.

Meanwhile, the governing bodies of the <u>Brotherhood of Maintenance of Way Employes</u> <u>Division's (BMWED)</u> Atchison, Topeka & Santa Fe and Frisco federations recently finalized a merger.

The newly formed federation will be named the Atchison, Topeka & Santa Fe Frisco System Federation and represent more than 3,000 BMWED members at BNSF Railway Co. and a number of short lines. The federation will maintain offices in Newton, Kan., and Tulsa, Okla.

The governing bodies elected Richard Sandlin general chairman to head the new federation.

## Class I employment continues to slide

June 30, 2009

U.S. Class I employment in May dropped to 151,536, down 1.77% from the previous month and down 8.33% from May 2008.

Operating crews, the biggest single category, again took the hardest hit. Transportation (train and engine) employment sank to 56,370,down 4.14% from April and 17.99% from May 2008.

The second biggest employment group, maintenance of way and structures, was up 0.18% from April to 35,442, but down 0.69% from May 2008.

Maintenance of equipment and stores employment, at 29,303, was off 1.05% from April and

3.75% below May 2008.

Professional and administrative employment was 13,411 in May, down 0.16% from April and 2.12% below May 2008.

The smallest group, transportation (other than train andengine), had 6,929 workers in May, off 0.9% from April but up 4.13% from May 2008.

The only category showing improvement from over both April 2009 and May 2008 were executives, officials, and staff assistants, which at 10,081 was up 0.40% from April and 0.11% from May last year.

#### Franken Wins, Court Says

Posted:

06/30/09

In a unanimous ruling, the Minnesota Supreme Court has ruled in favor of Al Franken and against Norm Coleman in the ongoing dispute over the results of the November 2008 election for Minnesota's Senate seat.

In the <u>5-0 opinion</u>, the justices wrote, "We affirm the decision of the trial court that Al Franken received the highest number of votes legally cast and is entitled...to receive the certificate of election as United States Senator from the State of Minnesota."

The question now becomes whether Gov. Tim Pawlenty, a Republican, will sign the election certificate, and it appears he will. Pawlenty told CNN yesterday, "I'm going to follow the direction of the court," adding, "I'm prepared to sign it as soon as they give the green light."

Neither Franken nor Coleman had an immediate statement, but Senate Majority Leader Harry Reid said, "I once again encourage Governor Pawlenty to respect the votes of his constituents and the decisions of his state's highest court. He should put politics aside, follow his state's laws and finally sign the certificate that will bring this episode to an end."

Earlier this spring, Sen. John Cornyn, chairman of the Republicans' senate campaign efforts, <u>said</u> <u>he felt Coleman should</u> take his case to the United States Supreme Court if the Minnesota court ruled against him.

## Solis Hopes to 'Level the Playing Field' for Unions

By Lois Romano Washington Post Staff Writer Tuesday, June 30, 2009

After a lifetime in politics, Labor Secretary Hilda L. Solis has honed the fine art of dodging controversial questions, but here's one issue where she doesn't pull her punches: the 9.4 percent unemployment rate. The June figures will be released Thursday, and she's braced for more bad news.

"I know that there will probably be a continued increase," Solis said in an interview. "This is a 26-year high. . . . It's unprecedented."

Solis, 51, a former member of Congress, is the first Latina to head a major federal agency. She grew up in California, the third of seven children born to immigrants with deep union ties. The business community was not happy with her appointment.

One of her most pressing issues is the Employee Free Choice Act (EFCA), a huge priority of labor that would effectively change the way unions are organized. Under the proposed legislation, a secret ballot election can be bypassed. The measure faces a tough battle on Capitol Hill.

*Romano:* Doesn't the Employee Free Choice Act in fact take power away from the employer [and] give that power to the union organizers?

*Solis:* I don't think that it takes away power from businesses. I think it helps to level the playing field because, in many cases, workers have been disadvantaged. They've been intimidated, they've been harassed, and we have case after case after case that we can look at. And you probably hear from the opposing side, that they will say, "Well, no, there have been successes where people have been able to organize, and they have been able to push forward a unionization. But when you look at the attempts that have been made over the past few years . . . there have been barriers that have been put up. And I think that the past administration was not very favorable for unions. They were not supportive in many ways.

