

## COMOTIVE ENGINEERS & TRAINMEN NEWS



Published by the BLET, a division of the Rail Conference, International Brotherhood of Teamsters

# BLET MEMBERS RATIFY FIRST UNION CONTRACT WITH ILLINOIS RAILWAY

embers of the Brotherhood of Locomotive Engineers and Trainmen (BLET) achieved a significant milestone with the ratification of their first-ever union contract with the Illinois Railway (IR) on March 21, 2016. More than 80 percent of members who cast a valid ballot voted in favor of the agreement.

Train and engine service employees at the formerly non-union railroad voted to join the BLET in August of 2014, and negotiations began shortly thereafter. The new four-year deal governs about 32 members and establishes hourly wage rates, overtime, and the concept of a basic day, which guarantees members a minimum of eight hours pay



for each tour of duty. The contract runs through January 1, 2020.

The newly ratified agreement establishes a seniority system for job bidding and

placement, making job assignment a purely objective function. This is significant as it addresses the concerns of many IR members who were upset with how they were as-

signed to positions, especially when they saw an employee who was hired after them assigned to a position they themselves deemed more desirable.

CONTINUED ON PAGE 7

# FRA advances rulemaking for two-person train crews

n Tuesday, March 15, The Federal Railroad Administration (FRA) published a Notice of Proposed Rule Making (NPRM) establishing minimum requirements for the size of train crew staffs depending on the type of operation. The FRA's proposed rule provides compelling reasons trains should be crewed by at least two persons. BLET applauds the FRA's willingness to take a hard look at many scientific concepts that need to be considered when determining crew sizes.

BLET National President Dennis R. Pierce and officers at all levels of the Organization have warned the FRA and the National Transportation Safety Board (NTSB) at every opportunity regarding the dangers that task overload presents to train crews. To be clear, however, task overload does not lead to the nebulous term "loss of situational awareness." The words "loss of

CONTINUED ON PAGE 7 →○►





BLET President's Message
Supporting candidates
who support us pg. 2

Rail merger ahead?
CP continues bid to acquire NS pg. 3



BLET Legislative Elections
Runion reelected in Wyoming,
Simon in New Jersey pg. 4



### BLET PRESIDENT'S MESSAGE BY DENNIS R. PIERCE

# Supporting candidates WHO SUPPORT US

s this edition of the News goes to print, we all are being inundated with information about the primary processes for both the Democratic Party and the Republican Party. Many of the BLET's 36,000 active members have listened to the platforms and agendas that have been pushed on them for the last few months, and also have developed their own opinions about who, from either party, would actually work to improve their lot in life. Other members continue to gather information, holding out hope that some candidate will step forward who is in line with the issues that they hold near and dear.

As part of that process, this column in the coming months will offer BLET members additional information on what the two parties, and their eventual nominees, may bring to our lives. Before that happens, however, I think it is important for all BLET members to realize that there is no politician from any political party who will agree with our union, or with us as individuals, on all of the issues of the day. If anyone promises that they can be everything you want, they are in my experience promising you something that they cannot, and will not deliver. Instead, our efforts as working class Americans should be to support candidates who have actually worked to improve the living standards and workplace safety of the working class. Against that backdrop, we look at each candidate's voting record and past actions on the issues that impact working class Americans, and more importantly, working class railroad employees.

I am well aware that my analysis will be well received by some members, and rejected by others. That does not mean that the BLET National Division's view on the issues that confront us should divide us. Instead, it should be part of a deeper discussion about the actual chances for any given candidate to truly improve the lives of working class Americans. As we all know, there gen-



President Pierce makes a point about the upcoming November elections.

erally are two sides to every story, and in most cases, the issues are much more complicated than the 30-second sound bites that politicians share on any given issue.

For example, the downturn in coal traffic — and the related furloughs that operating employees are experiencing — have generated a steady stream of correspondence to the National Division, mostly blaming the Democratic Party for this turn of events. In answer to the questions that the National Division receives on this issue, I can honestly tell you that I am not satisfied or pleased with the current administration's policies that support natural gas over coal at our nation's power plants. It is no secret that I have written President Obama on more than one occasion urging that the nation's energy plan must include a place for coal.

While it may be true that the building of new coal-fired power plants has all but been reduced to zero, due to the speculation that President Obama's Environmental Protection Agency (EPA) will implement air quality rules that would require coal-fired power plants to expend capital to capture coal emissions, it also is true that the Supreme Court recent-

ly blocked the implementation of most of those new standards. Blocked or not, and while the impact to new power plants is obvious, none of this really gets to the other reasons for the downturn in coal deliveries to existing plants.

While all BLET members understand that the railroads they work for are profit-driven corporations, many have overlooked that deregulated utilities are no different. In reality, much of the conversion from coal to natural gas in existing power plants has been cost driven, not policy driven. When utilities can make more money burning so called "cheap" natural gas, they will burn that fuel whether the EPA mandates it or not. That profit-driven conversion is at the expense of our jobs that are tied to the coal industry, but many members have never considered how we got to this point.

Ironically, the cheap natural gas that we hear about comes largely from the efforts of the Bush administration to relax EPA rules governing hydraulic fracturing drilling process operations — more commonly known as fracking — in its 2005 Energy Bill. That Bill, which included

what was then called the "Halliburton Loophole," stripped the EPA of its authority to regulate fracking. The end result has been an astronomical increase in fracking, which led to the cheap natural gas prices that continue to threaten coal production. The collective energy policies of the Bush administration, along with the famous "drill baby drill" agenda heard loud and clear in the last Presidential election, are what created the world of cheap natural gas that now pushes coal out of many of the nation's power plants.

I share this so that you understand that the version of this story that you hear on the news or even from your employer, may not include all of the factors that have impacted the ability of our membership to earn a living. The bottom line is that neither political party has entirely clean hands when it comes to coal and the downturn in the coal industry.

