International Brotherhood of Electrical Workers (IBEW)
New York Dock (NYD) and the 2001 "Cram Down" Agreement
Frequently Asked Questions (FAQ)

CURRENT TRANSACTION
Union Pacific (UPRR) Acquisition of Norfolk Southern (NS)

WHERE THINGS STAND
UPRR and NS have applied to the Surface Transportation Board (STB) for approval of UPRR's acquisition of NS. The case now moves toward a public comment period and an environmental review. UPRR and NS expect to complete the transaction in mid-2027 if the STB approves it.

"JOBS FOR LIFE"
UPRR has publicly promised a "job for life" to bargaining-unit employees working when the carriers begin combining their systems. It is a public marketing commitment, not an enforceable protection under New York Dock (NYD) or the 2001 "Cram Down" Agreement, and it only promises employment somewhere on the combined system, not a job in a member's current position, craft, location, or rate of pay. The IBEW is seeking additional clarification on UPRR's "Jobs for Life" commitment.

Has IBEW been through this before?
Yes, several times. Every transaction is different, and the outcome depends on multiple factors, including any conditions imposed by the STB and what the IBEW is able to obtain from the carriers in any negotiations.

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What protections can IBEW enforce?

NYD, the 2001 "Cram Down" Agreement, applicable CBAs, implementing agreements, and arbitration awards may govern the transaction. Which protection applies depends on what the carriers do and how the transaction affects the member.

Where can members find the full text of NYD and the 2001 Cram Down agreement?

Visit the IBEW Railroad department website at https://ibew.org/our-departments/railroad/.

NEW YORK DOCK (NYD) PROTECTIONS

NYD comes from the Interstate Commerce Commission's 1979 decision in NYD Railway—Control—Brooklyn Eastern District Terminal, Finance Docket No. 28250, Appendix III.

How can members know if New York Dock (NYD) applies?

The STB's approval states whether NYD applies. When it does, the carriers must give employees and IBEW 90 days' written notice before a transaction-related change that may cause displacement, dismissal, or force rearrangement. The notice must describe the proposed changes and an estimate of the number of employees affected. The IBEW anticipates the STB will apply the NYD protections if it approves the UPRR-NS transaction.

What counts as a *displaced* or *dismissed* employee under New York Dock (NYD)?

- A "***displaced***" employee remains employed but holds a worse position in pay or working conditions because of the transaction. "***Displaced***" does not necessarily mean the same thing as "bumped" or "rolled."
- A "***dismissed***" employee loses employment because the transaction abolishes their position or because another affected employee exercises seniority and bumps them.

Abolishing a position alone does not qualify a member for protection under NYD. NYD protection begins only when the member meets the above criteria.

WARNING: If a member accepts a carrier offer before the transaction results in their displacement or dismissal, the carrier may treat the move as a voluntary transfer under the applicable CBA. That may affect the member's seniority and NYD eligibility. Members should contact their Local Union or System Council before accepting or refusing a carrier's offer. Refusal could end protection.

Can the carriers make changes early or call them "business decisions" to avoid New York Dock (NYD)?

No. The carrier's label does not decide whether NYD applies. NYD may also cover changes the carriers make before completing the transaction to avoid protection. Once a member identifies

that connection, they should document the timing and circumstances and send the information to their union representative.

INCOME PROTECTIONS

What income protection do *displaced* and *dismissed* employees receive?

- A ***displaced*** employee receives the difference between their protected monthly earnings and their earnings after displacement.
- A ***dismissed*** employee receives their protected monthly earnings while they remain ***dismissed***.
  A ***dismissed*** employee has seven days after dismissal to resign and choose a lump-sum separation allowance instead of monthly payments. The choice is final, replaces all other NYD protections, and may affect Railroad Retirement credit. Members should contact their Local Union or System Council before choosing it.

Length of service	Lump Sum Separation allowance
At least 1 year but less than 2 years	3 months' pay
At least 2 years but less than 3 years	6 months' pay
At least 3 years but less than 5 years	9 months' pay
5 years or more	12 months' pay

Is there a pay difference between the UPRR and NS agreements?

For mechanical forces, there is no direct pay rate comparison across classifications between the two carriers. Where both carriers have the same classification, any wage disparity is negligible.

For communications forces, UPRR uses hourly and monthly communications rates. NS uses monthly rates for the communications classifications. The hourly equivalents allow a general comparison, but the applicable CBA determines how the carrier calculates monthly pay, overtime, paid time, and other compensation.

Health & Welfare benefits are identical on both carriers.

NOTE: If UPRR takes control of NS, current CBAs will remain in effect until IBEW and UPRR agree to change them. Thus, the NS collective bargaining agreement will remain applicable to properties controlled by NS prior to the acquisition, and the UPRR collective bargaining agreement will remain applicable to properties controlled by UPRR before the acquisition.

