September 8, 2022

The Honorable Maria Cantwell Chair Commerce, Science and Transportation Committee U.S. Senate 511 Hart Senate Office Building Washington, DC 20510

The Honorable Peter DeFazio Chairman Transportation and Infrastructure Committee U.S. House of Representatives 2134 Rayburn House Office Building Washington, DC 20515 The Honorable Roger Wicker Ranking Member Commerce, Science and Transportation Committee U.S. Senate 555 Dirksen Senate Office Building Washington, DC 20510

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

Dear Chair Cantwell, Chairman DeFazio, Ranking Member Wicker, and Ranking Member Graves:

Railroads and rail labor have until September 16 to reach an agreement that would prevent a lockout or strike after the Presidential Emergency Board published a proposed settlement on August 17. If an agreement is not reached during this 30-day period, we strongly urge Congress to act to avoid significant economic damage to U.S. supply chains and further uncertainty for rail customers.

The farmers, ranchers, food and beverage manufacturers, processors, package suppliers, farm supply dealers and agricultural marketers that comprise our collective memberships 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.

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. A freight rail stoppage would drastically make inflation worse, especially for those who can least afford it.

Therefore, we urge Congress to prepare to intervene, 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** 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 Council of Farmer Cooperatives National Grain and Feed Association National Grange National Milk Producers Federation National Sunflower Association North American Millers' 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: House Transportation and Infrastructure Committee Members