It also is important to recognize the role that the utilities have played in coal's downturn, and I share my personal experience as a railroad employee to spotlight that role. I started on the railroad as a maintenance of way employee in 1977 on the Burlington Northern's then-growing coal corridor. My very employment in the track department was driven by the expansion of that coal corridor, which included upgrading the tracks east and west of Lincoln, Nebraska, and adding sidings and double track to accommodate the increase in coal traffic. My transfer to engine service was equally tied to coal, as BN struggled to satisfy the demand for coal transportation in the late 1970s and early 1980s, which grew faster than anyone could have projected.

All the while, we were told even back then that for coal to remain relevant, the utilities would need to install scrubbers to control power plant emissions. The evidence of acid rain on America's northern border due to power plant emissions was discussed at length in the 1970s, yet the utilities that we delivered coal to put short-term profits over long-

term implications in many cases. A General Accounting Office (GAO) study published in May of 2011 found that 56 percent of boilers attached to tall smokestacks still lacked scrubbers encouraged 34 years earlier by the Clean Air Act of 1977. Much like the corporations that we work for, utility profit goals came first, and what was predicted decades ago is now coming true as a result.

Having lived within a half mile of an active fracking operation on the Barnett Shale in Texas for the last five years, I can also share with you my personal anger over the propaganda campaign advanced by the energy companies suggesting that natural gas is cleaner than coal. While natural gas may burn cleaner at the power plant, the impact at the drilling site is one that no home owner should have to endure in a residential setting. As I have said, the policies that pushed fracking to its peak were not introduced by the current administration, and allocating responsibility for the impact to the environment, and more importantly to railroad jobs, must include a conversation about supply and demand for energy production, and the impact of deregulation on the consumer, and in this case, railroad employees. Corporations, be they railroad or utilities, will seek the most profitable course that regulation will allow, regardless of the party affiliation of the President of our great nation ... and they have, at our expense.

In the coming months, I will be addressing other key issues that confront our Brotherhood's membership, and how the previous votes and actions of those running for office may inform us on how they are likely to impact those issues should they be elected. As I have said, the information that we share is not in an effort to divide our membership, but rather is an effort to identify the issues that we can all agree on, and find candidates who will support us on those issues.

**DENNIS R. PIERCE**BLET NATIONAL PRESIDENT

## BLET National Division Electronic Communications Policy

fficial communications between BLET members and the National Division require a hard copy of the correspondence, bearing a signature, being received by the National President to be considered an "official communication." This is to provide that the actual question(s) are addressed, and ensures that when official interpretations are made they have reference to a specific request and can be used in future correspondence.

The volume of e-mails received makes it impossible for the National President to answer all unofficial communications. Therefore, it is the policy of the BLET that e-mails addressed to the National President will be reviewed and forwarded to

the appropriate officer or staff for a timely response; however, an e-mail message is not considered an official communication.

Moreover, anonymous e-mails and e-mails that do not provide sufficient information concerning the sender to enable National Division staff to confirm the sender's membership status will not receive any reply or acknowledgement. This poli-

cy is intended to allow the National President to be aware of the opinions and suggestions of the membership, while at the same time providing a timely response to the member's unofficial communication, if a response is necessary, without needlessly expending limited BLET resources.

Adopted at Cleveland, Ohio on July 22, 2010. ©



## GENERAL PRESIDENT'S MESSAGE BY JAMES P. HOFFA

# A Congressional Blueprint FOR AMERICAN GREATNESS

ven in a presidential election year, the government has still got to govern. So it was refreshing to see the Congressional Progressive Caucus (CPC) release a budget blueprint that prioritizes everyday Americans by stressing the importance of infrastructure and good-paying jobs.

The People's Budget, as CPC calls it, invests \$1 trillion to transition to a more modern infrastructure, which ensures our roads, bridges, railways and facilities are strong. In addition, it supports wage increases for working Americans, negotiating rights and fair pay — with a goal of reducing poverty by half in the next decade.

"The Progressive Caucus Budget rebuilds our crumbling roads and bridges, creates good paying jobs, and increases educational opportunities from pre-kindergarten to college," said Rep. Mark Pocan of Wisconsin, a CPC member. "Our budget invests in the American people and gives working families the best opportunity to get ahead."

These are many of the same goals the Teamsters trumpeted when it released its "Let's Get America Working" platform last year. They are essential to creating a 21st century workforce that can earn sustainable wages that support U.S. families and build the nation's economy.

Others also support such a movement. The Economic Policy Institute (EPI), for instance, endorsed much of CPC's budget proposal, saying it would quicken the pace of U.S. economic and employment growth. It estimated gross domestic product would grow by three percent and employment by 3.6 million jobs in the short term if the budget was enacted.

"The big boost to public investment that the People's Budget provides will help address two of the most glaring problems in the American economy today: a still-incomplete economic recovery and decelerating productivity growth," said Hunter Blair, EPI's budget analyst. "Further, the budget's target of genuine full employment is essential if low- and middle-wage workers are going to see significant gains in hourly pay in coming years."

Candidates and elected officials interested in getting the U.S. back on track economically must endorse a platform that invests in this country. That is the only way to make the Teamsters strong and America stronger.

Fraternally,

James P. Hoffa

onomy. Teamsters General President



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Candidates and elected officials interested in getting the U.S. back on track economically must endorse a platform that invests in this country. That is the only way to make the Teamsters strong and America stronger.



## CP continues bid to acquire NS

"The BLET remains opposed to Canadian Pacific's

proposed takeover of Norfolk Southern,

while the NS Board of Directors has rejected

CP merger bids three times since November 2015."

he Canadian Pacific (CP) Railway continued its pursuit of a merger/acquisition of the Norfolk Southern during the first several months of 2016. The Brotherhood of Locomotive Engineers and Trainmen (BLET) remains opposed to the merger.

On March 9, CP filed a preliminary proxy statement with the Securities and Exchange Commission (SEC), which outlines a shareholder resolution to be considered at NS's annual meeting of shareholders in May. The resolution requests that the NS board of directors engage in good faith discussions with CP regarding a business combination.

The NS board of directors has been opposed to what has been viewed as a hostile takeover attempt by CP. To date, NS has refused to meet with CP to discuss a potential transaction. In media reports published in early March, CP CEO Hunter Harrison said "clearly we made some mistakes along the way" in the pursuit of NS. Media analysts speculate that CP may be acknowledging a mistake by backing away from its attempts at a hostile takeover, as CP's only action at NS's upcoming board of directors is to submit a resolution as opposed to forcing elections to overthrow the current board.