How does the carrier calculate a monthly allowance based on a test-period average?

For a ***displaced*** member, the carrier adds all compensation received during the twelve (12) months immediately preceding the member's displacement and divides that amount by twelve (12). The carrier separately adds all paid time during that period and divides it by twelve (12).

These figures establish the member's average monthly compensation and average monthly paid time.

For a ***dismissed*** member, the carrier adds the compensation received during the 12 months preceding dismissal and divides that amount by twelve (12).

The carrier must adjust the allowance for later general wage increases.

How long does New York Dock (NYD) income protection last?

Protection lasts up to six years or the member's length of service, whichever is shorter.

Can a member's New York Dock (NYD) protection end early?

Yes, in two ways. For ***displaced*** members, the carrier may reduce the allowance for voluntary absences if the member declined overtime or chose a lower-paying position when the member could have held a better-paying position through seniority, calculated as though the member had taken the better-paying position. For ***dismissed*** members, outside earnings and unemployment benefits may reduce the allowance, and a medical restriction may suspend payment if it prevents the member from working in accordance with their seniority or from holding a position at or above the protected level. Members must report required earnings, absences, and declined work to the carrier.

It can also end entirely: by resignation, retirement, death, dismissal for justifiable cause, refusal of a comparable position, or failure to return to service after proper notice.

Can a member receive New York Dock (NYD) benefits *and* benefits under another protective agreement?

A member cannot receive the same type of protection under both agreements simultaneously. If both apply, the member must choose one. When that protection ends, the member may switch to the other agreement if it still has time remaining.

What happens when the carrier recalls a *dismissed* member under New York Dock (NYD)?

A ***dismissed*** employee's allowance stops while they are back at work. If they return to a position that pays less than their protected earnings, they may qualify as a ***displaced*** employee and receive displacement protection.

What if a *displaced* member works more hours than the test-period average in their new position?

The carrier must pay the member separately for the additional hours at the rate of the position worked. The carrier cannot count pay for those additional hours toward the member's protected monthly compensation. Labor often refers to this rule as the excess-hours rule.

BENEFITS

Will members lose health insurance, pension benefits, or other benefits if the transaction affects their jobs under New York Dock (NYD)?

During the protection period, NYD preserves the member's existing health coverage, pension rights, and similar benefits. The protection continues only while the carrier provides the same benefit to other employees in the same employment status. If that benefit changes for those employees, it also changes for protected employees.

Will prior service count toward vacation, personal leave, and other benefits after a transfer under New York Dock (NYD)?

The implementing agreement negotiated between the carrier and IBEW determines how prior service applies to vacation, leave, and other benefits.

Will transferring between the carriers affect a member's Railroad Retirement?

No. The Railroad Retirement Act covers both carriers and will continue to maintain the member's existing service and compensation record.

What should members know about Railroad Retirement before choosing a lump sum?

Monthly allowances count as creditable railroad service. A lump sum does not; it credits only one month of compensation no matter how long the payments would otherwise run. That difference can determine whether a member reaches vesting (ten (10) years of service, or five (5) if all after 1995) or a current connection (twelve (12) months of service within the last thirty (30), which affect eligibility for disability benefits, supplemental annuities, and survivor benefits. Members should contact the RRB and their union before choosing the lump sum.

COLLECTIVE BARGAINING AGREEMENTS

What is an implementing agreement?

The implementing agreement is negotiated between the carrier and the IBEW. It sets the rules for transaction-related transfers, relocations, seniority integration, pay protection, and other issues arising as a result of the transaction.

What terms can the carriers standardize system-wide without full bargaining under New York Dock (NYD)?

- Payroll dates, once per transaction, using a provision from an existing system CBA.
- Crew-calling practices for operating crafts
- System-wide use and repair of cars, locomotives, and other equipment.

THE 2001 "CRAM DOWN" AGREEMENT

The 2001 "Cram Down" Agreement, formally titled the Revised Standards for Preemption of Collective Bargaining Agreements for Transactions Initiated Pursuant to Section 11323 of the Interstate Commerce Act, limits the types of changes carriers may make to a CBA in order to carry out a transaction.

If the carriers combine work covered by different contracts, which one applies under the 2001 "Cram Down" Agreement?

IBEW determines which agreement applies to the combined work. The carriers may challenge IBEW's choice but cannot implement the change until the parties reach an agreement or an arbitrator determines the award. If IBEW does not choose on time, or the parties cannot agree, the arbitrator must select the agreement that provides better pay, rules, and working conditions.

How long can it take to decide which contract applies under the 2001 "Cram Down" Agreement?

After the carriers provide ninety (90) days' notice, IBEW and the carriers have at least thirty (30) days to negotiate. If they cannot agree, the dispute goes to arbitration. The full process can take more than six months from notice to a final, binding decision.

What happens if the carriers combine workforces or change seniority districts under the 2001 "Cram Down" Agreement?

