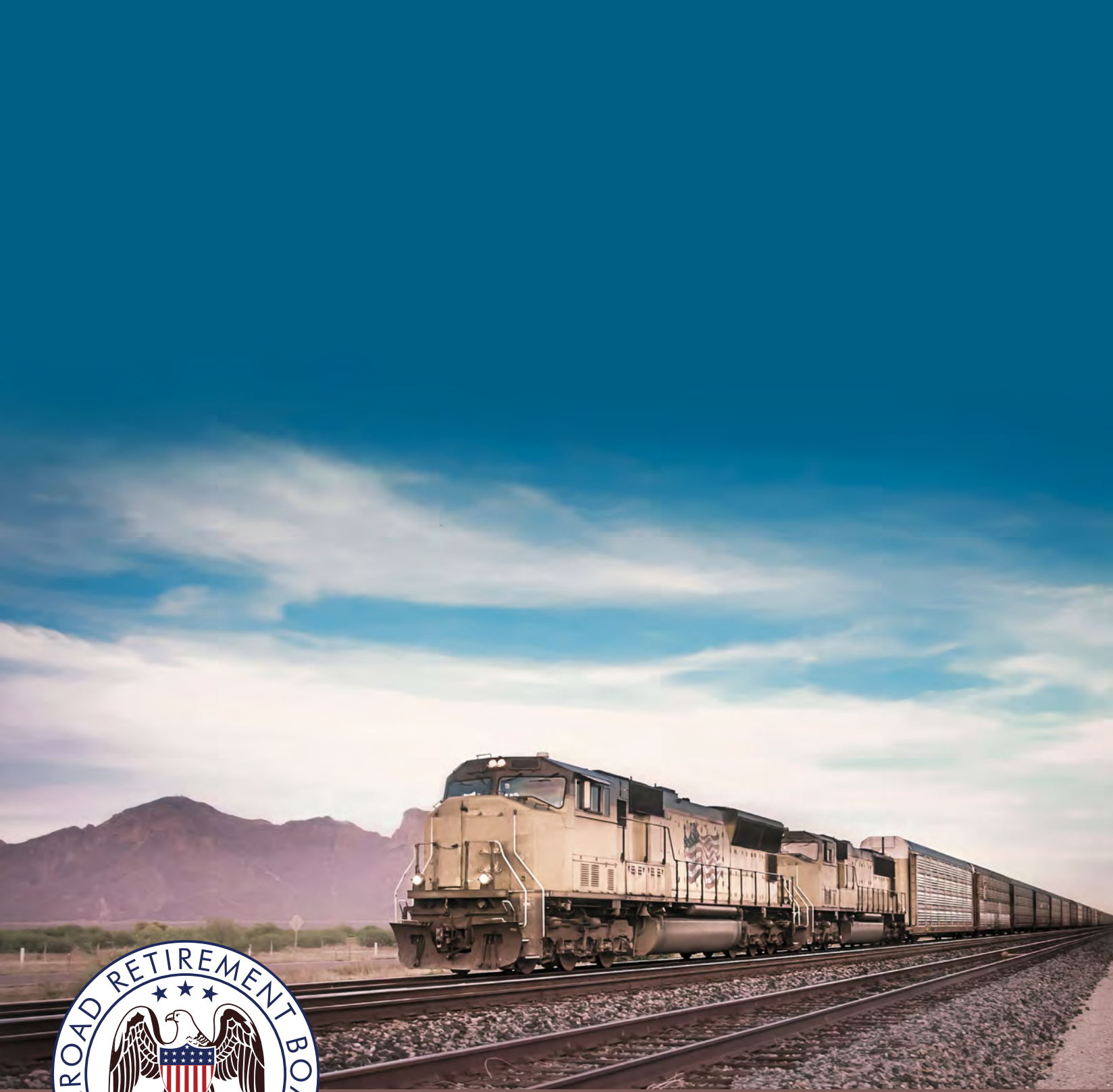


United States Railroad Retirement Board

2024 Annual Report



UNITED STATES
RAILROAD RETIREMENT BOARD

2024 Annual Report

For Fiscal Year Ended September 30, 2023

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THE REPORT IN BRIEF

The Railroad Retirement Board (RRB) paid benefits totaling approximately \$14.0 billion, net of recoveries and offsetting collections, to about 508,000 beneficiaries in fiscal year 2023. Financial reports issued in 2024 on the solvency of the railroad retirement and railroad unemployment insurance systems were both favorable. Total railroad retirement system assets equaled \$26.5 billion as of September 30, 2023.

Benefits and Beneficiaries

Benefits paid by the RRB totaled approximately \$14.0 billion in the fiscal year ending September 30, 2023. Retirement and survivor annuities were paid by the RRB to about 493,000 beneficiaries during the fiscal year, of whom 467,000 were on the rolls at the end of the year. Approximately 15,000 railroad employees were paid unemployment and/or sickness insurance benefits. About 1,000 beneficiaries received payments under both the Railroad Retirement Act (RRA) and the Railroad Unemployment Insurance Act (RUIA).

Retirement and survivor annuity payments of approximately \$13.9 billion during fiscal year 2023 were \$585.9 million more than payments in the prior year. Employee and spouse annuitants were paid about \$11.8 billion, accounting for 84 percent of the total payments. Employees received approximately \$8.9 billion in age annuities (including \$1.7 billion to annuitants full retirement age and over originally awarded a disability annuity), \$700 million in disability annuities, and \$51.8 million in supplemental annuities, with spouses and divorced spouses getting about \$2.1 billion.¹ Survivors received \$2.2 billion in annuities and nearly \$1.4 million in lump-sum benefits. Annuitants receiving retirement and survivor benefits declined by about 13,000 from fiscal year 2022.