On March 2, the CP formally petitioned the U.S. Surface Transportation Board (STB) for a declaratory order confirming the viability of the voting trust

structure CP has suggested as part of its proposed merger with NS. While there is no official application seeking approval of the potential merger, the STB announced that it would issue a decision on CP's March 2 request at a future date. The STB also opened a docket for the proceeding on its website on March 10. The U.S. Justice Department's top antitrust official raised competition concerns about the voting trust structure on March 9, indicating it would allow the companies to

NS has rejected CP merger bids three times. On November 17, 2015, CP made its first unsolicited \$28.4 billion bid to acquire NS, which was met with a chilly response. NS officials called it a "low-premium" offer. CP made two additional "sweetened" merger proposals, the first on December 16, 2015, and the second on December 23, 2015, both of which were rejected by NS.

accomplish much of the merger before

the STB's review was completed.

CP had previously discussed a merger with CSX in 2014. In media reports published in early March 2016, CP's Harrison said either CSX or NS "would work"

for CP as a merger partner. Harrison noted that no formal offer has been made

In related news, Harrison said CP was looking at all legal options in response to what he described as concerted efforts by certain U.S. railroads to block the proposed merger. CEOs at both BNSF and UP have publicly opposed a CP-NS merger in various media reports. Various shippers have also expressed concern, including UPS and FedEx.

In January, the Teamsters Rail Conference added its voice to the dozens of elected officials, shippers and labor unions that strongly oppose a hostile takeover of NS by CP. The Rail Conference represents more than 70,000 active railroad workers whose constituent unions are the BLET and the Brotherhood of Maintenance of Way Employes Division (BMWED). The group stated its opposition to the forced takeover attempt in a letter from Rail Conference President Dennis R. Pierce to the STB dated January 18, 2016.

The investment strategy website "Seeking Alpha" speculates that CP's over-

whelming zeal to find a merger partner stems from its "slash and burn" management style. In other words, the railroad has no more jobs to cut or land to sell, so it is seeking to take over and pillage another railroad to boost its stock price. On February 9, 2016, Seeking Alpha's Cameron Conway wrote:

"I wrote previously about how eventually CP Rail would run out of internal cuts to fuel its rising net income and would have to rely on gimmicks and PR misdirection to keep itself in favor with investors. Last time I covered this strategy with CP Rail it had to do with the fact that it had begun to explore the possibility of divesting or developing many parcels of property. The plan was to develop or sell up to 30 properties mainly in the downtown areas of Toronto, Montreal and Edmonton along with a 30 hectare site in Chicago. Most recently CP Rail has attempted to use the publicity from its attempted acquisition of Norfolk Southern Corp. to pull its stock out from the quicksand. Unfortunately for CP Rail this rather brought its stock to its lowest point in the last 12 months."

In CP press releases issued when the railroad first announced its bid for NS, CP predicted a "huge cash flow" by selling surplus land owned by NS.

This story is continuing to develop and more information will be provided in future publicaitons. ©®

## Runion reelected to fourth term as Chairman of Wyoming State Legislative Board

ory L. Runion was reelected by acclamation to his fourth term as Chairman of the Wyoming State Legislative Board following triennial meetings that concluded on February 17 in Cheyenne, Wyoming.

Brother Runion, a member of Division 115 (Cheyenne) is a Union Pacific locomotive engineer who joined the Brotherhood on December 1, 2000. He was elected Vice Chairman of the State Legislative Board in 2007 and assumed the Chairman's office on September 28, 2008, following the retirement of former State Chairman Terry R. Jones. He was reelected by acclamation in 2010 and 2013.

Also elected by acclamation to threeyear terms were: Vice Chairman Terry L. Cooke, Division 103 (Cheyenne); 2nd Vice Chairman George W. Johnson, Division 207 (Casper); Secretary-Treasurer A.P. (Tony) Lecholat, Division 624 (Sheridan); and Alternate Secretary-Treasurer Larry L. Nelson, Division 94 (Gillette)

Elected to the Audit Committee were: Steve S. Dyer, Division 31 (Bill); Larry L. Nelson, Division 94 (Gillette); and Rick D. Greene, Division 44 (Cheyenne). Alternates to the Audit Committee are Mike



Members and officers of the Wyoming State Legislative Board at their triennial meeting in Cheyenne, Wyoming, on February 17, 2016.

L. Fielder, Division 869 (Greybull) and Terry L. Cooke, Division 103 (Cheyenne).

Representing the National Division at the meeting were First Vice President E. Lee Pruitt and Vice President & National Legislative Representative John P. Tolman.

"I thank Brother Runion and all members of the Wyoming State Legislative Board for their ongoing service to our Brotherhood," BLET National President Dennis R. Pierce said. "Under the leadership of Brother Runion, I have every confidence they will continue performing an excellent job representing the interests of our Brothers and Sisters in the proud state of Wyoming."

Special guests from the BLET included: Dave Geisler, General Chairman, Union Pacific-Eastern District; James

Wilmesher, Colorado State Legislative Board Chairman; David B. Ditzel, Special Representative and BLET Short Term Disability Liaison; and Paul T. Aird, Special Representative, Director of Organizing and Director of Mobilization-Western Region.

First Vice President Pruitt spoke about the BLET National Division's move into a new headquarters building and gave an update regarding national contract negotiations. Vice President Tolman discussed the upcoming national elections. Special Representative Aird gave a PowerPoint presentation regarding the BLET's mobilization network.

Additional guests included: Kim Floyd, Executive Secretary-Treasurer of the Wyoming AFL-CIO; Steve Fender, Federal Railroad Administration (FRA) Region 6 Director; Eldon Offutt, FRA Deputy Regional Administrator; and Mark Williams, FRA Chief Inspector. The AFL-CIO's Floyd discussed Wyoming elections and how they impact labor, while the FRA's Fender discussed the reporting of rail incidents.

