

## BMW MERGER Q&A: Questions & Answers

All merger related questions should be directed via email to:  
[mergerquestions@bmwe.org](mailto:mergerquestions@bmwe.org)

We will attempt to answer all legitimate questions in a timely manner and post both the questions and answers within the respective subject/category listed.

*Note: Most recent Q&A's are generally posted immediately following the subject/category headings.*

**UPDATED: 10:30AM, EST, 10/6/04**

### AMENDMENTS

Q: Can the Merger Agreement be amended by the IBT Convention without BMW approval?

A: No. The Merger Agreement may only be amended with the approval of BMW Delegates assembled at a BMW (Grand Lodge) Convention and subsequently approved by the IBT General Executive Board. (Merger Agreement Section 4.31)

Q: How will BMW's bylaws be amended in the future?

A: BMW's bylaws will be amended in the same manner a current, i.e., by elected Local lodge Delegates at a BMW (Grand Lodge) Convention. (Merger Agreement Section 3.1)

Q: Can BMW members propose Amendments to the IBT Constitution?

A: Yes. The IBT Constitution provides, in part, "Thirty days prior to each Convention, Local Unions, Local Union Officers, Members in good standing, or the general officers shall have the right to send to the General President proposed amendments or additions to the Constitution, or Resolutions, which shall be submitted to the Constitution Committee when it meets." (Article III, Sec. 9(a) of the IBT Constitution)

Q: Can IBT members propose amendments to our BMW bylaws?

A: No. BMW bylaws can only be amended by BMW members per the BMW bylaws. (Article XX, Section 1, BMW bylaws)

## **ASSESSMENTS**

Q: Will the assessments for emergencies in Article X Section 2 of the IBT Constitution be applicable to BMWED members or will the Division pay the assessments in the same way the per capita is paid?

A: Article X Section 2 of the IBT Constitution allows for an emergency assessment limited to \$1.00 per month should the IBT net assets reach below \$20 million dollars. This rarely used emergency provision, if ever invoked, would be applicable to all IBT members.

## **BMWED BYLAWS**

Q: Throughout the years, with all the railroad mergers, a lot of members live far from their local lodges. According to the bylaws of the BMWWE book we got, page 35, section 2 it states that "members shall be assignment to the Local Lodge nearest their point of residence on the system on which employed". Does that mean a member who is now 75 miles from his local can change to a local that is closer to his home? In other words, would members of the Penn Federation be able to transfer to the CRSF Federation if it was closer to their home and vice-versa?

A: The text and interpretation of Article XVII, Section 2 of the BMWWE Constitution and bylaws has not changed. Therefore, as an example, a member of the Penn Fed "system" can request transfer to another Local Lodge within the Penn Fed "system," but would not be eligible to transfer to a CRSD Local Lodge because such is not part of his/her "home system".

## **BLET**

Q: What is the relative strength of the BMWWE to the Brotherhood of Locomotive Engineers and Trainmen (BLET) in the Rail Conference?

A: The BMWWE Division will have 4 members initially placed on the Rail Conference Policy Committee. (Merger Agreement Section 2.4) The BLET also has 4 members currently sitting on the Rail Conference Policy Committee based upon the formula contained in the Merger Agreement Section 2.4.

## **CONTRACT NEGOTIATIONS**

Q: Given the pending National Negotiations between the BMWWE and Nations' Railroads and the probability of our eventual dispute ending up in the hands of Congress, please give an example as to how a merger with the Teamster union could increase the BMWWE's ability to obtain a just settlement through the congress?

A: The Teamsters grassroots solidarity and financial power (over \$140 million annually) gives the membership unparalleled political strength. IBT is recognized as having the most influence of any union on Capitol Hill and has the largest Political Action Committee (PAC) in the transportation industry. The IBT has over 1.4 million members and over 500 local unions located throughout the US in virtually every state and Congressional District. BMW will have access to all IBT Departments, including but not limited to, Research, Safety and health, Government Affairs and Lobbying, Corporate Affairs, Strategic Campaigns, Education, and Communications in our fight for a just settlement. In addition, IBT General President Hoffa signed a letter dated Sept. 3, 2004 which expresses his personal "guarantee" that the resources and influence of the IBT will be available to BMW "to strive for timely releases from mediation by the National Mediation Board, fair Presidential Emergency Boards and fair treatment by Congress if it becomes involved in the process." General President Hoffa's letter can be accessed at [www.bmw.org](http://www.bmw.org).

