September 13, 2022

The Honorable Nancy Pelosi Speaker U.S. House of Representatives 1236 Longworth House Office Building Washington, DC 20515

The Honorable Mitch McConnell Minority Leader U.S. Senate 317 Russell Senate Office Building Washington, DC 20510 The Honorable Charles Schumer Majority Leader U.S. Senate 322 Hart Senate Office Building Washington, DC 20510

The Honorable Kevin McCarthy Minority Leader U.S. House of Representatives 2468 Rayburn House Office Building Washington, DC 20510

Dear Speaker Pelosi, Leader Schumer, Leader McConnell, and Leader McCarthy:

Railroads and rail labor have until 12:01 a.m. on September 16 to reach a labor agreement that would prevent a lockout or strike. We continue to urge these negotiators to remain at the table and work in good faith to come to an agreement. However, should the parties not be able to come to terms, the undersigned members of the Agricultural Transportation Working Group (ATWG)<sup>1</sup> implore Congress to remain in session and act immediately to prevent a rail strike or lockout to avoid significant economic damage to U.S. supply chains and further uncertainty for rail customers.

The U.S. rail network moves critical agricultural inputs and significant quantities of agricultural products. These essential items are transported by rail to domestic facilities and to ports for export abroad. A complete stoppage of the rail system would lead to shutdowns or slowdowns of rail-dependent facilities resulting in devastating consequences to our national and global food security.

Leaders around the world are already concerned about food shortages and famine due to drought and geopolitical challenges, such as the invasion of Ukraine, which accounts for ten percent of the global exports of wheat. A freight rail stoppage would occur as America's farmers harvest their crops and would exacerbate global food insecurity and likely contribute to further geopolitical instability in regions that experience famine. Congress must be willing to act to ensure our farmers and ranchers can continue to help feed the world.

The freight rail system already is significantly challenged and many rail customers are not receiving timely rail service. A complete stoppage of rail service, even for a single day, would escalate these challenges. Most freight railroads currently lack extra capacity to make up for down time. Thus, a sizable portion of freight backlogged due to a stoppage may never be made up leading to less production from rail-dependent businesses to the detriment of producers and consumers.

Moreover, inflation is impacting all Americans. Today, the Bureau of Labor Statistics announced that food-at-home prices were up 13.5% over the past year, the highest level since 1979. This is a stark reminder of how high the stakes are as a freight rail stoppage would drastically make inflation worse, especially for those who can least afford it.

<sup>&</sup>lt;sup>1</sup> The ATWG is comprised of associations representing farmers, ranchers, food and beverage manufacturers, processors, package suppliers, farm supply dealers and agricultural marketers that support and sustain millions of American jobs. Our members provide safe, abundant, affordable, and sustainably produced human and animal food, fiber, and agricultural goods essential to the health and well-being of tens of millions of U.S. and global consumers. Reliable railroad freight transportation is essential to meet these objectives.

Therefore, we urge Congress to stay in session and prepare to intervene without delay, if necessary, to prevent a rail stoppage of any duration. Uninterrupted rail service is vital to the American agricultural economy, and we thank you for your responsiveness to this potentially significant supply chain issue.

## Sincerely,

## Agricultural Transportation Working Group

Agricultural Retailers Association

Amcot

American Bakers Association

**American Cotton Producers** 

American Farm Bureau Federation

American Feed Industry Association

American Malting Barley Association

American Pulse Association

American Soybean Association

Consumer Brands Association

Cottonseed and Feed Association

**Growth Energy** 

International Dairy Foods Association

National Aquaculture Association

National Association of Wheat Growers

National Barley Growers Association

National Cattlemen's Beef Association

National Corn Growers Association

National Cotton Council

National Cotton Ginners Association

National Cottonseed Products Association

National Council of Farmer Cooperatives

National Grain and Feed Association

National Grange

National Milk Producers Federation

National Sunflower Association

North American Millers' Association

North American Renderers Association

Soy Transportation Coalition

The Fertilizer Institute

USA Dry Pea & Lentil Council

**USA Rice** 

U.S. Canola Association

US Pea & Lentil Trade Association

US Rice Producers Association

cc: Senate Commerce, Science and Transportation Committee Members

cc: Senate Health, Education, Labor & Pensions Committee Members

cc: House Transportation and Infrastructure Committee Members

cc: House Agriculture Committee Members