The Wyoming State Legislative Board represents more than 1,000 active and retired members from 9 different BLET Local Divisions. ©®

# Sean Simon elected Chairman of New Jersey State Legislative Board

ean P. Simon was elected by acclamation to his second term as Chairman of the New Jersey State Legislative Board at the Board's triennial meeting in Newark, N.J., on March 15, 2016.

A Norfolk Southern locomotive engineer, Brother Simon hired out on Conrail in March of 1994. He earned promotion to locomotive engineer in August of 1995 and joined the Brotherhood effective October 1, 1997. He is Local Chairman and Legislative Representative of Division 226 in Newark, N.J.

Also elected by acclamation were: 1st Vice Chairman David Ziegler, Division 53 (Jersey City); 2nd Vice Chairman Andrew D. Arias, Division 157 (Jersey City); and Secretary-Treasurer Bob Fallon, Division 497 (Jersey City). These Brothers were also elected to serve as delegates to Teamsters Joint Council 73, along with: Richard E. Medei, Division 226 (Newark); Matthew C. Kronyak, Division 235 (Union City); and Michael A. Picariello, Division 601 (Newark).

Representing the BLET National Division at the meeting were: E. Lee Pruitt, First Vice President; John P. Tolman, Vice President and National Legislative Representative; Vincent G. Verna, Director of Regulatory Affairs; and Matt Kronyak, Special Representative and Director of Mobilization-Eastern Region. Also in attendance was: Brother Fred M. Cox, Vice General Chairman of the Norfolk Southern-Southern Lines General Committee of Adjustment; and Cliff Nolan, Director of Organizing and PAC Chairman of Teamsters Joint Council 73.

"I am proud to congratulate and thank Brother Simon and all members of the New Jersey State Legislative Board for



**Above:** Members, officers and guests at the NJ SLB meeting on March 15. **Right:** Sean Simon presents a plaque to thank Brother Matt Kronyak for his years of serivce to the NJ SLB.

their active service to our Brotherhood," BLET National President Dennis R. Pierce said. "Like all of our State Legislative Boards, our Brothers and Sisters in New Jersey will have a lot of hard work ahead of them in advance of November's elections."

Brother Simon briefly served as President of Division 601 after joining the Brotherhood in 1995. After Norfolk Southern and CSX took over Conrail, he flowed over to NS. Shortly after the split date, Brother Simon joined the reactivated BLET Division 226 and was elected to serve as its Legislative Representative. He



has also held the office of Local Chairman of Division 226 for three terms. He was elected 2nd Vice Chairman of the New Jersey State Legislative Board in 2010, and 1st Vice Chairman in 2013. He was elevated to the office of Chairman when former Chairman Matt Kronyak was ap-

pointed as a Special Representative for the BLET National Division in 2014.

The New Jersey Legislative Board represents 850 members from PATH, New Jersey Transit, CSX, Norfolk Southern, Conrail and the New York, Susquehanna and Western (NYS&W) railroads. ©®



## COMPARISON OF BENEFITS UNDER RAILROAD RETIREMENT AND SOCIAL SECURITY

mployers and employees covered by the Railroad Retirement Act pay higher retirement taxes than those covered by the Social Security Act, so that railroad retirement benefits remain higher than social security benefits, especially for "career" employees who have 30 or more years of service.

The following questions and answers show the differences in railroad retirement and social security benefits payable at the close of the fiscal year ending September 30, 2015. They also show the differences in age requirements and payroll taxes under the two systems.

#### 1. HOW DO THE AVERAGE MONTHLY RAILROAD RETIREMENT AND SOCIAL SE-CURITY BENEFITS PAID TO RETIRED EM-PLOYEES AND SPOUSES COMPARE?

The average age annuity **being paid** by the Railroad Retirement Board (RRB) at the end of fiscal year 2015 to career rail employees was \$3,285 a month, and for all retired rail employees the average was \$2,625. The average age retirement benefit being paid under social security was nearly \$1,340 a month. Spouse benefits averaged \$975 a month under railroad retirement compared to \$665 under social security.

The Railroad Retirement Act also provides supplemental railroad retirement annuities of between \$23 and \$43 a month, which are payable to employees who retire directly from the rail industry with 25 or more years of service.

#### 2. ARE THE BENEFITS AWARDED TO RE-CENT RETIREES GENERALLY GREATER THAN THE BENEFITS PAYABLE TO THOSE WHO RETIRED YEARS AGO?

Yes, because recent awards are based on higher average earnings. Age annuities awarded to career railroad employees retiring at the end of fiscal year 2015 averaged about \$3,805 a month while monthly benefits awarded to workers retiring at full retirement age under social security averaged nearly \$1,840. If spouse benefits are added, the combined benefits for the employee and spouse would total \$5,325 under railroad retirement coverage, compared to \$2,755 under social security. Adding a supplemental annuity to the railroad family's benefit increases average total benefits for current career rail retirees to nearly \$5,360 a month.

#### 3. HOW MUCH ARE THE DISABILITY BEN-EFITS CURRENTLY AWARDED?

Disabled railroad workers retiring directly from the railroad industry at the end of fiscal year 2015 were **awarded** more than \$2,820 a month on the average while awards for disabled workers under social security averaged over \$1,270.

While both the Railroad Retirement and Social Security Acts provide benefits to workers who are totally disabled for any regular work, the Railroad Retirement Act also provides disability benefits specifically for employees who are disabled for work in their regular railroad occupation. Employees may be eligible for such an occupational disability annuity at age 60 with 10 years of service, or at any age with 20 years of service.

#### 4. CAN RAILROADERS RECEIVE BENE-FITS AT EARLIER AGES THAN WORKERS UNDER SOCIAL SECURITY?

Railroad employees with 30 or more years of creditable service are eligible for regular annuities based on age and service the first full month they are age 60, and rail employees with less than 30 years of creditable service are eligible for regular annuities based on age and service the first full month they are age 62.

No early retirement reduction applies if a rail employee retires at age 60 or older with 30 years of service and his or her retirement is after 2001, or if the employee retired before 2002 at age 62 or older with 30 years of service.