Gross unemployment and sickness benefits paid in fiscal year 2023 totaled almost \$92.9 million on a cash basis. Net benefits totaled about \$59.6 million on an accrual basis after adjustment for recovery of benefit payments, including injury settlements,

¹ Prior to the 2015 Annual Report, annuitants who were full retirement age and over and originally awarded a disability annuity were included in the disability counts. Effective with the 2015 Annual Report, they were included in the employee age and service counts because a disability annuity converts to an age and service annuity when the annuitant attains full retirement age.

Note: Statistics are primarily presented on a cash basis of accounting, rather than an accrual basis. The primary difference is that the cash basis recognizes revenue and expenditures when cash is actually received/paid, while the accrual basis recognizes them when earned/incurred. Except for income tax transfers and gross unemployment and sickness benefits, the information on pages 2, 6-14, and 26-28 is presented on an accrual basis.

some of which occurred in prior years. Total gross benefit payments decreased by close to \$28.6 million from the prior year, while net benefit payments decreased by approximately \$27.3 million. Under the Continued Assistance to Rail Workers Act enacted in December 2020, all unemployment and sickness benefits were exempt from sequestration until 30 days after the coronavirus emergency declaration terminated on April 10, 2023.

Gross unemployment benefits decreased by 44 percent from the previous year, mainly due to the steady increase in employment during the fiscal year. Gross unemployment benefits totaling almost \$19.1 million were paid to more than 3,400 claimants. Net unemployment benefits were \$20.6 million, a decrease of 14.5 percent from the prior year. Gross sickness benefits decreased 16 percent to \$73.8 million (\$59.8 million net) and were paid to over 12,100 claimants.

Financial Reports

The RRB's 29th triennial actuarial valuation, submitted to Congress in 2024, was generally favorable. It noted that railroad employment has recovered after the pandemic and more recently stabilized, helping to improve the railroad retirement system's finances. Barring a sudden, unanticipated, large decrease in railroad employment, or substantial investment losses, the railroad retirement system will not experience cash-flow problems in the 75-year projection period under all three employment assumptions. However, the long-term stability of the system is not assured. Under the current financing structure, actual levels of railroad employment and investment return over the coming years will determine whether future corrective action is necessary.

The RRB's 2024 railroad unemployment insurance financial report showed continued improvement from the height of the coronavirus pandemic. There was no surcharge for 2024, and none are projected through 2027 under all employment assumptions. There is the possibility of small loans from the Railroad Retirement Account in fiscal years 2028 and 2029 under the pessimistic assumption that would be repaid in fiscal year 2029.

The National Railroad Retirement Investment Trust's annual management report for fiscal year 2023 showed that, as of September 30, 2023, the net asset value of the Trust-managed assets was \$24.3 billion. This represented an increase from \$23.0 billion in the previous year, with a net investment return for the year of 12.14 percent. The ending balance also reflects a transfer of \$1.4 billion to the U.S. Treasury for the payment of railroad retirement (tier II) annuities. Total railroad retirement system assets, including those maintained at the Treasury, equaled \$26.5 billion.

The 2024 railroad retirement and railroad unemployment insurance financial reports and the National Railroad Retirement Investment Trust's 2023 annual management report are available by clicking on the *Financial & Reporting* tab at **RRB.gov**.

Service Delivery

Customer Service Plan

In fiscal year 2023, the RRB Customer Service Plan reported timeliness standards for initial claims services. The RRB met the standards for our RUIA program and most of the standards set under the RRA. RRA applications require more manual intervention to adjudicate than applications under the RUIA.

Service Enhancements

The RRB expanded use of **Login.gov**, which provides identity verification and secure access to online services across the government, with more than 110,000 verified accounts in fiscal year 2023, a 20-percent increase over the prior year. The agency also processed a cost-of-living adjustment for retirement and survivor annuities, continued to modernize its information technology systems, including implementing an online option for claimants of unemployment and sickness benefits to access their tax forms, and looked to further reduce reliance on paper by expanding use of document imaging. The RRB also filled 290 job vacancies during the year, including five separate training classes for claims examiners and claims representatives comprised of 80 employees.

Office of Inspector General

During fiscal year 2023 the Office of Inspector General (OIG) continued its independent oversight of agency operations and its efforts to combat fraud, waste, and abuse. This included the issuance of five audit reports, one management information reports, one risk assessment, and 59 audit recommendations with \$358.8 million identified as questioned costs.

Investigative activities resulted in 13 indictments and/or informations, 19 criminal convictions, 13 civil judgments, and approximately \$101.2 million in financial accomplishments. This reflects monetary amounts related to programs administered exclusively by the RRB and monetary amounts from other federal programs, such as Medicare, which may have been included in the disposition resulting from joint casework. Results associated with joint casework are sometimes prescribed in an aggregate amount and not necessarily delineated by individual agencies. If delineated, the RRB's amount, and not the aggregate amount, will be reflected in the OIG's financial accomplishments.

Martin Dickman, the RRB's Inspector General since 1994, retired in April 2024. President Biden designated Ben R. Wagner, the Inspector General for the Tennessee Valley Authority, to also serve as the RRB's Acting Inspector General until a successor is confirmed.

