

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. EP 770 (Sub-No. 1)

URGENT ISSUES IN FREIGHT RAIL SERVICE—RAILROAD REPORTING

Digest:¹ This decision discontinues the temporary reporting of several categories of employment data and extends until December 31, 2025, the temporary reporting of two types of data.

Decided: December 20, 2024

The Board opened this docket in 2022 following an STB hearing to address concerns regarding rail network reliability.² In a decision served on May 6, 2022 (May 6 Order), the Board required, among other things, all Class I rail carriers to submit monthly employment data for a six-month period. Following two extensions of that reporting, in a decision served on January 31, 2024 (January 2024 Order), the Board again extended the employment data reporting period for all Class I carriers, until December 31, 2024. The Board now discontinues the temporary reporting of several categories of employment data and extends until December 31, 2025, the temporary reporting of two data elements, as described in this decision.

BACKGROUND

Following the April 2022 hearing, in which numerous parties voiced their concerns regarding railroad service deficiencies, the Board opened this docket and issued its May 6 Order, which, among other things, directed Class I carriers to submit certain service performance data on a weekly basis and certain employment data on a monthly basis.³ With respect to the employment data, the Board ordered those carriers to file the following information for each

¹ The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. See Pol’y Statement on Plain Language Digs. in Decisions, EP 696 (STB served Sept. 2, 2010).

² The hearing was held on April 26 and 27, 2022, in Docket No. EP 770. See Urgent Issues in Freight Rail Serv., EP 770 (STB served Apr. 7, 2022). The Board opened this subdocket following the hearing.

³ Pursuant to 49 U.S.C. § 11145(a)(1), the Board may require rail carriers “to file annual, periodic, and special reports with the Board containing answers to questions asked by it” and, pursuant to 49 U.S.C. § 1321(b)(3), the Board may obtain from carriers “information the Board decides is necessary to carry out subtitle IV.”

category of employees covered in the Monthly Report of Number of Railroad Employees (Form C) submitted to the Board's Office of Economics under 49 C.F.R. § 1246.1:

- (i) total employee count;
- (ii) how many employees were added;
- (iii) how many employees were separated (with a breakout of those employees who separated by voluntary resignation);
- (iv) how many employees have been furloughed but are potentially available for recall;
- (v) the number of "extra-board employees;" and
- (vi) for categories 300, 400, 500, and 600, how many employees are working in active service (as opposed to completing training courses).

May 6 Order, EP 770 (Sub-No. 1), slip op. at 7. The Board further ordered: "Carriers should report these data for each railroad operating division to the maximum extent practicable, and should also report these data on a system-wide basis." Id.

The Board required this reporting in response to service deficiencies and decreases in railroad employment relative to pre-pandemic levels. Id. at 3-4. In fact, as the Board observed, rail carriers acknowledged that rail labor shortages were the primary cause of their service issues. Id. at 3. The Board therefore concluded it needed to collect employment data as part of its efforts to monitor the railroads' respective recoveries. See id. at 3-4.

The Board issued subsequent decisions on October 28, 2022, and May 2, 2023, extending both the service and employment data collection periods. In its January 2024 Order, the Board did not extend service data reporting in light of service improvements reflected in the data.⁴ January 2024 Order, EP 770 (Sub-No. 1), slip op. at 2. However, the Board extended the period for reporting of employment data for all Class I carriers to December 31, 2024, in order to assess the durability of the railroads' service recovery efforts and their ability to meet an increase in demand for service.⁵ Id. at 8. In doing so, the Board explained that the service problems occurred in large part because of a significant reduction in workforce levels at several Class I carriers, which left them unable to handle traffic increases that accompanied the economic recovery that began in late 2020. Id.

DISCUSSION AND CONCLUSIONS

Since the Board issued its January 2024 Order, employment at the Class I carriers has been relatively stable, and service has continued to improve. The Board views a limited subset

⁴ The Freight Rail Customer Alliance and National Coal Transportation Association filed a joint petition in response to the January 2024 Order, seeking reconsideration of the Board's decision regarding service data reporting. Additional parties filed comments. The Board will address the petition in a subsequent decision.

⁵ A comprehensive overview of the data reporting requirements pursuant to this docket can be found in the Board's January 2024 Order.

of employment data as useful for monitoring the durability of the service improvements observed since the Board initiated this proceeding. Continued reporting of this limited subset, at least temporarily, will appropriately balance the need for timely information necessary to monitor service sustainability and the reporting burden on carriers.

Therefore, the Board will extend the Class I carriers' employment data reporting through the period ending December 31, 2025 (ending with January 2026 filings reporting December 2025 employment levels), but will reduce the scope of the collection. Effective with the filing due in January 2025, reflecting employment through December 31, 2024, the Class I carriers will be directed to provide, on a monthly basis, the following information at the system level (*not* by operating division):

1) a count of employees working in active service for employee categories 300, 400, 500, and 600; and

2) the number of employees furloughed but potentially available for recall for each employee category.

Collection of the other data elements that had been required in this proceeding will be discontinued.

The Board expects to issue, in a separate decision, a Notice of Proposed Rulemaking, seeking comment regarding a permanent collection, under 49 C.F.R. § 1246.1, of simplified employment reporting that would allow the Board to better monitor service issues.

It is ordered:

1. The six Class I rail carriers shall submit the following monthly employment data at the system level, through the period ending December 31, 2025: (1) a count of employees working in active service for employee categories 300, 400, 500, and 600; and (2) the number of employees furloughed but potentially available for recall for each employee category. Collection of the other data elements that had been required in this proceeding is discontinued.

2. This decision is effective on its service date.

By the Board, Board Members Fuchs, Hedlund, Primus, and Schultz.