Early retirement reductions are otherwise applied to annuities awarded before full retirement age, the age at which an employee can receive full benefits with no reduction for early retirement. This ranges from age 65 for those born before 1938 to age 67 for those born in 1960 or later, the same as under social security.

Under social security, a worker cannot begin receiving retirement benefits based on age until age 62, regardless of how long he or she worked, and social security retirement benefits are reduced for retirement prior to full retirement age regardless of years of coverage.

## 5. CAN THE SPOUSE OF A RAILROADER RECEIVE A BENEFIT AT AN EARLIER AGE THAN THE SPOUSE OF A WORKER UNDER SOCIAL SECURITY?

If a retired railroad employee with 30 or more years of service is age 60, the employee's spouse is also eligible for an annuity the first full month the spouse is age 60.

Certain early retirement reductions are applied if the employee first became eligible for a 60/30 annuity July 1, 1984, or later, and retired at ages 60 or 61 before 2002. If the employee was awarded a disability annuity, has attained age 60 and has 30 years of service, the spouse can receive an unreduced annuity the first full month she or he is age 60, regardless of whether the employee annuity began before or after 2002, as long as the spouse's annuity beginning date is after 2001.

To qualify for a spouse's benefit under social security, an applicant must be at least age 62, or any age if caring for a child who is entitled to receive benefits based on the applicant's spouse's record.

## 6. DOES SOCIAL SECURITY OFFER ANY BENEFITS THAT ARE NOT AVAILABLE UNDER RAILROAD RETIREMENT?

Social security does pay certain types of benefits that are not available under railroad retirement. For example, social security provides children's benefits when an employee is disabled, retired or deceased. Under current law, the Railroad Retirement Act only provides children's benefits if the employee is deceased.

However, the Railroad Retirement Act includes a special minimum guaranty provision which ensures that railroad families will not receive less in monthly benefits than they would have if railroad earnings were covered by social security rather than railroad retirement laws. This guaranty is intended to cover situations in which one or more members of a family would otherwise be eligible for a type of social security benefit that is not provided under the Railroad Retirement Act. Therefore, if a retired rail employee has children who would otherwise be eligible for a benefit under social security, the employee's annuity can be increased to reflect what social security would pay the family.

## 7. HOW MUCH ARE MONTHLY BENEFITS FOR SURVIVORS UNDER RAILROAD RETIREMENT AND SOCIAL SECURITY?

Survivor benefits are generally higher if payable by the RRB rather than social security. At the end of fiscal year 2015, the average annuity being paid to all aged and disabled widow(er)s was \$1,565 a month, compared to \$1,250 under social security.

Benefits **awarded** by the RRB at the end of fiscal year 2015 to aged and disabled widow(er)s of railroaders averaged nearly \$2,065 a month, compared to more than \$1,195 under social security.

The annuities **being paid** at the end of fiscal year 2015 to widowed mothers/fathers averaged \$1,835 a month and children's annuities averaged \$1,055, compared to \$940 and \$830 a month for widowed mothers/fathers and children, respectively, under social security.

Those **awarded** at the end of fiscal year 2015 averaged \$1,670 a month for widowed mothers/fathers and \$1,320 a month for children under railroad retirement, compared to \$900 and \$815 for widowed mothers/fathers and children, respectively, under social security.

## 8. HOW DO RAILROAD RETIREMENT AND SOCIAL SECURITY LUMP-SUM DEATH BENEFIT PROVISIONS DIFFER?

Both the railroad retirement and social security systems provide a lump-sum death benefit. The railroad retirement lump-sum benefit is generally payable only if survivor annuities are not immediately due upon an employee's death. The social security lump-sum benefit may be payable regardless of whether monthly benefits are also due. Both railroad retirement and social security provide a lump-sum benefit of \$255. However, if a railroad employee completed 10 years of creditable railroad service before 1975, the average railroad retirement lump-sum benefit payable is \$1,010. Also, if an employee had less than 10 years of service, but had at least 5 years of such service after 1995, he or she would have to have had an insured status under social security law (counting both railroad retirement and social security credits) in order for the \$255 lump-sum benefit to be payable.

The social security lump sum is generally only payable to the widow(er) living with the employee at the time of death. Under railroad retirement, if the employee had 10 years of service before 1975, and was not survived by a living-with widow(er), the lump sum may be paid to the funeral home or the payer of the funeral expenses.

## 9. HOW DO RAILROAD RETIREMENT AND SOCIAL SECURITY PAYROLL TAXES COMPARE?

Railroad retirement payroll taxes, like railroad retirement benefits, are calculated on a two-tier basis. Rail employees and employers pay tier I taxes at the same rate as social security taxes, 7.65 percent, consisting of 6.20 percent for retirement on earnings up to \$118,500 in 2016, and 1.45 percent for Medicare hospital insurance on all earnings. An additional 0.9 percent in Medicare taxes (2.35 percent in total) will be withheld from employees on earnings above \$200,000.

In addition, rail employees and employers both pay tier II taxes which are used to finance railroad retirement benefit payments over and above social security levels

In 2016, the tier II tax rate on earnings up to \$88,200 is 4.9 percent for employees and 13.1 percent for employers.

## 10. How much are regular railroad retirement taxes for an employee earning \$118,500 in 2016 compared to social security taxes?

The maximum amount of regular railroad retirement taxes that an employee earning \$118,500 can pay in 2016 is \$13,387.05, compared to \$9,065.25 under social security. For railroad employers, the maximum annual regular retirement taxes on an employee earning \$118,500 are \$20,619.45, compared to \$9,065.25 under social security. Employees earning over \$118,500, and their employers, will pay more in retirement taxes than the above amounts because the Medicare hospital insurance tax is applied to all earnings. ©©



# Your **Peace of Mind**Policy

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\*Accidental Death coverage is not available in California. Beneficiary Accidental Death coverage is not available in Texas.



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Transportation workers protecting each other since 1910.



## CSX cuts operations, 101 jobs in Russell, Ky.

(Source: Herald-Dispatch, March 15, 2016)

SX Transportation Inc. will cut 101 union and management jobs at its Russell operation, continuing a trend of cutbacks in the region over the past two months.

