



UNIFIED SYSTEM DIVISION NEWSLETTER VOLUME 33 - April, May, June, 2017

Right to Work....code words for busting unions.



National Bargaining Update

On April 6, 2017, the BMWED-SMART/Mechanical Bargaining Coalition conducted another mediation session with the railroads. Nothing of substance happened.

The National Carriers' Conference Committee (NCCC) committed to next meeting with the BMWED-SMART/Mechanical Bargaining Coalition on June 20 and 21, 2017. However, the NCCC lead negotiator also advised that it has four mediation sessions scheduled with the Coordinated Bargaining Group (CBG) between now and June. While the BMWED-SMART/Mechanical Bargaining Coalition wishes the CBG the best during their scheduled mediation sessions, we are not optimistic because the railroads have yet to respond to prior bargaining proposals.

The BMWED-SMART/Mechanical Coalition and the TCU coalition presented the railroads -- in separate bargaining sessions -- with bargaining proposals that should serve as a reasonable basis for a settled agreement. Those proposals involved modest plan design changes coupled with a re-bid of the network providers for the entire Plan. The net savings from these proposed changes exceed the savings from the plan design changes made in the 2012 National Bargaining round, but with much less cost-shifting to members, because these substantial savings accrue through the rebidding of the networks.

Moreover, the BMWED-SMART/Mechanical Coalition's February 7th proposal provided for improvements to other employee benefits, such as dental, vision and accidental death and dismemberment, and improvement to away-from-home expenses, along with employee protections and fair wage increases. The benefit improvements and wage increases are more than justifiable given the railroads tremendous profitability and financial positions comparable to that of prior bargaining rounds. Nevertheless, the railroads have failed to seriously respond to our proposal, as well as the TCU coalition's.

Optimism of the CBG reaching a respectable voluntary agreement over the next few months is further diminished by the lack of up-to-date data from the Plan vendors. The NCCC previously raised concerns about our proposal on account of the "freshness of data." The BMWED/SMART-Mechanical Coalition's expert healthcare consultant made data requests over six months ago. Unfortunately, however, the vendors have failed to produce the most up to date data for various reasons. The bottom line is that if the railroads raised the concern about the "freshness of data" and they have not received such data, they cannot engage in substantive negotiations with any bargaining coalition if "fresh data" is truly a concern.

"We are not at impasse, but we are waiting for the railroads to give a serious response to our February 7th proposal," said President Simpson. "I am concerned that the railroads do not want to have further mediation sessions with us for two months. I am hopeful that during this hiatus, they take the time to seriously consider our proposal and be prepared to come to the table in June. Railroad members deserve fair wages and respectable healthcare benefits, and the railroads are going to make it as difficult as possible for us to get that. We all must stand together to reach a respectable agreement during this round of bargaining."

DM&E Negotiations May 31, 2017

Officers from the Unified System Division of the BMWED traveled to Minneapolis, MN on May 31st, 2017 for continued negotiations with officials from Canadian Pacific Railroad. Although the scheduled negotiations had been confirmed with CP's head negotiator from the previous meetings twice in the weeks leading up to the May 31st date, CP showed up at the discussions with a different negotiator, without an agenda and unprepared to move forward or really have any meaningful discussions about the future of the DM&E contract.

After expressing their displeasure with the Canadian Pacific Bargaining team for this less than professional move, members from the Organization then questioned the intentions of the CP moving forward. While the meeting was cut short due to CP's lack of preparation, CP did express their interest in trying to reach a voluntary deal between the two parties. While moves like this are frustrating and somewhat disheartening, the Organization does believe it is worth a continued effort to attempt to reach a voluntary deal and what is best for the members who work under the DM&E/CP Agreement. Therefore the parties have scheduled dates to continue negotiations for July 24th through July 26th, 2017.

UNIFIED SYSTEM DIVISION NEWS

Letter From the General Chairman

May 5, 2017

Dear Brothers and Sisters,

I am pleased to announce that the Union Pacific has effectively withdrawn the residence “policy” issued by Engineering VP Greg Workman on February 6, 2017. Your union challenged that policy and the UP now agrees with the Union that an employee can have only one primary residence – that is the residence of record you have supplied to UP. The enclosed letter from UP Assistant Vice President Labor Relations Pat Kiscoan is the full UP response to our challenge.

However, I must stress that when the Union challenged UP on the residence issue, we did so with the understanding that when you supply UP with your residence address it is your legitimate primary residence. That means the residence must be the place you primarily reside, the place you are registered to vote, the address shown on your driver’s license and motor vehicle registration, etc. In other words, there can be no dispute that your primary residence is where you live. That does not mean you cannot own rental properties, a vacation home or the like. In other words, the UP cannot claim you have a vacation home or own a rental income property within 50 miles of your worksite and claim that it is your “residence” for away from home allowance purposes. What it does mean is that you should not use such property addresses as your “residence” for purposes of claiming per diem payments or travel allowance payments if your primary residence is within 50 miles of your work location.

