



RRB News

U.S. Railroad Retirement Board

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No. 24-05

For Immediate Release
August 13, 2024

Update to RRB Fiscal Year 2025 Funding Concerns

The Senate Committee on Appropriations has approved a fiscal year (FY) 2025 funding level of \$129 million for the Railroad Retirement Board (RRB). The RRB appreciates the Committee's mark, which is notably higher than the House's proposed spending level. But it should be noted that Congress cut the RRB's budget for FY 2024, which has severely impacted agency operations. While the Senate's proposal would reverse that cut and give the agency a small 0.78 percent increase from FY 2023, the proposed appropriation of \$129 million is still \$5 million less than the President's request, \$43.3 million less than the RRB's request, and significantly short of what the agency needs to carry out its mission.

With a \$129 million budget, the RRB will be forced to continue its existing hiring freeze and operational cutbacks, initiated as a result of the agency's FY 2024 budget reduction, while continuing to lose decades of institutional knowledge through retirements. Further, the RRB will be unable to move forward with its multi-year Information Technology (IT) modernization project, resulting in continued dependence on antiquated systems and inefficient processes and a further deterioration of service to the nation's railroaders.

After several years of inadequate flat funding, in 2018, the RRB received funding targeted towards improvements to the agency's IT systems. However, during that period, there were no significant increases to the agency's administrative budget. The RRB did not receive a significant boost to its administrative budget until 2022, and even then the increase was not sufficient to bring the agency back up to needed staffing levels. The insufficient funding levels over the last decade have led **directly to unacceptable delays in service to the rail employees and annuitants who have paid into the railroad retirement system their entire careers.**

At the same time the Senate Appropriations Committee approved a \$129 million funding level for the RRB, it increased funding for the Social Security Administration

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(SSA) by \$509 million to “help SSA address service delivery challenges and improve services for Americans across the country.” As noted by the Committee, “Americans rely on Social Security, have earned benefits through a lifetime of work, and deserve access to timely services.” Our nation’s railroaders also have earned their benefits through a lifetime of work and likewise deserve access to timely services. Railroad employees and employers pay a combined 18 percent in payroll taxes for enhanced benefits, above and beyond what other American workers and employers pay for their benefits. These payroll taxes directly fund the RRB’s administrative budget.

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