Selected Data on Benefit Operations

Retirement-Survivor ¹	Fiscal Year 2023	Fiscal Year 2022
Employee age annuities		
Number awarded	5,100	5,900
Awarded Age Annuity		
Number being paid at end of period	176,100	179,300
Average being paid at end of period	\$3,448	\$3,211
Disability converted to age annuity ²		
Number being paid at end of period	47,100	47,800
Average being paid at end of period	\$3,058	\$2,832
Employee disability annuities		
Number of total disability annuities awarded	500	600
Number of occupational disability annuities awarded	800	800
Number of total disability annuities being paid at end of period	7,100	7,500
Number of occupational disability annuities being paid at end of period	8,700	9,700
Average total disability annuity being paid at end of period	\$2,668	\$2,425
Average occupational disability annuity being paid at end of period	\$3,906	\$3,612
Supplemental employee annuities³		
Number awarded	600	1,100
Number being paid at end of period	100,800	105,200
Average being paid at end of period	\$41	\$41
Spouse and divorced spouse annuities		
Number awarded, total	6,300	7,300
Number being paid to divorced spouses at end of period	4,700	4,900
Number being paid at end of period, total	138,800	141,600
Average being paid to divorced spouses at end of period	\$832	\$765
Average being paid at end of period, total	\$1,233	\$1,160
Survivor annuities		
Number awarded to aged widow(er)s	4,900	5,500
Number awarded, total	6,100	7,000
Number being paid to aged widow(er)s at end of period	73,000	75,100
Number being paid at end of period, total	95,200	97,900
Average being paid at end of period to		
Aged widow(er)s	\$2,106	\$1,987
Disabled widow(er)s ⁴	\$1,636	\$1,532
Widowed mothers (fathers)	\$2,245	\$2,129
Remarried widow(er)s	\$1,442	\$1,314
Divorced widow(er)s	\$1,473	\$1,337
Children	\$1,448	\$1,331
Partition payments⁵		
Number being paid at end of period	2,900	2,600
Average being paid at end of period	\$344	\$336
Lump-sum survivor benefits awarded		
Number of lump-sum death benefits	1,400	1,700
Average lump-sum death benefit	\$935	\$922
Number of residual payments	6/	6/
Average residual payment	\$845	1,889

Selected Data on Benefit Operations (Continued)

Employees and Earnings ⁷	Fiscal Year 2023	Fiscal Year 2022
Average employment	197,000	188,000
Creditable earnings, Railroad Retirement Act (billions):		
Tier I	\$21.50	\$17.78
Tier II	\$19.96	\$16.64
Creditable earnings, Railroad Unemployment Insurance Act (billions)	\$4.38	\$3.87
Unemployment-Sickness ⁸	Benefit Year 2022-2023	Benefit Year 2021-2022
Qualified employees	197,400	208,400
Unemployment benefits		
Gross amount paid (millions) ⁹	\$19.4	(\$19.1) ¹⁰
Beneficiaries	3,400	(3,400) ¹⁰
Number of payments	22,900	95,100
Normal benefit accounts exhausted	800	1,800
Average payment per 2-week registration period ¹¹	\$752	\$730 ¹¹
Sickness benefits		
Gross amount paid (millions) ⁹	\$78.6	(\$73.8) ¹⁰
Beneficiaries	12,300	(12,100) ¹⁰
Number of payments	93,800	136,400
Normal benefit accounts exhausted	2,900	3,500
Average payment per 2-week registration period	\$746	\$674

¹ Benefits are through September 30 for the associated years.

² A disability annuity ends when the retiree attains full retirement age, at which time the annuity converts to an age and service annuity. Consequently, these annuitants are receiving age and service annuities. Full retirement age is age 65 for those born before 1938 and gradually increases to age 67 for those born in 1960 and later.

³ Excludes partition payments to spouses and divorced spouses where the employee is deceased. Averages are after court-ordered partitions.

⁴ Average in current-payment status includes annuities to disabled widow(er)s age 60 and over now payable as aged widow(er)s' annuities.

⁵ Limited to partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity. Partition payments from employees on the rolls are included with the employees' annuities.

⁶ Fewer than 50.

⁷ Except for fiscal year 2022 employment, all figures in this section are preliminary.

⁸ In accordance with the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, amounts reflect a reduction of 5.9% for days after September 30, 2019, and 5.7% for days after September 30, 2020. Beginning January 3, 2021, the Continued Assistance to Rail Workers Act temporarily suspended sequestration until May 10, 2023, which was 30 days after the President signed legislation formally ending the pandemic declaration. At the time, sequestration reduced benefits by 5.7%, which is effective through fiscal year 2031.

⁹ Benefits paid include payments under coronavirus relief legislation. For benefit year 2021-2022, this includes \$29.2 million in unemployment benefits and \$1.2 million in sickness benefits. For fiscal year 2022, this includes \$0.8 million in unemployment and \$0.1 million in sickness benefits. These benefits were payable through registration periods beginning on or before September 6, 2021.

¹⁰ Data in parentheses are for fiscal year (October 1, 2022 – September 30, 2023).

¹¹ Does not include enhanced unemployment benefits under coronavirus relief legislation.

A REVIEW OF OPERATIONS

At the end of fiscal year 2023, total railroad retirement system assets equaled \$26.5 billion. During fiscal year 2023, benefit payments totaled approximately \$14.0 billion, net of recoveries and offsetting collections. Of this amount, annuity payments totaled \$13.9 billion for the railroad retirement and survivor program, \$54.7 million for the railroad unemployment and sickness insurance benefits program, and negative \$0.4 million due to recoveries under coronavirus relief legislation.

