United States Senate
WASHINGTON, DC 20510

July 23, 2026

The Honorable Patrick Fuchs
Chairman
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

The Honorable Michelle Schultz
Vice Chair
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

The Honorable Karen Hedlund
Member
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

The Honorable Richard J. Kloster
Member
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

Dear Chairman Fuchs, Vice Chair Schultz, Member Hedlund, and Member Kloster:

As the Surface Transportation Board (STB) considers the proposed merger between Union Pacific Railroad (UP) and Norfolk Southern Railway (NS), we write to express serious concern about the transaction and urge you to thoroughly investigate the potential impacts it would have on competition, workers, and safety in an increasingly consolidated rail industry. If approved, the unprecedented merger would not only create the first transcontinental railroad but it would significantly consolidate our nation's transportation system, slashing rail jobs across the country, rising prices for customers and consumers, and create potential supply chain bottlenecks and greater market instability. The STB must reject the proposed transaction if it does not enhance competition, as required by 49 C.F.R. § 1180.1.

The proposed UP-NS merger would affect upwards of 50,000 employees directly, though workers on all railroads within the United States will be impacted either directly or indirectly. While under federal law rail workers are provided standard "New York Dock" labor protections, which provide job security after a merger, recent trends in the rail industry have created risks to these workers' job protections and collective bargaining agreements under a standard merger agreement. Under current agreements, UP-NS workers would, immediately upon the merger, be protected from the loss of their Collective Bargaining Agreement (CBA), income, seniority, or forced job relocation. But in recent years, rail companies have deployed business strategies to systemically strip rail workers of these protections, including through divestiture of lines and forced arbitration to circumvent "New York Dock" protections[1]. Because of the

[1] The standard New York Dock labor conditions for rail workers only relates to transactions between two Class I railroads, not transactions involving a Class I railroad and either a Class II or III railroad. In recent years, the large Class I railroads such as UP and NS have been engaged in a trend of selling off portions of their rail lines to Class III railroads operated by railroad holding companies such as Genessee & Wyoming, Watco, OmniTRAX, and Patriot Rail to avoid New York Dock protections. If the UP-NS merger is approved, it is likely that this trend will continue. Last year UP's CEO Jim Vena l referenced a UP railroad line

magnitude of effects that the merger will have on the railroad industry, the STB must take action to ensure all employees involved directly as a result of the UP-NS merger, and all employees involved in any future related transaction of the combined company, are given labor protections to adequately protect them from job loss or relocation.

As the STB evaluates the merger, we urge you carefully consider several serious concerns related to the erosion of fundamental labor protections, and to take all necessary steps to protect the rail labor workforce and the employees of both railroads. Specifically, we ask you to assess whether the proposed merger would:

1. Result in workforce reductions that undermine necessary service and safety standards.
2. Erode labor protections under 49 U.S.C. § 11324 if affected railroads or railroad components are deemed Class II, or Class III railroads rather Class I.
3. Extend the seven-year limitation on arbitration for implementation agreements under the New York Dock conditions by allowing a combined UP-NS to make unilateral changes**.**

We also ask the STB to scrutinize any workforce reductions undertaken by UP or NS before consummation of the transaction, as such actions would undermine any commitment to maintain the workforce afterward.

In addition to threatening job protections and job stability for rail workers, the proposed merger poses substantial risks for shippers themselves as it will further concentrate market power in an industry that already has limited competitive options. Combining UP and NS would create a single rail handling nearly half of the nation's rail freight. This significantly increases the likelihood of higher transportation rates and reduces service alternatives for farmers and businesses that depend on reliable, cost-effective rail service. Past experiences with major rail consolidations have shown that such transactions lead to service disruptions, higher prices, and fewer choices for shippers—cost pressures that ultimately work their way through supply chains and result in higher prices for consumers who are already facing economic challenges.

Moreover, the proposed merger creates a substantial risk of cascading consolidation in the market. The two other major railroads, Burlington Northern Santa Fe (BNSF) and CSX Transportation that make up the market's current oligopoly would be emboldened to merge in order to compete with a combined UP-NS. This would create a national duopoly in railroad at a scale of consolidation not even seen during the railroad barons of the early 20th century. This would effectively eliminate any competition in the railroad industry.

In light of these concerns, we urge the STB to:

1. Conduct a thorough investigation of whether the proposed Union Pacific-Norfolk Southern transaction meets the STB's requirements that a combination will enhance competition.

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sale in Oregon to a subsidiary owned by G&W at the beginning of the year in a speech to the American Short Line and Regional Railroad Association (ASLRRA) stating, "that's just the start." https://www.trains.com/pro/regulatory/union-pacific-ceo-very-comfortable-working-through-tariffs/.

2. Solicit testimony and evidence regarding the proposed transaction's impact on rail customers and consumers of goods that are shipped by rail.

3. Conduct a rigorous assessment of the Union Pacific-Norfolk Southern merger's impacts on rail safety, staffing levels, workforce quality of life, system performance and competition.

4. Solicit testimony and evidence regarding past workplace commitments made by UP and NS, including whether such assurances were measurable, enforceable and ultimately realized.

5. Evaluate the broader implications of further consolidation in the industry, including effects on national employment levels, job displacement, and the resilience of the freight rail network.

Union Pacific and Norfolk Southern's participation in your agency's statutorily required competition review of this merger has been incomplete at best. You rejected their initial merger application for failure to include a complete copy of their merger agreement and omission their current market shares, as required under 49 C.F.R. § 1180.6 and 49 C.F.R. § 1180.6, respectively.[2] Their revised application was also insufficient, causing you to pause review of their merger until both parties provided supplemental information on: competition, public benefits, market share projections, downstream merger impacts, passenger rail, and failure to include an Environmental Impact Statement as required by the National Environmental Policy Act.[3]

Ultimately, the proposed transaction's likely harms to competition, workers, safety, customers and consumers indicate that the parties are unlikely to demonstrate that this merger would enhance competition and satisfy the public interest standard. We encourage the STB to conduct a thorough investigation of these matters

We appreciate the STB's careful and independent review of this proposed merger and its continued commitment to ensuring that major rail transactions advance the public interest.

Sincerely,

Cory A. Booker
United States Senator

Amy Klobuchar
United States Senator

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[2] Press Release, Surface Transportation Board, STB Finds UP-NS Merger Application is Incomplete (Jan. 16, 2026), https://www.stb.gov/news-communications/latest-news/pr-26-02/.

[3] Press Release, Surface Transportation Board, STB Accepts UP-NS Merger Application for Consideration; Requires Supplemental Information and Holds Proceedings in Abeyance (May. 28, 2026), https://www.stb.gov/news-communications/latest-news/pr-26-13/,

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