Management met with workers at its Russell facilities Tuesday to inform them the company will be streamlining its operations as a result of declining volume through the region. About 430 workers are employed at the Russell site.

Some yard operations will continue, said CSX corporate spokeswoman Melanie Cost. Neither the locomotive shop nor engineering employees are affected by the reductions, Cost said.

"This decision was made only after a thorough review and careful consideration of all other possible options," she said. "Operations in Russell primarily serve coal trains moving from the Central Appalachian coalfields, and the diminished traffic levels no longer support the same level of activity there. Low natural gas prices have significantly decreased CSX's coal movements over the past five

years, with \$1.4 billion in coal revenue declines during that time."

Just as workers affected by recent cutbacks in Huntington, union employees in Russell will be provided relocation opportunities and other benefits in accordance with collective bargaining agreements, Cost said. Some furloughed union employees will be eligible for jobs in higher-demand areas on CSX's network. Affected management employees will be offered relocation opportunities or offered severance benefits.

"We are grateful for these employees' service to CSX and are committed to supporting them during this difficult time," Cost said. "CSX will continue to serve its customers in and around Russell and across the state. CSX remains a committed partner in Russell and throughout the Commonwealth of Kentucky."

CSX, the nation's third-largest railroad, has more than 2,900 miles of track in Kentucky, as well as an automotive distribution center in Louisville and a rail yard in Hopkinsville.

The cutbacks in Russell, part of the company's Louisville division, come less



than two months after CSX announced the closing of its administrative offices in Huntington and dissolution of its Huntington Division, affecting 121 management and union employees. A little more than a month ago, CSX announced a reduction in operations at 16 car shops that included its facility in Huntington. All seven positions at the car shop will be abolished and those employees will now

be working at the locomotive shop, with one person continuing to perform inspections and do minor repair work on cars in the area.

CSX Corporation, based in Jackson-ville, Florida, owns companies providing rail, intermodal and rail-to-truck services as well as more than 200 rail-roads. CSX Transportation operates the third-largest railroad in the United States and has the largest network east of the Mississippi River with 22,000 miles of rail linking commercial markets in 23 states, the District of Columbia and two Canadian provinces. ©®

# OPERATION LIFESAVER HAILS DROP IN 2015 CROSSING COLLISIONS, BUT NOTES INCREASE IN TRESPASS DEATHS

ehicle-train collisions and deaths at highway-rail grade crossings fell in 2015, along with injuries to pedestrians trespassing on train tracks, Operation Lifesaver, Inc. announced on March 15. In contrast, the number of people killed while trespassing on train tracks rose compared to 2014, as did the number injured as a result of crossing collisions.

The national nonprofit rail safety education organization cited preliminary 2015 Federal Railroad Administration (FRA) statistics showing that U.S. crossing collisions fell 7.6 percent in 2015, to 2,280 from 2,096 in 2013; crossing-related fatalities dropped 7.6 percent to 244 vs. 264 in 2014; and trespass injuries fell 4.3 percent to 398 from 416 in 2014. Fatalities from rail trespassing increased by 7.6 percent in 2015 to 512 (vs. 475 in 2014), while crossing-related injuries increased 12.3 percent in 2015 to 967 (vs. 861 in 2014).

For 2015, the rail trespass casualty rate (deaths and injuries per million train-miles) is 1.23, its highest level in the last decade, and the highway-rail incident rate (incidents per million train-miles) is 2.79, the lowest since 2012, OLI President and CEO Bonnie Murphy noted.

"We are encouraged by the drop in highwayrail grade crossing collisions and deaths, and will continue to work closely with FRA's grade crossing task force and our railroad and community safety partners," Murphy said. "However, the increase in trespasser deaths shows there is more work to be done educating Americans about the crucial need to stay off train tracks."

States with the most crossing collisions in 2015 were Texas, Illinois, California, Indiana and Georgia. States with the most trespasser casualties (deaths and injuries combined) in 2015 were California, Texas, Florida, New York and Illinois.

Murphy said OLI will continue its "See Tracks? Think Train!" campaign in 2016, with a strategic focus on emphasizing that it's illegal and extremely dangerous to use train tracks for recreational activities.



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SMART - UTU monthly assessment	\$64.80	\$81.00	\$121.50	\$162.00		





## BLET NATIONAL DIVISION SETTLES INTO NEW HEADQUARTERS BUILDING

s this issue of the BLET News goes to press, officers and staff of the National Division are settling into their new headquarters building in Independence, Ohio. The top row of photos shows our old headquarters at the Standard Building in downtown Cleveland, while the remaining photos show contractors putting the finishing touches on the new headquarters. Our new mailing address is: 7061 East Pleasant Valley Road, Independence, Ohio, 44131. More photos and details will appeare in future BLET publications.





















#### **ILLINOIS RAILWAY CONTRACT**

CONTINUED FROM PAGE 1 ≺○►

The new contract also establishes a discipline rule to ensure job security, an invaluable employment right. It protects members from arbitrary treatment and requires the Carrier to establish just cause for any disciplinary action it may attempt to initiate against BLET members. This protection extends all the way through final and binding arbitration under the Railway Labor Act.

IR workers hold membership in BLET Division 682 (Hammond, Ind.) and belong to the BLET's Indiana Harbor Belt (IHB) General Committee of Adjustment. BLET National President Dennis R. Pierce thanked former IHB General Chairman Chris Cundari for his efforts to initially organize the IR property and for his work to negotiate the tentative agreement. President Pierce also recognized current IHB their work in negotiations and throughout the ratification process.

"We are very pleased that we were able to satisfy the major concerns that led the Illinois Railway employees to designate BLET as their collective bargaining representative," President Pierce said. "Their first-ever union contract is a significant milestone, and I thank our Illinois Railway membership for participating in the General Chairman Steve Short and Na- ratification vote. We look forward to ne-

ments during the next round of contract talks. I also recognized and thank Vice President Ruef, General Chairman Short and former General Chairman Cundari for their selfless and tireless efforts to bring these negotiations to a successful conclusion."