RAILROAD RETIREMENT AND SURVIVOR PROGRAM

As of September 30, 2023, total railroad retirement system assets, including those maintained in U.S. Treasury accounts and those maintained by the National Railroad Retirement Investment Trust (the “Trust” or NRRIT), equaled \$26.5 billion, an increase of \$1.5 billion during the fiscal year. Amounts in the Railroad Retirement (RR) Account not needed to pay current administrative expenses and amounts in the Social Security Equivalent Benefit (SSEB) Account not needed to pay current benefits and administrative expenses are transferred to the NRRIT, whose Board of seven trustees is empowered to invest Trust assets in non-governmental assets, such as equities and debt, as well as in governmental securities.

FINANCIAL OPERATIONS - U.S. TREASURY ACCOUNTS

During fiscal year 2023 railroad retirement and survivor annuity payments were financed through four U.S. Treasury accounts.

The SSEB Account, established in fiscal year 1985, pays the portion of railroad retirement equivalent to a social security benefit from various income sources related to these amounts. The RR Account funds retirement, survivor, and disability annuities in excess of social security equivalent benefits from payroll taxes on employers and employees and other income sources. Supplemental annuities payments are also paid from the RR Account. The Dual Benefits Payments (DBP) Account and Federal Payments (FP) Account, funded by congressional appropriations from general revenues, finance the phase-out costs of certain vested dual benefits and interest on unnegotiated checks, respectively. The four accounts together incurred \$14.1 billion in benefit obligations (including \$88.0 million interest on financial interchange advances and excluding \$2.4 billion in social security benefits which were reimbursed by the Social Security Administration) during fiscal year 2023.

Financing Sources

Payroll Taxes

The primary source of income to the railroad retirement and survivor program is payroll taxes levied on covered employers and their employees. Payroll taxes amounted to \$7.2 billion, representing 49.0 percent of total financing sources (excluding a gain of \$1.3 billion, mostly due to a change in NRRIT net assets) and \$1.1 billion more than in fiscal year 2022.

Railroad employees and employers pay tier I taxes which, by law, are the same as social security taxes. The 2023 rate of 7.65 percent was split between 6.20 percent for retirement and 1.45 percent for Medicare hospital insurance. The maximum amount of earnings subject to the 6.20 percent rate in calendar year 2023 was \$160,200, with all earnings subject to the 1.45 percent Medicare tax.

Since 2013, employees pay an additional 0.9 percent Medicare tax on earnings above \$200,000 (for those who file an individual tax return) or \$250,000 (for those who file a joint return). This additional tax rate is not reflected in the tax rates shown above.

Both employees and employers also pay a tier II tax to finance railroad retirement annuity payments over and above social security levels. This tax, on earnings up to \$118,800 and \$109,200 in 2023 and 2022, respectively, was 4.9 percent on employees in both years. It was 13.1 percent on employers in both 2023 and 2022.

Tier I and tier II taxes for fiscal year 2023 amounted to \$3.5 billion and \$3.7 billion, respectively.

Financial Interchange Transfers

The second major source of income to the railroad retirement and survivor program consists of transfers from the social security trust funds under a financial interchange between the two systems. The financial interchange is intended to place the Social Security Old-Age, Survivors and Disability Insurance and Hospital Insurance Trust Funds in the same position in which they would have been had railroad employment been covered by the Social Security and Federal Insurance Contributions Acts. This involves computing the amount of social security taxes that would have been collected on railroad employment, and computing the amount of additional benefits which social security would have paid to railroad retirement beneficiaries during the same fiscal year.

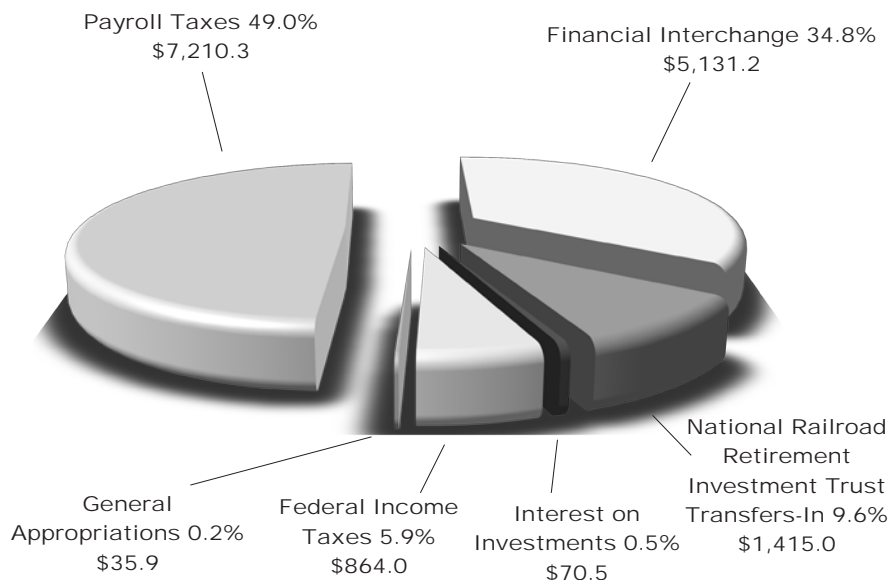
In the computation of the latter amount, credit is given for any social security benefits actually paid to railroad retirement beneficiaries. When benefit reimbursements exceed payroll taxes, the difference, with an allowance for interest and administrative expenses, is transferred from the Social Security Trust Funds to the SSEB Account. If taxes exceed benefit reimbursements (this has not happened since 1951), a transfer would be made in favor of the Social Security Trust Funds. The net financial interchange transfer to the SSEB Account during fiscal year 2023 amounted to \$5.1 billion.