Q: What happens in the upcoming national negotiations? Is the IBT going to help?

A: After the merger, the BMW Division will be part of the Teamsters International Union. In addition to existing BMW Division Officers and Appointees, the Division will have access to the Teamster International Union Departments of Education, Research, Strategic Planning, and Governmental Affairs to assist in negotiations whether for a national, multi-carrier agreement, or an agreement with a single carrier. (Merger Agreement Section 1.3)

Q: Will we, as a merged union, be better able to fight the contracting out of our work? If yes how?

A: Yes. The Teamsters offer us greater legislative clout to try to gain language in legislation that preserves rail construction jobs for BMW members, not outside contractors. The Teamsters Research and Strategic Planning Departments also can assist us in attempts to bargain further restrictions on the railroads' use of subcontractors. Also, the Teamsters Organizing Department can assist us in efforts to organize railroad subcontractors like the recent organizing victory by the Union Pacific System Division at VAE Nortrak in Cheyenne, Wyoming. After winning these organizing drives, the Teamsters Education and Legal Departments will assist us and the newly organized members in asserting their bargaining rights under the National Labor Relations Act. (Merger Agreement Section 1.3)

Q: What can the IBT do to help contract negotiations?

A: The IBT provides support for contract negotiations in every industry and has services available specifically to help the union prepare for first contract negotiations. The IBT's Research Department provides in-depth industry and company analysis before bargaining begins and, for large contracts, will assist in membership bargaining surveys. The IBT's

Office of Strategic Initiatives also works to develop internal and external strategies to support the union's contract goals.

Q: What mechanisms do the Teamsters have to get information from the members?

A: The Teamsters conducts regular surveys of its membership, especially in preparation for national contract bargaining projects. For example, we recently completed a comprehensive survey of locomotive engineers and trainmen (BLET). In addition, there are regular regional meetings and an annual Unity Conference that members are invited to attend. These forums provide many opportunities for members to inform local leaders of their concerns and questions.

### **DELEGATES TO BMWED CONVENTION**

Q: In selecting a candidate for the BMWED convention, are we going to be held to the 100 member minimum like the IBT.

A: No. BMWED Delegates to the BMWED (Grand Lodge) convention will be elected under the BMWED bylaws same as current, i.e., each BMWED Local Lodge will continue to elect their own delegate and alternate to the BMWED convention without regard to the size of the Local Lodge. (Merger Agreement, Sections 3.1 and 3.5)

### **DELEGATES TO IBT CONVENTION**

Q: If a system does not have 100 members who would they be grouped with? Will the two systems be under 100 members or could a small system be put in with a large system? If there is only one small system will that system be allowed to represent themselves

A: Paragraph 4.18 of the Merger Agreement provides for the grouping of System Federations with less than 100 active members into three geographic areas for the purpose of electing a BMWED delegate(s) to the IBT Convention. Grouping of System Federations for the election of a BMWED delegate to the IBT Convention are limited to those System Federations/Divisions with less than 100 members under Paragraph 4.18. Therefore, if there is only one such System Federation in one of the geographic areas, a single delegate would be elected by the members of that System Federation.

Q: Are there going to be two conventions? One for the IBT and one for the BMWED. If so are the rules for attending and voting for the BMWED convention the same as they have always been, or are we bound by the rules of the IBT?

A: There will be two Conventions. BMWED will hold the BMWED (Grand Lodge) Convention, every four years same as current. Delegates to the BMWED (Grand Lodge) Conventions will be directly elected by each Local Lodge, same as current. Eligibility to run for BMWED Delegate will be governed by the "24 month continuous

good standing" provisions of the IBT Constitution. However, for the June 2006 BMWED Convention, eligibility to run for delegate will be governed by Article II, Section 4(b) of the IBT Constitution which reduces the 24 month "good standing" provision to "at least half the period of time since the affiliate became newly chartered [i.e., Jan. 1, 2006] (Merger Agreement, Sections 4.9) At the BMWED Convention, BMWED will elect its (Grand Lodge) Officers, amend the BMWED bylaws, adopt BMWED Resolutions, and partake in all other business properly before the delegates, same as current.