IR is comprised of four track segments aggregating 113 miles of track located just west of the Chicago suburbs. IR services what is often called "the Sand Capital of tional Vice President Marcus J. Ruef for gotiating more refinements and improve-the World" in northern Illinois. ©

#### TWO-PERSON CREWS

CONTINUED FROM PAGE 1 →○►

situational awareness" are merely management code words for blaming the employee who has been bogged down with too many tasks, duties and distractions. Task overload does lead to increased fatigue and attention capture that pose genuine and quantifiable safety risks in the railroad industry.

BLET will file comments to the NPRM docket that completely detail the concerns we have regarding task overload and the human factors issues raised by the NPRM. FRA has done good work by raising issues of human and system integration and cognitive task analysis. However, the proposed rule also has a cautionary side that should give us all pause, because FRA has proposed two different options for railroads to either continue or initiate operations with single person crews.

BLET will examine these proposals further and formally comment in greater detail in the appropriate forum. Meanwhile, the BLET will continue to work in every arena available to it - whether collective bargaining, regulatory affairs or legislation on Capitol Hill - when it comes to crew size. We will endeavor to persuade FRA to adopt a regulation that safeguards train crews and the public and we also will keep encouraging members of Congress to co-sponsor and support the Safe Freight Act, H.R. 1763.

"Technology will never be able to safely replace the eyes and ears of our highly-trained, experienced and professional two-person train crews," President Pierce said. @@



Dave Geisler, General Chairman, Union Pacific-Eastern District GCA and John Kellogg, Division 88





#### **Locomotive Engineers And Trainmen News Brotherhood Of Locomotive Engineers And Trainmen**

7061 East Pleasant Valley Road Independence, Ohio 44131

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#### LOCOMOTIVE ENGINEERS & TRAINMEN NEWS (ISSN 0898-8625)

is published monthly by the Brotherhood of Locomotive Engineers & Trainmen, 7061 East Pleasant Valley Road, Independence, Ohio 44131 Periodicals postage paid at Cleveland, OH.

USPS: 0002-244 ISSN: 0898-8625

#### **POSTMASTER:** Send address changes to

Locomotive Engineers & Trainmen News — BLET Record Department, 7061 East Pleasant Valley Road, Independence, Ohio 44131.

Periodicals Postage PAID at Cleveland, OH.

3/16

#### Photo of the Month: March 2016

UP 6493 slowly loads coal as it pulls beneath the load-out at Gateway Mine near Coulterville IL. Photo: courtesy Daniel Schroeder, Division 48



**Are you a photographer?** The National Division's Public Relations Department, which produces the Newsletter each month, has received numerous inquiries lately rom BLET members volunteering to contribute their 248, or you can email: Bentley@ble-t.org.

images to the "Photo of the Month" section of the Newsletter. If you'd like to submit a photo for consideration, you may call Editor John Bentley at (216) 241-2630, ext.

Please note only high resolution images can be used. Members are also encouraged to review their employer's policies regarding the use of cameras and other electronic devices while on duty.

### Advisory Board January 2016 Activity

In accordance with the BLET Bylaws, summaries of BLET Advisory Board members' activities are published monthly:

NATIONAL PRESIDENT DENNIS R. PIERCE: National Division Office, Cleveland; General supervision of BLET activities; General office duties; Correspondence and telephone communications; Supervision of Office Administration; General Supervision of Special Representatives; President, Teamsters Rail Conference: Policy Committee, Teamsters Rail Conference: UP-N Local Chairman workshop, Clinton, Iowa; CRLO meetings, Hollywood, Fla.

FIRST VICE PRESIDENT E.L. (LEE) PRUITT: National Duties include but not limited to: Director, Passenger Dept.; Shortline Organizing Dept.; Trainmen's Dept.; National Publications Committee; National Legislative Board; Teamsters Rail Conference Policy Committee; PRAC; and National Negotiations; National duties, Cleveland, Ohio; Holiday; CRLO mtgs., Hollywood, Fla

NATIONAL SECRETARY-TREASURER STEPHEN J. BRUNO: General supervision of Accounting Dept., Record Dept., Online Services Dept., Tax Compliance Dept.; Safety Task Force; PAC and FEC reports and filings; Implementation and training for BLET membership database; Pension, STD, 457 plan Trustee; Division, General Committee and SLB monthly Trustee reports; Mtgs. with vendors and financial institutions; Publications Committee; Passenger Dept.; National Bargaining Committee; IBT Human Rights Commission; ND office work, Cleveland; Holiday; RMA planning mtg., Cleveland; CRLO mtgs., Hollywood, Fla.

VICE PRESIDENT & NATIONAL LEGISLATIVE REPRESENTATIVE JOHN P. TOLMAN: Assigned to BLET Washington, DC office; General office duties, telephone and correspondence communications; Coordinate content of NLO website; Weekly PAC committee and legislative mtgs.; Attended functions for several Representatives and Senators, Washington, D.C.; North Dakota State Legislative Board mtg., Bismarck, N.D.; Press conference with Congress to launch campaign opposing Trans-Pacific Partnership, Washington, D.C.; American Ireland Fund reception for Chairs, Washington, D.C.; Various mtgs. and functions with Representatives and Senators.

VICE PRESIDENT MARCUS J. RUEF: Vice Chairman, National Railroad Adjustment Board (NRAB); National Mediation Board (NMB) Arb. Adv. Forum; Department Head, BLET Arbitration Department; Assigned to Illinois Central, Wisconsin Central, Indiana Harbor Belt, Belt Railway of Chicago, Metra, GRR and Illinois RR; Holiday; Assist GC Craves with "Pye" investigation, BRC, Chicago; Attend Div. 682 monthly mtg., IHB, Chicago; NRAB admin duties, Chicago; Assist GC Reynolds w/ discipline appeals, WC, Chicago; NRAB web filing comm.; NMB arb. Adv. Forum, Chicago; Assist Metra GCs w/ engineer mentor discussions, Chicago

VICE PRESIDENT MIKE TWOMBLY: Assigned to all Union Pacific GCAs (Eastern District, Northern Region (former C&NW), Western Lines (Pacific Harbor Lines), Western Region (Portland & Western), Central Region, Southern Region; Tacoma Belt RR, Utah RR, Longview Portland & Northern NO & Longview Switch, Portland Terminal; On duty at home office; General office duties, telephone, email, correspondence communications, etc.; UP-Southern Region PLB 6833, Philadelphia; Tacoma Belt Railroad conference, Tacoma, Wash.; UP-Southern Region and UP-Western Re-

gion joint conference, Omaha, Neb.; UP-Northern Region Local Chairman training class, Clinton, Iowa; UP-Western Region PLB 7329 and PLB 7228, Chicago; UP-Southern Region Local Chairman training and ST Training classes, Hurst, Texas.