(text continued on page 9)

RETIREMENT AND SURVIVOR PROGRAM

Financing Sources - Fiscal Year 2023 (In Millions)

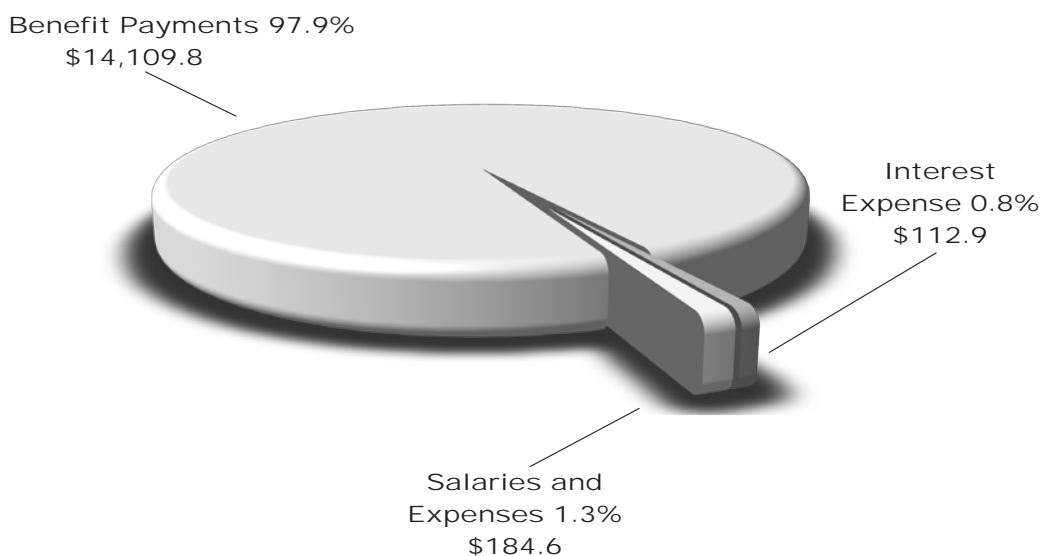
GROSS TOTAL: \$14,726.9¹



¹Excludes \$1,257.1 million as shown under Other Financing Sources on page 11.

Costs - Fiscal Year 2023 (In Millions)

TOTAL: \$14,407.3¹



¹Excludes (\$10.6) million as shown under Other Costs on page 11

Note.--Percentages may not add to 100 due to rounding.

Interest on Investments and Other Revenue

Interest revenue increased from \$40.8 million in fiscal year 2022 to \$70.5 million in fiscal year 2023. Interest revenue was also earned from financial interchange advances.

Federal Income Tax Transfers

Legislation enacted in 1983 subjecting social security and railroad retirement payments to federal income taxes also provided for a transfer of the tax revenues to the social security and railroad retirement systems for continued payments. Most of the revenue from income taxes on social security equivalent railroad retirement amounts is transferred to the SSEB Account, although a portion attributable to higher-income taxpayers is transferred to the Federal Hospital Insurance Trust Fund. Revenue derived from taxing regular railroad retirement payments in excess of social security equivalent benefits is transferred to the RR Account. Revenue from taxing the vested dual benefits funded by the general revenue appropriations previously described is transferred to the DBP Account.

At the beginning of each quarter, income tax transfers are made from Treasury general funds to the SSEB, RR, and DBP Accounts. These transfers are estimates of expected tax revenues for the quarter. Adjustments are made later to reconcile the estimates for a taxable year with actual tax revenues for the year. On a cash basis, original tax transfers for fiscal year 2023 amounted to \$824 million during the year. Original transfers for fiscal year 2022 totaled \$782 million. Net income tax transfers after adjustments were \$865 million for fiscal year 2023, including a \$41 million adjustment for calendar year 2017. Net transfers in fiscal year 2022 were \$782 million, with no reconciliation adjustments.

The information in the preceding paragraph is on a fiscal year basis, while the table on page 10 shows income tax transfers to the accounts for taxable (calendar) years 2014 through 2023, including reconciliation adjustments through 2017.

General Appropriations

General revenue appropriations were provided by the Railroad Retirement Act of 1974 to fund the phase-out costs of certain dual railroad retirement/social security benefits considered vested prior to 1975, and by the Railroad Retirement Solvency Act of 1983 to fund interest on unnegotiated checks. The total amounts appropriated by the Congress for vested dual benefits for fiscal years 2023 and 2022 were \$9.0 million and \$11.0 million, respectively. These amounts include federal income tax transfers for 2023 and 2022. The amount appropriated for fiscal year 2023 was 18.2 percent less than fiscal year 2022, reflecting the continuing decrease in eligibility for these benefits, which are not increased for the cost of living. The total amount appropriated by the Congress for interest on unnegotiated checks was \$150,000 for fiscal years 2022-2023, and also \$150,000 for fiscal years 2021-2022.

(text continued on page 13)

**Federal Income Tax Transfers by Recipient Account and
Benefit Component, Taxable Years 2014-2023 (Millions)**

<u>Taxable year</u>	Revenue from taxes on		
	RRA benefits treated as SSA benefits	RRA benefits treated as private or public pensions	
	SSEB tier I amounts	Tier II and non-SSEB tier I amounts ¹	Vested dual benefits
	<u>SSEB Account²</u>	<u>RR Account</u>	<u>DBP Account³</u>
Original transfers during the year			
2014	\$250	\$348	\$2
2015	263	386	2
2016	281	412	2
2017	292	422	2
2018	255	393	1
2019	267	401	2
2020	289	405	1
2021	327	423	1
2022	356	425	1
2023	375	451	1
Reconciliation adjustments⁴			
2013 (2018)	31	66	••
2014 (2018)	1	76	1
2015 (2021)	-5	46	••
2016 (2021)	-16	34	••
2017 (2023)	-5	46	••

¹ Includes non-SSEB portion of tier I.