*Romano:* The federal minimum wage is about to go up to \$7.25 an hour, but more than half the states have a higher minimum wage. Is the federal minimum wage still too low?

*Solis:* At the federal level, we have a responsibility. It took us a long time, several years, to get the minimum wage up, and we kept battling that, as a former member of the House, until finally we took over the -- the majority in the House.

You can't raise a family. And, in many cases, with minimum-wage workers, there's a higher tendency for them to be women, single women, head of households with children. It's very unrealistic for us to say that they can make it on -- on just \$7.25.

*Romano:* With unemployment rising and the economy changing, a lot of workers need to be retrained. The U.S. government has been notoriously stingy on retraining as compared with other countries. Are we going to do more?

*Solis:* Absolutely. In fact, this week we released the grant solicitation for green jobs, \$500 million that will go out to -- to the country, and people can then begin to look at how they can come together and create partnerships. . . . In addition, in another few weeks, we'll be issuing \$250 million that will go for health-care careers and IT.

*Romano:* You're the product of immigrant parents and a working-class union family. How does that shape your agenda as labor secretary?

*Solis:* Well, we had a very, very strict household. My father was very disciplined, and he was very good about making sure that everybody, you know, kept to -- kept to their chores, kept to their studies. My mother was also very good about making sure that everyone played a role in the household.

They wanted the best for them because where they had come from, where they grew up, they didn't have the same circumstances, and they came from poverty backgrounds, very, you know, low education, but knew that this was a country that was -- that was very supportive of -- of the underdog, of people that worked really hard.

JUNE 29, 2009, 4:20 PM

## Daschle and Podesta: Taxing Employer Plans Should Be Considered

#### **By Jackie Calmes**

Two influential Democrats with close ties to President Obama endorsed on Monday taxing some employer-provided health benefits as part of a \$1.2 trillion 10-year framework for financing a <u>health system overhaul</u>, another sign that Mr. Obama may end up accepting a tax that he rejected during his campaign.

Former Senate Majority Leader <u>Thomas Daschle</u>, who was a senior adviser to the Obama campaign, and former White House chief of staff <u>John Podesta</u>, who managed Mr. Obama's post-election transition, joined to promote a plan to get roughly one-third of the \$1.2 trillion from new tax revenues and the rest from savings in Medicare and Medicaid payments to hospitals, doctors, pharmaceutical companies and other health-care providers.

While the House Democratic majority and most labor unions oppose taxing health benefits, the bipartisan leadership of the Senate Finance Committee favors it. Mr. Obama likely will have to settle the issue.

The current break is the largest subsidy in the tax code; with tax-free benefits going to about 160 million Americans, the government forfeits roughly \$250 billion a year. Most economists argue that the tax break fosters costly insurance plans, discourages price-shopping and encourages overspending on health care.

The framework that Mr. Daschle and Mr. Podesta outlined in a meeting with reporters proposed two ways to raise revenues from employer-paid health coverage: Their preferred option would limit the business deduction that employers could take for insurance coverage. The alternative would require employees to pay more taxes, by capping the amount of their coverage that is tax-free.

Mr. Obama, who is insisting than any health legislation not add to deficits, has not ruled out taxing employee benefits. But as a candidate he attacked his Republican rival, Senator John McCain of Arizona, for advocating a "tax on the middle class" by proposing to end the exclusion from taxes for employer-provided health benefits.

Mr. Daschle declined to say whether he had agreed with Mr. Obama's attacks at the time. But Mr. Daschle pointed out that Mr. McCain proposed to repeal the tax break, not to limit it. "Nobody's proposing repealing the exclusion," Mr. Daschle said.

He and Mr. Podesta appeared alongside the authors of the financing framework, Judy Feder, a public policy professor at Georgetown University, and David Cutler, a Harvard economist. Their plan also would have a "pay or play" requirement for larger employers to either provide health benefits or pay toward employees' coverage through private plans or from the government. Also, they propose that the government collect roughly \$200 billion over 10 years from higher "sin taxes" for tobacco products, alcoholic beverages and sugar-sweetened drinks.