VICE PRESIDENT GIL GORE: Assigned to all CSX; Grand Trunk Western; Union Pacific-Southern Region GCA special assignment; Dispute Resolution Committee (DRC) issues, CSXT; General office duties, paperwork, correspondence, emails, telephone calls, etc.; Holiday; Vacation; CAPS conference call; Inward-facing camera conference call, all CSX GCs; Meal allows and WLC roster, safety, conference call; CSX codification and wrap-up mtgs.; Jacksonville; Operation Red Block mtg., De-

VICE PRESIDENT MICHAEL D. PRIESTER: Assigned to all BNSF (former ATSF, former C&S, CRI&P, FWD, former STL-SF, BNSF/MRL), Panhandle Northern, Missouri & North Arkansas Montana Rail Link, Great Western; Texas Pacifico; General office duties, telephone, email, corre spondence communications, etc.; Division 135 and Division 644 mtgs. w/ VGC LaPrath and Brandt BNSF, Galesburg, Ill.; Safety Summit discussion w/ BNSF Labor Relations and BLET General Chair men, Fort Worth, Texas; PLB 7682, assisting GC Holdcraft, Fort Myers, Fla.

VICE PRESIDENT COLE W. DAVIS - Assigned to: Kansas City Southern (MidSouth Rail, SouthRail, Gateway Western, Illinois & Midland), Texas Mexican Rwy.; CP Rail System/US (Indiana Southern, Iowa, Chicago & Eastern, Dakota, Minnesota & Eastern); Springfield Terminal (St. Lawrence & Atlantic, Delaware & Hudson), Cedar River, Louisville & Indiana, Huron & Eastern; General office duties, telephone, email, correspondence communications, etc.: DM&E issues and MidSouth issues and Cedar Creek issues, GC Craddock; Huron & Eastern issues, GC Ladrig; Tex-Mex issues, GC Ball, San Antonio, Texas; Springfield Terminal mediation, GC Moore, Albany, N.Y.; Louisville & Indiana issues, GC Hogan; D&H issues and Springfield Terminal issues, GC Moore; Soo contract issues, GC Craddock; TexMex issues, GC Silmon; KCS issues, GC Parker.

VICE PRESIDENT R.C. (RICK) GIBBONS: Assigned to: All Norfolk Southern General Commit tees; Wheeling & Lake Erie; Chicago, Fort Wayne & Eastern; New York, Susquehanna & Western; New England Central; Connecticut Southern; Western New York & Pennsylvania; Indiana & Ohio RSAC/RSIA Fatigue Management Group; General office duties, telephone, email, correspondence communications; Vice President duties; On duty at home office.

VICE PRESIDENT JAMES P. LOUIS: Assigned Amtrak; Long Island Rail Road; New York & Atlantic; Metro North; New Jersey Transit; PATH; SEPTA; Metra; Union Railroad; National Division Department Head, Education & Training Dept.; National Division Department Head, Internal Or ganizing, Mobilizing & Strategic Planning Dept.; E&T issues; 2016 RMA planning mtg., Cleveland; Amtrak contract talks, Philadelphia; LIRR conference call; SEPTA contract talks, NMB A13798, Philadelphia; NJ Transit PEB 249; Union Track mtgs., Cleveland; General office duties, telephone email, correspondence communications; On duty at home office

## FRA seeks input on screening and treatment of rail workers with obstructive sleep apnea

U.S. Department of Transportation's (DOT) Federal Motor Carrier Safety Administration (FMCSA) and Federal Railroad Administration (FRA) announced that the agencies are seeking public input during the next 90 days on the impacts of screening, evaluating and treating rail workers and commercial motor vehicle (CMV) drivers for obstructive sleep apnea (OSA). The National Transportation Safety Board recommended that DOT take action to address OSA screening and treatment for transportation workers.

The joint Advance Notice of Proposed Rulemaking (AN-PRM) is the first step as both

n March 8, the | agencies consider whether to | als with OSA, eight hours of | propose requirements specifically on OSA. FRA and FMC-SA will host three public listening sessions to gather input on OSA in Washington, D.C., Chicago, and Los Angeles.

> It is estimated that 22 million men and women could be suffering from undiagnosed OSA, a respiratory disorder characterized by a reduction or cessation of breathing during sleep. Undiagnosed or inadequately treated moderate to severe OSA can cause unintended sleep episodes and deficits in attention, concentration, memory, and the capacity to safely respond to hazards when performing safety sensitive service. For individu-

sleep can be less refreshing than four hours of ordinary, uninterrupted sleep, according to a study by the American Academy of Sleep Medicine. The size and scope of the potential problem means that OSA presents a critical safety issue for all modes and operations in the transporta-

tion industry. "The sooner patients with OSA are diagnosed and treated, the sooner our rail network will be safer," FRA Administrator Sarah E. Feinberg said. "Over the next 90 days, we look forward to hearing views from stakeholders about the prevalence of obstructive sleep apnea, their views on diagnosis and treatment, and potential

economic impacts."

FRA is also currently working on a rule that will require certain railroads to establish fatigue management plans. In 2012, FRA partnered with the Division of Sleep Medicine at Harvard Medical School, WGBH Education Foundation and the John A. Volpe National Transportation Systems Center to sponsor the Railroaders' Guide to Healthy Sleep website (www.railroadersleep.org). The site provides educational information to railroaders and their families about sleep disorders and information to improve sleep quality. @@

TO READ THE ANPRM VISIT: WWW.FRA.DOT.GOV/ ELIB/DETAILS/L17364