

United States Senate

WASHINGTON, DC 20510

October 6, 2023

The Honorable Janet Yellen
U.S. Secretary of the Treasury
The U.S. Department of the Treasury
1500 Pennsylvania Avenue,
NW Washington, D.C. 20220

Dear Secretary Yellen:

In the unfortunate circumstance of Yellow Corp (“Yellow”) filing for bankruptcy and attempting to liquidate assets to repay its debt, including large pandemic loans from the Department of Treasury (“Treasury”), it is our understanding that there are parties interested in submitting to the court a “going concern” bid for the company. It is our understanding that such a bid would expedite payments to creditors, including to taxpayers, while preserving jobs, something that piecemeal, bifurcated bids would not do.

It is also our understanding that this bid is predicated on an extension of maturity of Treasury’s loan to Yellow under the CARES Act. We respectfully request that Treasury seek the authority from the Department of Justice (“Justice”) to extend the terms of the two tranches of CARES Act loans provided to Yellow during the pandemic. Without action from Treasury, Yellow will likely continue on a path to liquidation. The result will be unfortunate – payments to creditors, including the United States taxpayer, will take more time; and, we will permanently lose nearly 30,000 jobs around the country, mostly of truck drivers represented by the International Brotherhood of Teamsters (“Teamsters”). We ask that Treasury indicate to the bankruptcy court that it is in the process of seeking the authority to extend the CARES Act loans which would enable rejoining the currently bifurcated asset at auction.

There is precedent for this kind of action. It is our understanding that Treasury can request authority from Justice to extend the terms of the loan, under the Federal Claims Collection Act (31 U.S.C. § 3711). Treasury used this same ‘authority to seek authority’ during the financial crisis, where it accepted perpetual preferred and common General Motors stock as payment instead of cash.

It is unfortunately necessary for Treasury to take these steps to save tens of thousands of union jobs that have already experienced hardship due to Yellow’s years of mismanagement. Over the past two decades of ill-advised decisions, Yellow’s union workers granted the company billions in concessions in an effort to keep the company afloat. The concessions continued right until the company’s collapse, but in the end, union concessions simply cannot offset years of mismanagement. If Treasury can protect taxpayers and undo the harm that Yellow did to its workers, it should act swiftly.

Make no mistake: this is a crisis for 30,000 union American Teamsters truck drivers and dock workers who are feeling the sudden loss of income and benefits that comes with steady employment. According to the Wall Street Journal, this is the largest trucking industry bankruptcy in the United States in terms of revenue and jobs and will likely have an impact on the economy. It is our understanding that Yellow's collapse could also contribute to increased prices for freight customers and additional supply chain bottlenecks.

At the end of the day, there are thousands of American families that want to see the company's doors reopen. Treasury needs to be clear-eyed that union families and the strength of our economy rely on jobs like the ones that were lost. In an industry with few regional carrier alternatives that allow truck drivers to see their families every day, workers will find it difficult to find comparable jobs. A going concern bid has the potential to make these families whole as new ownership will have the incentive to build a sustainable future for Yellow's workforce and shareholders.

We urge you to do what is possible to reimburse taxpayers while potentially preserving tens of thousands of American jobs.

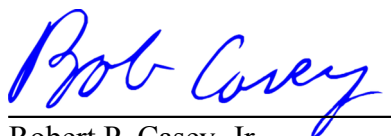
Sincerely,



Sherrod Brown
United States Senator



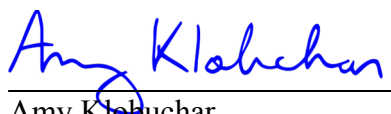
Tammy Baldwin
United States Senator



Robert P. Casey, Jr.
United States Senator



Bernard Sanders
United States Senator



Amy Klobuchar
United States Senator



John Fetterman
United States Senator

A handwritten signature in blue ink that reads "Tina Smith". The signature is fluid and cursive, with the first name "Tina" and the last name "Smith" clearly distinguishable.

Tina Smith
United States Senator