² Receives taxes on social security equivalent benefit (SSEB) portion of tier I.

³ Receives taxes on vested dual benefit component beginning October 1, 1988.

⁴ The year in parentheses is the year the adjustments were made.

Railroad Retirement and Survivor Program

Consolidated Financing Sources, Costs and Net Position (Millions)¹

For the Fiscal Year Ended September 30	2023	2022
Financing Sources:		
Payroll Taxes	\$7,210.3	\$6,112.9
Financial Interchange	5,131.2	5,166.7
Interest on Investments and Other Revenue	70.5	40.8
Federal Income Taxes	864.0	781.0
General Appropriations	35.9	174.6
Other ²	1,257.1	(6,126.4)
Transfers to the National Railroad Retirement Investment Trust	0.0	0.0
Transfers from the National Railroad Retirement Investment Trust	1,415.0	1,964.0
Total Financing Sources	15,984.0	8,113.6
Costs:		
Benefit Payments	14,109.8	13,455.9
Interest Expense	112.9	89.6
Salaries and Expenses ^{3,4}	184.6	172.4
Other	(10.6)	(8.8)
Total Costs	14,396.7	13,709.1
Financing Sources over Costs	1,587.3	(5,595.5)
Net Position - Beginning of Period	23,873.1	29,468.6
Adjustment to Beginning Balance ⁵	(2.2)	
Net Position - End of Period	\$25,458.2	\$23,873.1

¹ Source of data is the RRB's Performance and Accountability Report.

² Other financing sources of \$1,257.1 million mainly consists of \$1,253.1 million change in NRRIT net assets.

³ Includes unemployment and sickness insurance salaries and expenses of approximately \$28.0 million and \$24.7 million in fiscal years 2023 and 2022, respectively.

⁴ Includes funding from all sources.

⁵ Adjustment to clear intragovernmental differences from fiscal year 2022 effecting the beginning balance for fiscal year 2023.

Note.--Totals may not sum due to rounding.

National Railroad Retirement Investment Trust (NRRIT) Fiscal Year 2023 Summary

Market value of assets managed
by NRRIT on September 30, 2023 \$24.3 billion

Rate of return of investment portfolio
managed by NRRIT for full year
ended September 30, 2023 12.14%

Source: *NRRIT*

All NRRIT annual management reports and quarterly updates are available at **RRB.gov**.

Other Financing Sources

Other financing sources consisted of \$8.3 million to be provided by the Office of Personnel Management to pay future retirement benefits to RRB employees. These financing sources were accompanied by an increase in NRRIT net assets of \$1.3 billion, a loss on contingent liability of \$0.7 million, and a \$99.9 million decrease in unexpended appropriations.

Costs

The RRB pays all salaries and expenses under a single administrative fund (Limitation on Administration) for both the railroad retirement and survivor program and the unemployment and sickness insurance program. Consequently, of the \$184.6 million and \$172.4 million shown on page 11 for salaries and expenses in fiscal years 2023 and 2022, respectively, about \$28.0 million for fiscal year 2023 and \$24.7 million for fiscal year 2022 were for the unemployment and sickness insurance program. About \$1.3 million in other costs for fiscal year 2023 and \$1.0 million for fiscal year 2022 were for the unemployment and sickness insurance program.

Excluding \$29.2 million from total costs of \$14.4 billion for fiscal year 2023 and \$25.7 million from total costs of \$13.7 billion for fiscal year 2022, total costs for the railroad retirement and survivor program for fiscal year 2023 increased \$684.1 million, or 5.0 percent.

Benefit Payments

In fiscal year 2023, railroad retirement payments increased \$653.9 million, or almost 4.9 percent, to about \$14.1 billion on an accrual basis, including \$7.7 million in vested dual benefits.

Interest Expense

Interest expense of \$112.9 million represents interest on the financial interchange advances made by the U.S. Treasury during the fiscal year.

Salaries and Expenses

Excluding unemployment and sickness insurance salaries and expenses of \$28.0 million for fiscal year 2023 and \$24.7 million for fiscal year 2022, salaries and expenses for the railroad retirement and survivor program were about \$156.6 million for fiscal year 2023 and about \$147.7 million for fiscal year 2022, an increase of \$8.9 million or 6.0 percent. Adjusted by the \$28.0 million in salaries and expenses and \$1.3 million in other costs for the unemployment and sickness insurance program, fiscal year 2023 administrative expenses for the railroad retirement and survivor program were about 1.08 percent of total costs.

Other Costs

Other costs consisted primarily of post-retirement benefits (pensions, health, and life insurance) for RRB employees of \$7.0 million for the railroad retirement and survivor program and \$1.3 million for the unemployment and sickness insurance program. In addition, carrier refunds of \$7.9 million were incurred. These costs were offset by approximately \$16.1 million in reimbursements from the Centers for Medicare & Medicaid Services for Part B Medicare costs and various other revenues of approximately \$62,000.

NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST OPERATIONS

Funds not needed immediately for benefit payments or administrative expenses are invested through the NRRIT. The Trust was established pursuant to section 105 of the Railroad Retirement and Survivors' Improvement Act of 2001 for the sole purpose of investing railroad retirement assets. The Act authorizes the Trust to invest the assets of the RR Account in a diversified investment portfolio in the same manner as those of private sector retirement plans. Prior to the Act, investment of RR Account assets was limited to U.S. Government securities. Although the Trust was created by Congress to hold and invest federal assets, it is not an agency or instrumentality of the federal government. It is a tax-exempt entity governed by a seven-member Board, three selected by rail management, three selected by rail labor and one independent trustee selected by the six rail trustees.