BMWED will also elect delegates to the IBT Convention, which will be held every 5 years. BMWED Delegates to the IBT Convention will be directly elected by mail ballot from among the members of the System Federations. (Merger Agreement, Section 4.18) Eligibility to run for BMWED Delegate to the IBT Convention will be governed by the 24 month continuous good standing rule. However, for the June 2006 IBT Convention, eligibility to run for delegate will be governed by Article II, Section 4(b) of the IBT Constitution which reduces the 24 month "good standing" provision to "at least half the period of time since the affiliate became newly chartered [i.e., Jan. 1, 2006] (Merger Agreement, Sections 4.9) At the IBT Convention, BMWED Delegates will be eligible to nominate for office, offer Constitutional amendments and resolutions, and partake in all other business properly before the delegates to the IBT Convention .

Q: Are Delegates to the IBT Convention elected in the same manner as Delegates to the BMWED Conventions?

A: No. BMWED Delegates to the IBT Convention will be directly elected by and from among the membership of each System Division/Federation having over 100 active members. All active members in good standing (i.e., members who have paid dues for the month prior to the month of nomination and election) are eligible to vote for IBT Convention Delegate or Alternate. Smaller BMWED System Divisions with less than 100 active members in good standing will be grouped geographically and will elect their Delegate to the IBT Convention in the same manner. Notwithstanding, BMWED Delegates to the BMWED Convention (i.e., Grand Lodge Convention) will be elected by BMWED Local Lodges the same as current (i.e., each BMWED Local Lodge elects its own BMWED Convention Delegate), and all the General Chairmen and full time System Officers will remain Delegates Ex Officio to the BMWED Convention, which will continue to be held every 4 years.

Q: How will BMWED's Delegates to the IBT Convention be chosen?

A: Every BMWED System Division/Federation will elect its delegate(s) from among all members of the System Division/Federation. Each System Division or Federation having at least 100 active members shall be entitled to one delegate to the IBT Convention for up to the first 1000 members and one additional delegate for each additional 750 active members or major fraction thereof. BMWED System Federations/Divisions with less than 100 members will be grouped into three geographic regions, and the delegate(s) will be elected by and from among the membership of those systems so grouped. All

BMW Delegates to the IBT Convention will be directly elected by secret ballot rank-and-file mail-in vote of the BMW membership. The rules for electing delegates to the IBT convention are uniform throughout the IBT and apply in the same manner to all other units and locals within the IBT.

## **DUES & FINANCES**

**Q:** How much of the Grand Lodge Dues currently paid to Grand lodge by each member, \$24.50, which includes \$2.00 assessments, will be paid to the IBT and the Rail Conference? Can the Grand Lodge Realistically operate on what is left?

**A:** BMW will pay the IBT per Capita out of the Grand Lodge dues paid to the Grand Lodge by the members. BMW members currently pay to GL \$24.50 per month, and said amount will continue to be calculated in accordance with the BMW Constitution and bylaws. Under the Merger Agreement, we have established 3 tiers of per capita payments to the IBT, \$10.36 for Class I RR members, \$8.21 for Class II and III RR members, and \$6.05 for non-railroad contracts. (Merger Agreement, Section 3.8) Under the Merger Agreement, IBT has agreed to assume the cost of salary, benefits and expenses for the operation of 5 BMW Departments (The Departments of Organizing, National and State Legislative, Safety and Education, Research, and Communications). IBT will also assume the cost of printing and mailing 6 BMW Journals per year, will pay all of BMW's AFL-CIO, RLD, and TTD fees, will subsidize BMW Legal expense for outside counsel, and will provide office space for our Washington DC operation in the IBT building in DC. (Merger Agreement, Section 3.9) The Rail Conference per capita is \$0.25, which will be paid by IBT for the first 30 months following the merger. (Merger Agreement, Section 2.6) Thus, based upon these arrangements, Grand Lodge is confident that it has done due diligence with the finances of the merger, and Grand Lodge will be fully able to operate at or above the current level of service under this Merger Agreement.

**Q:** Merger agreement--3.8.says the BMWED will pay the per capita and lists the rates and classes. It states the average rate will be recalculated in Dec. of each subsequent year and the per capita will then be calculated according to IBT Constitution Art. X. In the IBT Art. X, Sec. 3(b) it says per capita will be based on dues rates calculated according to Sec. 3(d). Sec. 3(d) says the dues rate for members with earnings rates of over \$11.00/hr and legally permitted to strike is 2.5 times the hourly earnings rate. Sec. 3(d) also says that the dues of members of the International shall be payable through (not by) their Local Union. Will we eventually be paying International dues at a rate of 2.5 times our hourly earnings and if so, will this be in addition to the BMWED dues rate of 1.3 times the average rate of pay?