The carriers must prove that a **change in district** provides a real transportation benefit. An arbitrator weighs that benefit against the harm to employees and may impose terms to reduce the harm.

For non-seniority district changes, the IBEW and the carriers negotiate roster integration through an implementing agreement. They may dovetail the rosters using existing seniority dates or endtail one roster behind the other. If IBEW proposes an integration plan, the carriers must accept it unless they prove in arbitration that it is unlawful, unworkable, too costly, or would prevent the transaction.

RELOCATION

Can the carriers close a facility or require members to relocate under New York Dock (NYD) or the 2001 "Cram Down" Agreement?

Yes. NYD protects qualifying employees, not facilities. Before a member qualifies as ***dismissed***, the applicable CBA may require the member to accept a position that involves relocation. The carrier may refuse to classify the member as ***dismissed*** if the member refuses a position the member can hold, meaning the employee would not qualify for NYD protection.

How long do members have to decide to move under New York Dock (NYD)?

A ***displaced*** or ***dismissed*** member has ten (10) calendar days to accept a comparable position offered. For voluntary transfers, deadlines are set by the applicable CBA and/or implementing agreement.

Who pays if a member must relocate to keep working under New York Dock (NYD)?

Carriers cover qualifying relocation costs for ***displaced*** or ***dismissed*** members. The member must submit a moving-expense claim within ninety (90) days after incurring the expense. Members must keep receipts for:

- Reasonable moving expenses
- Travel and lodging during the move
- Costs associated with establishing a new residence
- Covered earnings lost because of the move

The member should contact their Local Union or System Council before moving.

What if a required move causes a home-sale loss under New York Dock (NYD)?

For ***dismissed*** or ***displaced*** members, the carrier covers a home-sale loss, lost equity, or the cost of ending a lease. The member must give the carrier an opportunity to purchase their home at fair value and file the claim within one year after the required move. If the parties cannot agree on the loss, either party may submit the dispute to a board of real estate appraisers for a final decision.

What happens if the carrier requires a member to move and later furloughs them under New York Dock (NYD)?

For a ***dismissed*** or ***displaced*** member, if the carrier furloughs the member within three years after a transaction-related move, NYD covers the cost of moving back to the member's original work location. The member must elect to return and should contact their Local Union or System Council before moving.

Can a member receive priority and training for another position under New York Dock (NYD)?

A member terminated or furloughed because of the transaction may request priority for a comparable position, including one in another craft or class if the placement does not violate a CBA. If the member needs training or retraining to qualify, the carrier must provide it at no cost.

DISPUTES AND ARBITRATION

Does the carrier automatically provide New York Dock (NYD) benefits?

No. The carrier may dispute whether a change qualifies for NYD protections, whether the transaction caused the loss, or how much it owes. The carrier may provide a claim form and identify where to submit it. If the carrier denies the claim or refuses to provide a form, the member should contact the IBEW Railroad Department at Railroad@ibew.org. Any disputes are resolved through arbitration where Arbitrators consider the member's actual earnings and circumstances, not just the job title, work location, or carrier description.

Which New York Dock (NYD) arbitration processes apply?

- Section 4: Resolves implementing agreement disputes under the notice, negotiation, hearing, and decision process described in the CBA section.
- Section 11: Resolves benefit and enforcement disputes. Either party may submit an unresolved dispute to arbitration after 20 days. The arbitration committee must issue a final decision within 45 days after closing the record.

LOCATIONS UPRR HAS PUBLICLY IDENTIFIED FOR POSSIBLE IMPACTS

IBEW joined other rail unions to request that the carriers provide more information about the carriers' projected employee impacts. Transaction-related information is available at https://www.stb.gov/resources/major-railroad-mergers/. The figures cover all shop crafts in each category, not IBEW classifications alone. A location showing no change does not guarantee it stays unaffected, and leaving a location off the list does not clear it either.

- Atlanta, Georgia, NS: Mechanical Locomotive positions transferred to unspecified "various" locations, fifty-five (55) positions over two years.
- Chicago, Illinois, NS: Mechanical Locomotive positions abolished, forty (40) positions over two years.
- Kansas City, Missouri, NS: Mechanical Locomotive positions abolished, twelve (12) positions over two years.
- Decatur, Illinois (NS): Mechanical Locomotive positions transferred to unspecified "various" locations, forty-four (44) positions over two years.
- Fort Wayne, Indiana (NS): Mechanical Locomotive positions transferred to unspecified "various" locations, nine (9) positions over two years.
- Louisville, Kentucky (NS): Mechanical Locomotive positions transferred, nine (9) positions over two years.
- St. Louis, Missouri (NS): Mechanical Locomotive positions abolished, four (4) positions over two years.

Questions?

If a member has any questions or the carrier disputes the facts of this document, contact your Local Union, System Council, or the Railroad Department.

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