During fiscal year 2023, the net asset value of Trust-managed assets increased from \$23.0 billion on October 1, 2022, to \$24.3 billion on September 30, 2023. This includes \$1.4 billion that the Trust transferred to the U.S. Treasury for the payment of railroad retirement benefits during the year. The rate of return on Trust-managed assets for the year (net of fees) was 12.14 percent.

Total railroad retirement system assets (Trust-managed assets and reserves held in Treasury accounts) grew from \$20.7 billion in 2002 to \$26.5 billion as of the end of fiscal year 2023, after net transfers for benefit payments of approximately \$33.2 billion over the same timeframe.

Trust operations are described in detail in the NRRIT Annual Management Report for fiscal year 2023 and previous years, as well as reports issued on a quarterly basis, which are available by clicking on the *Financial & Reporting* tab at [RRB.gov](https://www.RRB.gov).

BENEFIT OPERATIONS

Retirement and survivor amounts paid, including vested dual benefits and supplemental employee annuities, totaled \$14.0 billion in fiscal year 2023, \$586 million more than in fiscal year 2022. Payments were made to about 493,100 annuitants in fiscal year 2023, and approximately 467,000 annuitants were being paid at the end of the year.

The table shown here presents retirement and survivor benefit payments for fiscal years 2023 and 2022, by type of benefit, and the percent changes in payments between the 2 years.

Under the two-tier railroad retirement formulas, the tier I annuity portion approximates a social security benefit and increases by the cost-of-living percentage applied to social security benefits. The tier II portion, which is comparable to retirement benefits paid over and above social security benefits to workers in other industries, increases by 32.5 percent of the social security percentage.

Effective December 2021, tier I annuities increased by 5.9 percent due to a cost-of-living adjustment, while tier II amounts increased by 1.9 percent. Increases of 8.7 percent for tier I and 2.8 percent for tier II were effective December 2022.

These cost-of-living increases provided additional annuity payments of approximately \$732 million in fiscal year 2023 compared to fiscal year 2022.

Monthly retirement and survivor annuities being paid numbered about 576,600 at the end of the 2023 fiscal year, about 14,800 less than at the end of the prior year. Monthly annuitants on the rolls declined by approximately 10,200 over the year, from 477,300 to 467,000. The number of monthly payments is always greater than the number of recipients on the rolls, since many annuitants receive more than one type of payment. Although the second type is usually a supplemental employee annuity, some employees also receive a spouse or widow(er)'s annuity.

Regular employee annuities in payment status at the end of fiscal year 2023 numbered 239,000, about 5,200 less than at the end of the previous fiscal year. The number of age annuities being paid, including 47,100 disability annuities converted to age, decreased from 227,100 to 223,300 over the year, while disability annuities decreased from 17,100 to 15,800. Supplemental annuities being paid to employees declined by approximately 4,400, numbering 100,800 at the end of the year. The number of divorced spouse annuities being paid declined by about 200, to 4,700. Spouse and divorced spouse annuities together decreased by approximately 2,800, totaling 138,800 at year-end. About 95,200 monthly survivor annuities were being paid at the end of

Type of benefit	Amount (in millions) ¹		Percent change
	Fiscal year 2023	Fiscal year 2022	
Retirement benefits			
Employee annuities			
Age ²	\$8,943.0	\$8,502.9	+5.2
Disability	708.9	709.7	-0.1
Supplemental ³	51.8	54.0	-4.2
Spouse and divorced spouse annuities	2,066.2	1,988.5	+3.9
Total	11,769.8	11,255.2	+4.6
Survivor benefits			
Annuities	2,238.3	2,168.0	+3.2
Lump-sum benefits	1.3	1.6	-18.1
Total	2,239.7	2,169.6	+3.2
Partition payments⁴	11.5	10.3	+11.4
Grand total	\$14,021.0	\$13,435.1	+4.4
¹ Data is from the Monthly Treasury Statement and the Bureau of Fiscal Operations. ² A disability annuity ends when the retiree attains full retirement age, at which time the annuity converts to an age and service annuity. FY 2023 and FY 2022 include \$1,714.6 million and \$1,616.3 million, respectively, in payments to annuitants full retirement age and over originally awarded a disability annuity. ³ Excludes partition payments to spouses and divorced spouses where the employee is deceased. ⁴ Limited to partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity. Partition payments from employees on the rolls are included with the employees' annuities. Note. --Detail may not add to total due to rounding.			

fiscal year 2023, a decrease of 2,700 from the previous year. Approximately 2,900 partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity were being paid at the end of fiscal year 2023, an increase of over 200 from the prior year.

Retirement

Regular employee annuities

Awards of regular employee annuities numbered 6,300 in fiscal year 2023, about 1,000 less than in fiscal year 2022. Data by type of annuity awarded during the year are given in the table shown here.

Railroad employees with 10 to 29 years of creditable service, or 5 to 9 years of service if at least 5 years were after 1995, are eligible for regular annuities based on age and service at age 62. Early retirement annuity reductions are applied to annuities awarded before full retirement age (the age at which an employee can receive the full amount with no reduction for early retirement). This varies, depending on an individual's year of birth, and is 67 for those born in 1960 or later, the same as under social security. If an employee had any creditable railroad service before August 12, 1983, the retirement age for tier II purposes is age 65. The reduction for early

Employee annuities awarded in fiscal year 2023	Number	Percent	Average		
			Monthly amount	Years of service	Age at retirement
Age					
Beginning at full retirement age or over	1,600	25	\$3,075	19.7	68.0
Unreduced, beginning at age 60 to under full retirement age	1,600	26	4,766	33.9	61.4
Reduced, beginning at age 62 to under full retirement age	1,900	30	2,529	16.8	63.6
Disability	1,300	20	3,611	19.6	54.4
Total	6,300	100	\$3,456	22.5	62.3

Note.--Detail may not add to total due to rounding.

retirement is 1/180 for each of the first 36 months the employee is under full retirement age when his or her annuity begins and 1/240 for each additional month.

