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Kevin M. Dempsey
President and Chief Executive Officer

November 29, 2022

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

Dear Speaker Pelosi, Majority Leader Schumer, and Republican Leaders McConnell and McCarthy:

On behalf of the producer members of the American Iron and Steel Institute (AISI), I am writing to express concerns about the state of ongoing labor negotiations in the freight rail industry and the potential for significant disruption in the critical national rail system, which would have serious consequences for the domestic steel industry and the entire U.S. economy. The recent rejection of the agreement reached between the railroads and the negotiators for rail labor organizations in September has raised concerns that a harmful interruption to the rail system may occur as soon as early next week. While a voluntary agreement among all parties to the ongoing rail negotiations is clearly the best outcome, Congressional action is necessary to ensure that our nation's freight rail system remains operational.

AISI serves as the voice of the American steel industry in the public policy arena and advances the case for steel in the marketplace as the preferred material of choice. AISI's membership is comprised of both integrated and electric arc furnace steelmakers, as well as associate members who are suppliers to or customers of the steel industry. The American steel industry is essential to our national and economic security, supports nearly two million American jobs and is the cleanest and most energy efficient of the leading steel industries in the world.

Our nation's railroads not only serve as the arteries for American commerce – they are an *indispensable* necessity for the health and survival of our domestic steel industry. American steel producers rely heavily on railroads for transporting raw materials to their mills and for shipping finished steel products to the market. Last year, railroads

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hailed more than 1.5 *million* carloads of steel and the raw materials needed to produce America's steel. A functional freight railroad system is critical to ensuring that the American steel industry can effectively and efficiently serve its customers. At a time when our nation's supply chains for critical materials like steel have not yet fully recovered from the COVID-19 pandemic, it would be a tremendous setback for supply chains to suffer another blow, especially as government and industry are partnering to implement the recent historic bipartisan infrastructure law.

As President Biden stated yesterday, a rail shutdown would devastate our economy. Accordingly, the President called on Congress to pass legislation immediately to avoid such a shutdown. AISI agrees and urges Congress to take the necessary legislative action to ensure that our nation's freight rail system remains fully operational.

Sincerely,

A handwritten signature in black ink that reads "Kevin M. Dempsey". The signature is written in a cursive, flowing style.

Kevin M. Dempsey
President and Chief Executive Officer
American Iron and Steel Institute