**A:** The Merger Agreement and the BMWED bylaws "trump" the IBT Constitution (Merger Agreement, Section 1.4). Therefore, the Merger Agreement and the BMW bylaws govern dues and per capita rates for BMW members. BMW members dues rates will be adjusted annually under the BMW bylaws, i.e., 1.3 times the average hourly rate (BMWED bylaws, Article XV, Section 3) The per capita payable to the IBT

will be paid by Grand Lodge "without increasing BMWED members' monthly payments" (Merger Agreement, Section 3.9). BMW members will not be affected by the 2.5 times the hourly earnings language of the IBT Constitution. BMW Grand Lodge dues rates will continue to be governed by BMW Article XV, Section 3, and out of this amount Grand Lodge will pay the IBT per capita.

Q: On what date will the Secretary/Treasurers of Local BMW lodges have to start paying their own dues, if the merger passes on October 27, 2004?

On what date will the State Legislative Directors, who are now holding office, and are either retired or on disability annuities, have to start paying full dues?

Does it matter if they hold a life membership in the BMW?

A: BMW Secretary-Treasurers will be obligated to pay dues beginning January 1, 2006 (Merger Agreement, Section 4.11). State Legislative Directors who are holding that office while retire or on a disability annuity will be allowed to complete their current term of office, which expires Dec.30, 2007 (Merger Agreement, Section 4.9, BMWED bylaws Article XI, IBT Constitution Article XVIII, Section 6(c)). The designation of "Life membership" in BMW does not make a retired life member eligible to run for BMW office (Merger Agreement, Section 4.9, IBT Constitution Article XVIII, Section 6(c)).

Q: What will the dues structure be?

A: The dues structure for BMWED members will remain the same as today, (Local Lodge, System, and Grand Lodge). The BMWED National Division (Grand Lodge) will pay the IBT per capita due on the effective date out of the Grand Lodge dues currently paid to Grand Lodge by the members. (Merger Agreement Section 3.8)

Q: Will my dues payment increase as a result of the merger?

A: No. The current monthly payment by the members of BMWED will not increase as a result of the merger. (Merger Agreement, Section 3.8)

Q: How much rent will the merger save BMW in Washington DC by moving into the IBT Building?

A: Approximately \$80,000.00 per year. (Merger Agreement, Section 3.9)

Q: Can one division of the IBT overwhelm another division? (i.e., can the UPS dominated division force changes on the smaller Rail Conference division?)

A: No. Each division is autonomous and the decisions made by one division does not force changes on another division. In addition, the Merger Agreement is

supreme to the IBT Constitution, and the Merger Agreement can not be changed without the consent of the BMWED. (Merger Agreement Sections 1.4 and 4.13)

Q: Who pays for the IBT convention?

A: The IBT pays for the IBT Convention.

Q: Who pays the expenses of the BMWED Delegates to the IBT Convention?

A: The IBT Constitution provides, in part, "Each subordinate body (e.g., BMWED System Division/Federation) shall pay the expenses of its delegates authorized to attend the International Convention..." (Article III, Section 4, IBT Constitution)

Q: Who pays for the Rail Conference?

A: The Rail Conference is funded by a monthly per capita of \$0.25 per member per month. The IBT will pay the \$0.25 per member per month for each BMWED member for 30 consecutive months. Thereafter, it will be paid by the BMWED National Division (Grand Lodge). (Merger Agreement, Section 2.6)

Q: In terms of financial security, how much money will we have as an operating base?

A: The BMWED National Division (Grand Lodge), and BMWED System Divisions/Federations and Local Lodges will maintain control of all properties, funds and assets they possess and accrue. (Merger Agreement, Section 3.7.1)

Q: What will the initiation fee for new members be if we become Teamsters? Will it remain the same as in our current C&BL?

A: The initiation fee for new members will remain \$100.00 in accordance with BMWED's Constitution and Bylaws.

Q: Will BMWED members' dues be increased by the Merger Agreement?

A: No. The dollar amount paid by BMWED members to the Grand Lodge will not increase as a result of the merger.

Q: Will the members of BMWED have to pay an additional per capita to the IBT on top of our Grand Lodge dues?

A: No. Grand Lodge will pay the per capita to IBT out of the dues members already pay to Grand Lodge.

Q: Will existing BMWED members be required to pay an initiation fee if we become Teamsters?

