

AFL-CIO

LEGISLATIVE ALERT

March 5, 2024

Dear Chairman Whitehouse and Ranking Member Grassley:

On behalf of the AFL-CIO, I urge you to vote yes on S. 1274, the Railroad Employee Equity and Fairness Act (REEF Act). This bipartisan legislation would eliminate sequestration cuts to unemployment and sickness benefits that singled out workers in the railroad workforce and the freight and passenger railroad industry during what is a particularly vulnerable time for these workers.

The REEF Act would ensure fairness for unemployed and sick railroad workers who currently lack access to full benefits due to outdated budget sequestration rules that have remained in place for over a decade and solely apply to rail workers. The Budget Control Act of 2011 and the following sequestration required cuts to the Railroad Unemployment and Sickness Insurance program. Congress temporarily paused sequestration of the benefits during the COVID-19 pandemic. Since May 2023, however, railroad workers have faced a 5.7 percent cut to their benefit payments. Workers covered by the Railroad Unemployment Insurance Act benefits are the only federal unemployment insurance and sickness benefits program subject to these sequestration rules. Without Congressional action, the cuts to benefit payments will continue through Fiscal Year 2030.

The REEF Act permanently addresses this inequity by exempting the Railroad Unemployment and Sickness Insurance program from sequestration and fully restores benefits for rail workers. Since the program is funded by the railroad industry, restoring the benefits will have no impact on the national debt and is not dependent on taxpayer funding.

It is unfair to target benefits of one group of U.S. workers with continued cuts due to a sequestration rule that is over a decade old. It is long overdue time to restore benefits for U.S. railroad workers most in need – individuals who have lost their job or become sick. The AFL-CIO urges you to favorably report the REEF Act.

Sincerely,



William Samuel
Director, Government Affairs