Like Mr. Obama, the group supports a public option along with private insurance plans as part of a new insurance exchange for consumers to pick from. "I can't imagine a more important step for controlling costs," Mr. Daschle said. Most Republicans in Congress are opposed, arguing the public

option would amount to unfair competition. But as the Democrats noted, recent polls show most Republican voters favor a public option.

The framework projected big savings after the upfront costs of the first decade as the health system becomes more efficient through information-sharing technology, research into cost-effective treatments, payment changes and other reforms. Rising medical costs are the biggest factor behind forecasts of future unsustainable deficits.

With the House and Senate poised separately to draft health legislation when they return from the week's Fourth of July recess, Mr. Daschle predicted the month will be "the most historically consequential period for health reform perhaps" in history.

He was the second-ranking Senate leader when former President Clinton tried and failed to overhaul health care to provide universal coverage in 1993-1994, and Mr. Podesta was staff secretary in the Clinton White House. On Monday both men said they believe the prospects for passing a bill this year are better than 50-50.

#### U.S. rail fatalities continue to decline

Fatalities reported by U.S. railroads continued to decline in this year's first four months, according to statistics released July 1 by the Federal Railroad Administration's Office of Safety Analysis. The report gives accident/incidents comparisons for the last four years.

Rail fatalities totaled 209 in the January-April 2009 period, down 1.9% from the corresponding period last year and down 21.7% from the same period in 2006.

Grade crossing fatalities were down 5.6% this year to 67 and down 42.7% from the 2006 period. Trespassing fatalities increased 2.3% to 134 in this year's first four months, up 2.3% from last year but down 8.2% from 2006.

The FRA report lists seven employee fatalities through April this year, compared with six in the 2009 period and three in January-April 2006.

A total of 3,326 accidents and incidents were reported in this year's first four months by 696 large and small railroads. This was down 20.2% from last year and 24.5% from 2006.

Train accidents were down 31% from last year, to 587, and 38.6% from 2006. Collisions were down 29.7% from the 2008 period, to 45, and 22.4% from 2006.

Derailments in this year's first four months were down 32.4% to 417, and down 38.9% from 2006. Yard accidents declined 34% to 300 from last year and were down 44.1% from 2006.

8:35 a.m. ET Thursday, July 2, 2009

### U.S. Employers Shed 467,000 Jobs in June

Unemployment rate rises to 9.5 percent.

7/2/2009 MOW

#### UP continues to improve track in Colorado, Nebraska

<u>Union Pacific Railroad</u> is spending about \$40 million to upgrade lines in Colorado and Nebraska.

By September's end, the Class I expects to complete improvements to a line between Gore and Bond, Colo. The project calls for removing and installing 80,000 concrete ties and 24 miles of rail, spreading 77,800 tons of ballast and replacing four switches.

Last year, UP budgeted about \$43 million for capital projects in Colorado.

By mid-August, the Class I also expects to complete upgrades to a line between Big Springs and Potter, Neb. The project includes the installation of more than 90,000 ties, spreading of 29,000 tons of ballast and road surface renewals at 50 grade crossings.

In 2008, UP spent more than \$254 million on capital projects in Nebraska. This year, the Class I has budgeted \$1.7 billion for infrastructure improvements system-wide.

## **George H. Cohen, Nominee for**

## **Federal Mediation and Conciliation Service, Director**

July 3, 2009

George Cohen has had an extensive and distinguished career as a labor lawyer, negotiator, and mediator. During the period 1966-2005 he was a senior partner at Bredhoff & Kaiser, a Washington, D.C. law firm with a national practice, specializing in representing private and public sector labor organizations in collective bargaining involving a wide variety of industries and government entities. Prior to entering into private practice, Mr. Cohen served as an appellate court attorney with the National Labor Relations Board. He is a graduate of Cornell University and its Law School and earned a LLM degree from Georgetown Law. In the past three years he has been engaged in a solo practice as a mediator. He is a member of the prestigious Mediation Panel of the U.S. Circuit Court of Appeals for the D.C. Circuit and has successfully mediated numerous complex, high profile disputes. From the mid 1970's thru 2005, Mr. Cohen was an Adjunct Professor at Georgetown Law School where he taught the Art of Collective Bargaining and other labor courses.