A: No.



## **ELIGIBILITY, GOOD STANDING, UNEMPLOYMENT CARDS**

Q: Will Local Lodge Secretary-Treasurers who are currently holding such office while retired from the railroad or on disability annuity be allowed to remain in office and run for reelection as Lodge S/T at the end of the current term?

A: Local Lodge S/T's holding office as of the effective date of the merger shall remain eligible to continue to run for and hold such office, even though they may not be actively working in the craft (i.e., may be retired or collecting an annuity). A special provision for retired Lodge S/T's was negotiated which essentially "grandfathers" current retired Lodge S/T's. This special provision allows incumbent Local Lodge S/T's who are retired (i.e., not actively working in the craft) to continue to hold the S/T position and run for reelection as Local S/T. Beginning January 1, 2006, all Local Lodge Secretary/Treasurers shall be required to pay full dues. (Merger Agreement, Section 4.11)

Q: Local Lodge elections are going to be held in last quarter of 2005. Will the officers that are elected during this election, (who take office on January 1, 2006) be grandfathered in and be able to hold office until the end of that term, December 31, 2008, or would they be covered by the 24 month member in good standing requirement and have to have 24 months of dues payments at the time of the elections?

A: The eligibility to run for office requirements of the IBT Constitution do not become effective for BMWE until January 1, 2006 (Merger Agreement, Section 4.9). Therefore, any Local Lodge, System Division/Federation, or Grand Lodge elections held on or before December 31, 2005 will be governed by the eligibility to run for office requirements currently provided in the BMWE Constitution and bylaws. In addition, there is no mandatory requirement under the IBT Constitution for officers to pay dues during periods of furlough as a requirement of "holding office." However, BMWE Local Lodge officers on furlough should request and be issued an Unemployment Card from their Local or System Federation/Division.

Q: Will BMWE members on furlough with an valid unemployment card but not paying dues be allowed to vote for or against contracts in any contract ratification referendum?

A: Yes. BMWE members on furlough with a valid unemployment card but not paying dues have a vested interest in the outcome of any contract referendum vote, therefore, they will be allowed to vote in contract referendum ballots.

Q: Why did the BMWE agree to the eligibility requirements of the IBT Constitution and does it, essentially, shut out furloughed employees from a vote in elections or collective bargaining on contract?

A: All 1.4 million members of the IBT must meet the same eligibility requirements governing running for office, voting in officer elections, and

voting on contracts. Because a merger with the IBT will make BMW members Teamsters, BMW members will also be governed by the same eligibility requirements as all other IBT members. Therefore, furloughed members who care to run for office have to meet the 24 month continuous good standing rule, meaning they would be required to have 24 months of continuous dues payments, same as all other members of the IBT. (Merger Agreement, Section 4.9) All members, including furloughed BMW members, will be eligible to vote in officer elections as long as they have paid dues in the month prior to the month in which the election is held, i.e., 1 month good standing.. (Merger Agreement, Section 4.7)

Furloughed members holding a valid unemployment card issued by BMW and not paying dues will be eligible to vote on contract ratification referendums, provided they are on the roster and expecting a recall back to work. (IBT Constitution and BMWED bylaws)

Q: Will the required months to run for office be changed for Local and System Offices to coincide with the Teamsters 24 months?

A: Yes. In general, all IBT members must meet the same eligibility requirements (24 months continuous good standing) to run for office as provided in Article II, Section 4(a)(1) of the IBT Constitution. However, the merger agreement provides that for elections held on or after Jan. 1, 2006 (the effective date of the eligibility requirement), all BMW affiliates (e.g., local lodges and systems) will be considered "newly chartered" affiliates in existence for less than 24 months and, as such, eligibility to run for office will be governed by Article II, Section 4(b) of the IBT Constitution which reduces the 24 month period to "at least half of the period of time" since the [affiliate] was separately [newly] chartered. [NOTE: For BMW elections held on or before December 31, 2005, eligibility will be governed by the current BMW Constitution and bylaws.]

Q: Will Unemployment Cards meet the required Good Standing for Local and System Offices?

A: No. A member anticipating running for election or reelection must meet the continuous good standing provisions of Article II, Section 4(a)(1) or Article II, Section 4(b) as applicable. There is, however, no mandatory requirement under the IBT Constitution for officers to pay dues during periods of furlough, therefore such office holders can remain in office without paying dues during furlough.