Your Union will continue to discuss and refine this issue with UP as issues arise in the field. If you have any questions regarding the primary residence issue or you are having difficulty establishing a bona fide change of residence with UP, contact your local system officer or Lodge local chairman for assistance. We will help you get all issues resolved quickly and clearly.

Sincerely,

A handwritten signature in dark ink, appearing to read "Louis R. Below", with a long, sweeping horizontal line extending to the right.

Louis R. Below
General Chairman

IMPORTANT REMINDERS

Local Lodge Elections– Fall of 2017

Unified System Division Local Lodge Elections will be conducted for each Local Lodge in the last quarter of 2017. Elections may be conducted during October, November , or December 2017. We would like to take this opportunity to remind everyone of a few requirements associated with such elections and the election process.

- 1) Per the BMWED National Division By-Laws Article XVIII Section 9 paragraph 4, Elections are held every three(3) years commencing in 1960 in the last three months of the year. All members in (Good Standing) must be given at least fifteen (15) days advance notice in writing at their last known HOME address of the date, time, and place at which nominations shall be held and the date, time , and place here elections will be held; and provided, further, that Local Lodges may at their option permit nominations to be made by mail to the Secretary-Treasurer of the Lodge during the period following the notice and preceding the meeting at which the election is to be conducted. All Officers shall be elected from duly nominated candidates as aforesaid and no “write-in” candidates are permitted.
- 2) All elections shall be conducted by secret ballot vote of the members in good standing of the Local Lodge, and each such member shall be entitled to cast one vote unless ineligible therefore under the BMWED National Division Bylaws, the Merger Agreement or the IBT Constitution.
- 3) Members must have Twenty-Four (24) months of continuous dues payments to be considered in “Good Standing” for eligibility to be nominated and elected as a Local Lodge Officer.
- 4) Members must have paid dues on time the month prior to the nomination or election to be considered in “Good Standing” for nominating or voting purposes.
- 5) Per the BMWED National Division By-Laws Article XVIII Section 10, Local Lodge Officers shall serve a three (3) year term unless a resignation occurs or they are relieved of their duties as provided in the BMWED National Division By-laws, IBT Constitution or in the case of occupying office as a result of a vacancy. In the case of filling an unexpired vacancy, the elected will be expected to fill the remaining portion of the unexpired term.

Your System Officers at a Glance Renne I. Perez

This quarters featured Officer is Vice Chairman Renne I Perez. Renne began his railroad career in 1997 on the Former Chicago and Northwestern Railroad property. Renne worked in several capacities during his railroad career as a Machine Operator, Foreman, Track Inspector on both the Division and System Gangs, Brother Perez has served in the capacities of President, Lodge Local Chairman and Joint Protective Board Member of Local Lodge 0377 chartered in Chicago, IL. Renne was elected as a full time System Officer in 2014 where he currently serves the membership as Region 2 Vice Chairman of the Unified System Division. Renne and his wife Madalyn have been happily married for eight years and reside in Chicago, IL where they are the proud parents of four children; Angel who is 25 and is a conductor for UPRR, Alex who is 19 is a Freshman in College where he is studying Photography and Video, Alexis 19 who is currently working as an RN and studying to become a PCN Primary Care Nurse, Alyssa who is 6 and will be entering the first grade. Renne and Madalyn also enjoy time with their grandbaby Sophia who is 1 1/2.

Railroad Retirement Board News

Railroad Retirement Issuing Statements of Service

Each year, the U.S. Railroad Retirement Board (RRB) prepares a "Certificate of Service Months and Compensation" (Form BA-6) for every railroad employee who had creditable railroad compensation in the previous calendar year. The RRB will mail the forms to employees during the first half of June. While every effort has been made to maintain current addresses for all active railroad employees, anyone with compensation reported in 2016 who has not received Form BA-6 by July 1, or needs a replacement, should contact an RRB field office by calling the agency toll-free at 1-877-772-5772.

Form BA-6 provides employees with a record of their railroad retirement service and compensation, and the information shown is used to determine whether an employee qualifies for benefits and the amount of those benefits. It is important that employees review their Form BA-6 to see whether their own records of service months and creditable compensation agree with the figures shown on the form.

