



Navigating Collective Bargaining in the Commuter/Passenger Railroad Industry

Moderator:

- Michael Capone, Arbitrator

Panelists:

- James Devine
 - PATH
 - ASSISTANT DIRECTOR
- Thomas Hass
 - BLET
 - General Chairman

September 18, 2025



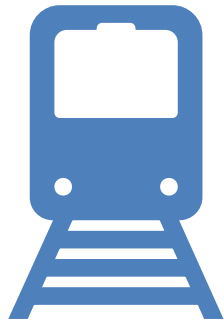
Carrier and Union Perspectives on Collective Bargaining in Commuter Rail

Panelists will share their feedback and perspectives from both Carriers and Unions with a series of questions presented by Moderator Michael Capone.

Please note:

The views and opinions expressed in this panel are those of the Panelists in their individual capacities and do not necessarily reflect the views or positions of any entities they represent.

Railway Labor Act – Section 9(a)



What are the Special Provisions applicable to Commuter Railroads pursuant to the Railway Labor Act (RLA)?



It provides for the potential establishment of two (2) Presidential Emergency Boards (PEBs) to investigate and make recommendations for settlement and includes a process that can delay self-help (like strikes and lockouts) for up to 270 days.

Section 9A of the RLA A Summary View

First PEB process the same as freight railroads
under the RLA

PEB #1 investigates dispute and submits a report
with recommendations for settlement to
President

If dispute still unresolved 120 days after creation
of PEB #1, either party or Governor of an affected
state may require formation of PEB #2

Parties are required to submit Final Offers for
Settlement within 30 Days after Creation of PEB
#2

For PEB #2, both parties submit their best and
final offer. The Board picks the most reasonable—
usually, the one that is closest to PEB #1.”



Moderator Question:

- Do you think the special provisions under Section 9(a) influence the collective bargaining process and strategy?
- If so, how?

Commuter/Passenger Railroads

Important Factors



Pattern
Bargaining



Funding
Sources



Political
Influences



Media



Social Media



“Me Too”
Agreements



Regional
Differences

Moderator Question:

Do you think these factors
are different than in
freight rail negotiations?
If so, why?



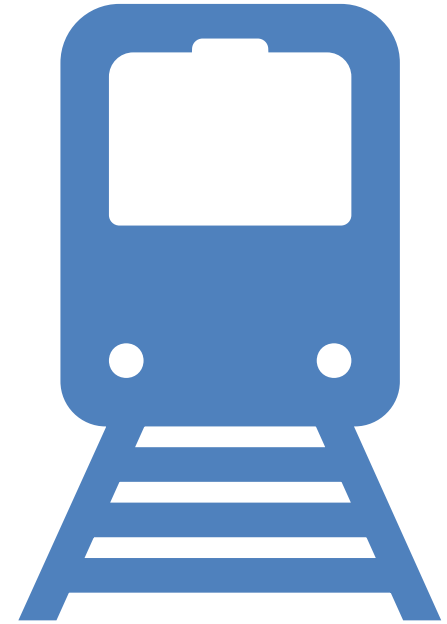
Pattern Bargaining

Collective bargaining strategy where a party to a negotiation uses a successful contract with one employer/union as a model for negotiations with other employers/unions.



Moderator Question:

- How is pattern bargaining carried out in the commuter rail industry?
- Is it similar to or different than other industries?
- What are the benefits to pattern bargaining?



Funding Factors and Financial Constraints in Commuter Rail Negotiations

Moderator Question:

Carrier Panelist:

- How does management balance the funding and financial constraints with ability to reach voluntary settlements with unions?

Union Panelist:

- How do unions address financial factors in collective bargaining?



U.S. COMMUTER RAIL SYSTEMS FACING A FISCAL CLIFF		
Commuter Rail System	Region	Budget Crisis
SEPTA Regional Rail	Philadelphia, PA	\$213M deficit in FY 2026. 45% service cuts possible.
Metra	Chicago, IL	\$730-\$770M regional shortfall by 2026. Up to 40% cuts.
MARC Train	Maryland / DC	\$121M current deficit; \$2.5B projected over 25 years.
Tri-Rail (SFRTA)	South Florida	State funding stalled. Out of funds by 2026.
MBTA Commuter Rail	Boston, MA	\$475M gap by FY 2028. Off-peak cuts likely.
LIRR / Metro-North (MTA)	New York Region	MTA; \$2-\$2.3B annual shortfall. Fare hikes + service risk.
Caltrain	SF Peninsula, CA	Under 50% of pre-COVID ridership. Long-term deficit.
Coaster	San Diego, CA	State funding frozen. Operations in danger.
ACE	Central Valley	Expansion



Media Factor



**ONE WEEK UNTIL POTENTIAL
NJ TRANSIT RAIL STRIKE**



- Public Funding and Transport of People Inherently Creates Higher Risk of Media Coverage for Commuter Rails
- Service Disruptions, Spending, Fare Increases, Public Narrative Frequent Player in Commuter Railroad Industry



Moderator Question:

Union Panelist:

How do unions address press coverage regarding service issues or other critical media in its collective bargaining strategy?

Carrier Panelist:

How does media coverage of the railroad influence your approach to labor management relations and negotiations?

Regional Differences in Commuter Rail



High-cost urban areas
create unique challenges



Living costs, ridership
models and funding
sources may widely vary
amongst commuter
railroads



Regional operating
pressures differ

Moderator Question:

Do you account for any regional differences in collective bargaining?

Me-Too Agreements



ME-TOO AGREEMENTS MAY
AFFORD ASSURANCES TO UNIONS
WHO SET AN INITIAL PATTERN
AGREEMENT



MAY PLACE CHALLENGES ON
NEGOTIATIONS WITH OTHER
UNIONS AT THE SAME CARRIER



MAY HINDER THE PARTIES'
ABILITY TO ADDRESS BARGAINING
UNIT ISSUE

Moderator
Question:

Are Me-Too
Agreements
effective?

Why or why
not?



Workforce & Demographics



RETIREMENT RATES IMPACT
CONTINUITY OF QUALIFIED
PERSONNEL AND TRAINING



CHALLENGES IN ATTRACTING NEW
WORKFORCE



PRIORITIES OF NEW WORKFORCE
(WORK-LIFE BALANCE AND
GENERATIONAL VALUES)

Moderator Question:

Both:

How do the challenges associated with workforce recruitment and retention come into collective bargaining in the commuter railroad industry?

Union Panelist:

- How do you balance the expectations of the existing workforce with the Carrier's need to recruit new employees?

Carrier Panelist:

- What is the biggest factor in your workforce recruitment and retention challenges?



Dispute
Recommendations
PEB 251 & 252

The statutory process in Section 9(a) of the RLA was carried out in the recent dispute between New Jersey Transit Rail Operations (NJTRO) and the BLE&T

Presidential Emergency Board #251 issued report and recommendations in August 2024

Presidential Emergency Board #252 issued report and recommendation in January 2025

Questions & Answers