Q: Once elected would an Unemployment Card meet the requirements to remain in office for a Local or System?

A: Yes. There is no mandatory requirement under the IBT Constitution for officers to pay dues during furlough. Therefore, BMW elected local or system officers will not be required to pay dues during furlough as a condition of holding the office to which

elected. However, in order to maintain eligibility to run for reelection, such office holders will have to meet the eligibility requirements under Article II Section 4(a)(1) or 4(b) as applicable.

## **JURISDICTIONAL DISPUTES**

Q: What type disputes would be considered as "not proper" to submit to NRAB?

A: Hypothetically, if a BMW System Federation and an IBT local were both trying to organize a "widget factory," such would be one example of a "jurisdictional dispute" that is not subject to National Railroad Adjustment Board (NRAB) proceedings.

## **MERGER AGREEMENT**

Q: Why should any decision made by our BMWED board be subject to the approval of the president of the IBT? Sounds like there is less autonomy than actually exists.

A: BMW retains maximum autonomy under this agreement to run its own affairs and finances as determined by the BMW officers and members (Merger Agreement, Sections 3.1 and 3.7).

BMW will continue to hold its Grand Lodge Convention, elect its own officers, and amend its bylaws. (Merger Agreement, Sections 3.5, 3.4, and 3.7)

In addition, the Merger Agreement and the BMWED bylaws "trump" the IBT Constitution, and all BMW affiliates retain control of their funds and property (Merger Agreement Sections 1.4 and 3.7.1).

The reference to "approval of the IBT President" in paragraph 3.9 of the Merger Agreement only applies to "BMW Appointees" who may be "integrated" at some future date into existing IBT departments. In such cases, the individual(s) proposed by BMW to work in an existing IBT department would be subject to approval by the IBT President. (Merger Agreement Section 3.9)

Q: Why is the merger being voted on so quickly?

A: This Merger Agreement is the product of over one year of intense negotiation. BMW has kept members informed during the course of these negotiations by publishing merger articles and updates in the BMW Journal and on our website. In addition, the entire BMW membership will be individually mailed a copy of the Merger Agreement and all related documents. We will continue to provide educational and informational updates using all available means during the ratification process so that each member can make an informed decision. The members will have approximately 45 days to review the Merger Agreement and return their ballots, which allows ample time to vote.

Q: What if there is a conflict in the BMW and IBT bylaws?

A: The BMWED bylaws shall govern over the IBT Constitution. (Merger Agreement, Section 1.4)

Q: How many members will the BMWED have on the Rail Conference Policy Committee, the governing body of the Rail Conference between conventions?

A: BMWED will have four members on the Policy Committee, the same number as BLET. (Merger Agreement, Section 2.4)

Q: Will BMWED members retain the right to vote on contracts and/or strikes?

A: Yes. BMWED members will retain the right to vote on contracts and/or strikes. (Merger Agreement, Section 4.14 and BMWED bylaws Article XIX, Section 16)

Q: Will we still vote for our BMW Local Lodge officers, etc?

A: Yes. BMWED Local Lodges will continue to elect their own Local Lodge officers under the provisions of the BMWED bylaws. (Merger Agreement, Section 3.4)

Q: How will officers of BMW System Divisions/Federations be elected?

A: Same as today. BMWED System Division/Federations will continue to be elected in accordance with each System Division/Federation's bylaws. (Merger Agreement, Section 3.4)

Q: How will Grand Lodge Officers be elected?

A: Grand Lodge Officers will continue to be elected in accordance with the Grand Lodge Constitution and Bylaws.

## **ORGANIZING**

Q: How many full time organizers will be available to us after merger?

A: The IBT is committed to assisting BMW affiliates in organizing campaigns in the same way we assist IBT affiliates. Although it is hard to give an exact number of organizers that may work with the BMW, the Teamsters has committed \$15 million a year to grow our organizing department in order to help all of our divisions win organizing campaigns.

## **PENSIONS AND BENEFITS**

Q: Will this effect Retirement of employees and what they have put into their funds?

A: No. The merger will have no affect on Railroad Retirement or the

Railroad Retirement Trust Fund.

Q: Is there the possibility of 55 years of age with 30 years service and out?

A: As you may be aware, changing the Railroad Retirement Act to provide retirement at 55/30 would require a legislative amendment to the Act. The IBT has pledged their support and assistance to BMW in all areas, including the legislative arena. (Merger Agreement, Sections 1.1 and 4.1) Therefore, BMW and BLE will undoubtedly continue to explore how to achieve 55/30 with the help and assistance of the IBT.