In checking the 2016 compensation total, employees should be aware that only annual earnings up to \$118,500 were creditable for railroad retirement purposes in that year, and that \$118,500 is the maximum amount shown on the form. To assist employees in reviewing their service credits, the form also shows service credited on a month-by-month basis for 2015, 2014, and 2013, when the creditable compensation maximum was \$118,000 for 2015, \$117,000 for 2014 and \$113,700 for 2013. The form also identifies the employer(s) reporting the employee's 2016 service and compensation.

Besides the months of service reported by employers, Form BA-6 shows the number of any additional service months deemed by the RRB. Deemed service months may be credited under certain conditions for an employee who did not work in all 12 months of the year, but had creditable tier II earnings exceeding monthly prorations of the creditable tier II earnings maximum for the year. However, the total of reported and deemed service months may never exceed 12 in a calendar year, and no service months, reported or deemed, can be credited after retirement, severance, resignation, discharge, or death.

The form also indicates the number of months of verified military service creditable as service under the Railroad Retirement Act, if the service was previously reported to the RRB. Employees are encouraged to submit proofs of age and/or military service in advance of their actual retirement. Filing these proofs with the RRB in advance will streamline the benefit application process and prevent payment delays.

For employees who received separation or severance payments, the section of the form designated "Taxable Amount" shows the amounts reported by employers of any separation allowance or severance payments that were subject to railroad retirement tier II taxes. This information is shown on the form because a lump sum, approximating part or all of the tier II taxes deducted from such payments made after 1984 which did not provide additional tier II credits, may be payable by the RRB upon retirement to qualified employees or to survivors if the employee dies before retirement. The amount of an allowance included in an employee's regular compensation is shown under "Compensation Amount."

Form BA-6 also shows, in the section designated "Employee Contributions," the cumulative amount of tier II railroad retirement payroll taxes paid by the employee over and above tier I social security equivalent payroll taxes. While the RRB does not collect or maintain payroll tax information, the agency computes this amount from its compensation records in order to advise retired employees of their payroll tax contributions for Federal income tax purposes.

RRB Statements of Service (cont.)

Employees should check their name, address, birth date and sex shown at the top of the form. If the form shows the birth date as 99-9999 and the gender code is "U" (for unknown), it means the RRB is verifying his or her social security number with the Social Security Administration. Otherwise, if the personal identifying information is incorrect or incomplete (generally a case where the employee's surname has more than 10 letters and the form shows only the first 10 letters) or the address is not correct, the employee should contact an RRB field office. The field office can then correct the RRB's records. This is important in order to prevent identity or security-related problems that could arise if the employee wants to use certain Internet services available on the RRB's website at www.rrb.gov.

Employees may view their railroad retirement service and compensation records; get annuity estimates; apply for or claim railroad unemployment benefits; claim sickness benefits; and access their railroad unemployment insurance account statements through the RRB's website. To use these online services, an employee must set up an RRB Internet Services account. Instructions for establishing an online account can be found in the "Benefit Online Services Login" section on the home page. For security purposes, first-time users must enter a Password Request Code (PRC). The agency mails a PRC to any employee who files a paper application for unemployment or sickness benefits. If an individual has not received a PRC, they can request one by clicking the appropriate box on the home page. They will then receive the PRC by mail at their home address in about 10 days.

Employees can also request that printouts of their individual railroad retirement records of service months and compensation be mailed to them. A PIN/Password is not required to use this service. It can be accessed by visiting www.rrb.gov, moving the cursor over the "Beneficiaries & RR Employees" category and then clicking on "[Request Service & Compensation History](#)."

If the employee's name was incomplete on Form BA-6, and he or she has not yet contacted an RRB field office to correct it, the employee should enter his or her first and middle initials and his or her surname **just as it appears on the Form BA-6 or a previously furnished printout of service and compensation**, along with the other requested information, in order to submit an online request.

Any other discrepancies in Form BA-6 should be reported promptly in writing to:

**Protest Unit - CESC
Railroad Retirement Board
844 North Rush Street
Chicago, Illinois 60611-1275**

The employee must include his or her social security number in the letter. Form BA-6 also explains what other documentation and information should be provided. The law limits to four years the period during which corrections to service and compensation amounts can be made.

For most employees, the address of the RRB office serving their area is provided on the form along with the RRB's nationwide toll-free number (1-877-772-5772). RRB field offices are open to the public from 9:00 a.m. to 3:30 p.m. on Monday, Tuesday, Thursday and Friday, and from 9:00 a.m. to noon on Wednesday, except on Federal holidays.

The STRUGGLE you are in TODAY is developing the STRENGTH you will need TOMORROW!

Mr. Galen E. Owen
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**"We must live by Faith not
 by Fear."**

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**"Spending today complain-
 ing about yesterday won't
 make tomorrow any bet-
 ter."**



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John F. Kennedy

**"Conformity is the jailer of
 freedom and the enemy of
 growth."**