RAIL LABOR DIVISION

June 30, 2025

Dear Senate Majority Leader Thune and Minority Leader Schumer:

As the Senate considers amendments to the reconciliation bill, the Rail Labor Division of the Transportation Trades Department, AFL-CIO (RLD), urges you to bring up <u>Amendment #2613</u> offered by Senator Maria Cantwell for a standalone vote. The RLD is made up of 13 rail unions who collectively represent the totality of rail labor, and we advocate on behalf of more than 200,000 freight and passenger rail workers in the United States. RLD respectfully urges you to bring this amendment up for a standalone vote and ensure that railroaders are not excluded from the overtime tax deduction.

Unfortunately, Section 70202 ("No Tax on Overtime") as drafted excludes rail workers because it only bases overtime on the Fair Labor Standards Act (FLSA). The FLSA specifically exempts several different types of employees, including rail workers, from its overtime provisions. Rail workers are covered instead by a separate federal labor statute known as the Railway Labor Act (RLA), which is in part why they are not subject to the FLSA.

This straightforward amendment does not make any significant policy changes to the reconciliation legislation and would simply ensure that rail workers are treated the same as other workers covered by the FLSA when it comes to no taxation on overtime pay. We respectfully ask that you please support rail workers and ensure they are eligible for the overtime tax deduction and that you bring up Senator Cantwell's amendment #2613 for a standalone vote.

If you have any questions about this request, please do not hesitate to reach out to TTD Legislative Representative Lucy Shaw at <u>lucy@ttd.org</u>.

Sincerely,

Michael S. Baldwin

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Chair, Rail Labor Division Transportation Trades Department, AFL-CIO