Q: Are the teamster's looking at a " 55 and 30 years of service" retirement and would there be any chance that if we merge that the BMW employees would have an opportunity along with the BLE to also get this retirement?

A: As you may be aware, changing the Railroad Retirement Act to provide retirement at 55/30 would require a legislative amendment to the Act. The IBT has pledged their support and assistance to BMW in all areas, including the legislative arena. (Merger Agreement, Sections 1.1 and 4.1) Therefore, BMW and BLE will undoubtedly continue to explore how to achieve 55/30 with the help and assistance of the IBT.

Q: What are the chances of the same insurance coverage for disabled workers as the active employees have? After all, that seems like when we would need good insurance even worse than when we are bringing home a regular paycheck.

A: Improved insurance coverage for disabled workers has been, and continues to be, a serious issue for BMW and other rail unions. The purpose of the merger is to strengthen and unite the rail unions within the IBT Rail Conference in order to enhance our position at the bargaining table. Health insurance, including insurance coverage for disabled members, is a subject of collective bargaining and we will certainly be better positioned to bargain improvements and coordinate our activities as members of the IBT Rail Conference. (Merger Agreement, Sections 2.1 and 1.1)

Q: Will the merger affect the railroad pension system?

A: No. The BMW Division members, like all railroad employees, will continue to pay into and draw retirement benefits from the Railroad Retirement Board. Railroad Retirement benefits are the product of Federal law and cannot be changed by anything in the Merger Agreement.

Q: What happens to the BMW strike fund?

A: The BMW strike fund is preserved in the control of the BMW Division and treated exactly the same as it is today. (Merger Agreement Section 4.2.5)

Q: What happens to the BMW death benefit?

A: The BMW death benefit is preserved in the control of the BMW Division and treated exactly the same as it is today. (Merger Agreement Section 3.7.2)

Q: Are there any Pensions for BMWED Officers in the Merger?

A: No.

Q: What is IBT doing now to protect FELA benefits and rail pensions?

A: As you know, the proposed asbestos compensation legislation (S. 1125) preempts FELA, the workers' compensation system for rail workers. The Teamsters Union has lobbied against this legislation, and is on record, through several letters to Congress, that it considers the elimination of FELA claims to be unfair and unwarranted. Be assured that we will strongly oppose any legislation that attempts to take away rail employees' rights to FELA.

There have not been any recent attempts in Congress to attack Railroad Retirement pensions. With that said, the Teamsters Union views a worker's pension as a commitment that the employer must keep, and we will continue to fight to maintain the retirement security of all of our members.

## **POLITICAL**

Q: What about lobbying conflicts between the trucking and rail workers?

A: First, there are many issues that we have in common – workplace health and safety, fatigue, repetitive motion injuries, on-track and off-track vehicle safety, criminal background checks, truck size and weight, hazmat reauthorization, 13(c) protections – to name a few. If a conflict were to occur on a legislative issue between our rail employee members and those that work in the trucking industry, we would first attempt, at the legislative department level, to find a compromise or “middle ground” that would satisfy both groups. If that was not possible, we would have our respective presidents meet to further discuss the issue and attempt to resolve it.

Q: What will happen to the BMW political action PAC?

A: The Maintenance of Way Political League, BMW's political action committee, will have its funds merged into the Teamsters' D.R.I.V.E. (Democrat, Republican, Independent Voter Education) political action committee. At least 85% of the funds contributed by BMWED members will be allocated per year for contributions to federal candidates whom the BMWED identifies as significantly affecting Rail Labor concerns of the BMWED membership. (Merger Agreement Section 4.20) This merger of funds is required because once the BMW becomes a Division within the Teamsters, under Federal election law, any BMW Division political contribution is imputed to the Teamsters' union as a whole and the

bookkeeping and coordination expenses and problems do not justify maintaining two separate funds dedicated to the same purpose.

Q: Because of the difference in our trades, what will happen when we want to legislate a tax reduction for the purchase of diesel fuel for the railroads to the detriment of the trucking industry?

A: Presently the railroads pay a 4.3 cent per gallon tax on diesel fuel. That tax has been repealed for motor carrier operators. The tax was placed in effect over a decade ago as a “deficit reduction” measure and the railroads want it repealed. The BMWED and many other rail labor unions already oppose an outright repeal and have sought to negotiate with the carriers how the benefits of that tax relief could be used to benefit rail employees. This question assumes a constant conflict between trucking and rail freight. Such an assumption does not reflect the reality of the nation’s freight infrastructure. Presently, freight shipments are an interconnected web of air, truck, rail and barge transport. Rail traffic does not compete directly with air shipment of goods and only competes with trucks on the margins. Actually, rail’s biggest competitor is barge traffic because both modes are suited to the shipment of bulk commodities inexpensively. Additionally, the real competition for both unionized railworkers and unionized truckers comes from non-union rail and non-union truck carriers.

## **RAIL CONFERENCE**

Q: What is implied or meant by BMWED "initially" having four members on the IBT Rail Conference Board? It sounds like it's going to be a limited time period we'll have a presence or voice on said board.

A: The number of seats each rail union gets on the Rail Conference Policy Committee is based upon membership size. Therefore, based upon BMWED’s total membership on the date of the merger (approximately 32,000 members) BMWED will “initially” get 4 seats on the Policy Committee. Thereafter, the number of seats on the Policy Committee for each union in the Rail Conference will be adjusted up or down every four years based upon the size of the membership. (Merger Agreement, Section 2.4, Rail Conference bylaws, Section Article VI, Section 1)

## **SCHOLARSHIPS/APPRENTICESHIPS**

Q: Are there any college scholarships for IBT members and dependents?

A: Yes, the James R. Hoffa Scholarship program awards scholarships to children or grandchildren of Teamster members. Applicants must graduate from high school during the academic year at the time of application. The applicant must be a son, daughter or grandchild of a Teamster member. The applicant’s parent or grandparent must have been a member in good standing during the 12 consecutive months preceding the application deadline. The application deadline is usually at the end of February.

Q: Are there apprenticeship programs within the IBT?

A: A number of Teamster local unions throughout the country run driver training schools in which drivers are certified to obtain a CDL license. Mark Johnson is the National Training Director who is working to build an alliance between training programs across the country, expand the program to address the needs of even more workers in a variety of industries, and develop a communication structure to share information about training between locals and other union affiliates. BMW members would certainly be able to take advantage of any of these Teamster schools.

## **TEAMSTERS**

Q: How are IBT International Officers elected?

A: IBT International officers, including the offices of the General President, the General Secretary-Treasurer, Vice Presidents, and International Trustees are elected by direct rank-and-file voting by IBT members in good standing. (Article IV, Section 3(a) of IBT Constitution)

Q: What about the IRB and the Ed Stier controversy?

A: Edwin Stier, a former federal prosecutor, was hired by the Teamsters to assist with the Union's program of removing any vestiges of organized crime. Stier wrote, "No organization that I am aware of has gone to the lengths that the Teamsters Union has to deal with the threat of corruption." After spending \$15 million of the Teamsters money on the anti-corruption initiative, Stier resigned when the Union questioned investigations that seemed unfounded and outside the Union's jurisdiction. The Union has turned over allegations made by Stier in his final report to the Teamsters to the U.S. Attorney for the Southern District of New York, the U.S. Department of Justice, the Independent Review Board (IRB), and Special Counsel Edward McDonald, a noted ex-federal prosecutor and mob-buster. The Teamsters Union and its membership remain fully committed to running a clean Union and will continue to fully cooperate with the IRB and law enforcement to keep the Teamsters corruption free.

Q: Why do the Teamsters want to merge with the BMW?

A: The Teamsters want to merge with the BMW to build power for all of our members within the transportation industry. Uniting air, rail and trucking allows us to work together to find common goals that will help us get better contracts for all of our members. Speaking with one strong voice, we will have the power to influence decisions on Capitol Hill, the power to fight employers and the power to organize new workers. Companies merge all the time in order to become stronger and for us to compete we need to do the same.



## **TEMPORARY WORK**

Q: Have Teamsters mentioned any available work for BMW while furloughed from railroad service?

A: The IBT does not generally have "temporary work" which can be made available to BMW members in furlough status. However, should work become available under a "hiring hall" concept in an IBT Local Union, IBT members (including BMW-IBT members) with the required skills could seek such work through the Local IBT Union with jurisdiction over such work.

## **WITHDRAWAL**

Q: Is there a period of time in which BMW can withdraw from the merger?

A: Yes. Either party may withdraw from the merger anytime within the first 24 months of the effective date of the merger agreement. (Merger Agreement, Section 4.28)

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