Rail employees with 30 or more years of service are eligible for regular annuities based on age and service at age 60. Certain early retirement reductions were applied if the employee first became eligible for a 60/30 annuity July 1, 1984, or later and retired at ages 60 or 61 *before* 2002. Employees who retire at 60 or older with at least 30 years of railroad service are referred to as 60/30 retirees.

Disability awards are based either on total disability or on occupational disability. A *total disability* annuity is based on disability for all employment and is payable at any age to employees with at least 10 years of railroad service. Employees with 5-9 years of service,

if at least 5 years were after 1995, may qualify for tier I only before retirement age on the basis of total disability if they also meet certain social security earnings requirements. An employee is considered totally disabled if medical evidence shows that a permanent physical or mental condition exists which prevents the performance of any regular work. A condition is considered to be permanent if it has lasted or may be expected to last for at least 12 months.

An *occupational disability* annuity is based on disability for the employee's regular railroad occupation and is payable to employees with a current connection with the rail industry at age 60 if the employee has 10 years of service, or at any age if the employee has at least 20 years of service. An employee is considered occupationally disabled if the physical or mental condition is such that the employee is permanently disabled for work in his or her regular railroad occupation, even though the employee may be able to perform other kinds of work.

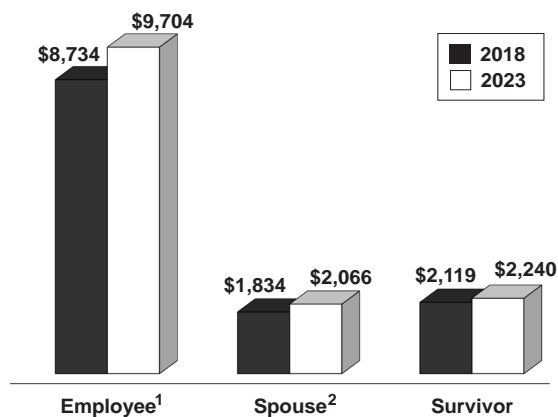
Of the year's 1,300 disability awards, 500 averaging \$2,921 per month were for total disability and 800 averaging \$4,020 were for occupational disability. Many employees who are disabled for all employment but are otherwise qualified for an occupational disability annuity are initially awarded occupational disability annuities in order to expedite payment.

An estimated two-fifths of all employees recently awarded disability annuities will meet the medical criteria for a disability freeze determination. The standards for freeze determinations follow social security law and are

Number of monthly beneficiaries, September 30, 2018, and 2023 (thousands)



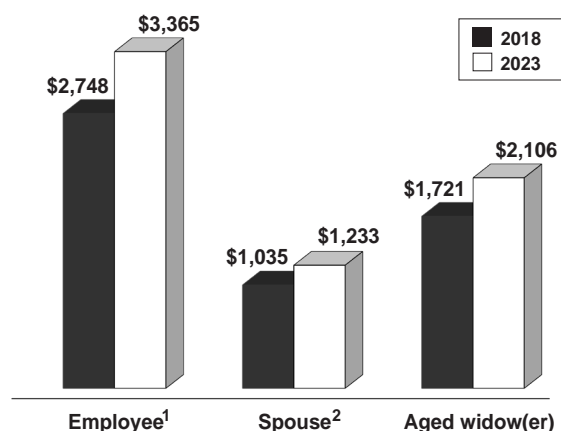
Amount of benefits paid, fiscal years 2018 and 2023 (millions)



¹Includes \$60.5 million in fiscal year 2018 and \$51.8 million in fiscal year 2023 for supplemental annuities.

²Includes divorced spouses.

Average monthly amount, September 30, 2018, and 2023



¹Without supplemental annuity.

²Includes divorced spouses.

comparable to the criteria for granting total disability. Also, an employee granted a disability freeze may qualify for early Medicare coverage and lower federal income taxes on his or her annuity.

Of the employees who were awarded regular annuities in fiscal year 2023, nearly 4,200, or 67 percent, last worked for a railroad either in the calendar year their annuity began or in the preceding year. Such retirements are termed “immediate,” while those that occur 2 or more calendar years after the year of last railroad employment are called “deferred.” As a group, immediate retirees represent career railroad employees who worked in the industry until retirement. Awards based on immediate retirement averaged \$3,910 per month, compared to \$2,554 for the 2,100 awards based on deferred retirement. Immediate retirees averaged 26 years of railroad service, or over 60 percent more than the average of 16 years for deferred retirees. Of the year’s awards, 51 percent of normal age retirements were immediate. While 88 percent of all 60/30 retirements were immediate, only 50 percent of the reduced age awards to employees with less than 30 years of service were immediate. Immediate retirements accounted for 83 percent of the year’s disability awards.

The 239,000 retired employees on the rolls as of September 30, 2023, were being paid regular monthly annuities averaging \$3,365. The table shown here presents data by type of annuity for these benefits.

Of the 15,800 disability annuities being paid, 7,100 were for total disability and 8,700 for occupational disability. The two types of disability annuities averaged \$2,668 and \$3,906, respectively. In fiscal

year 2023, payments of about \$248 million were for total disability annuities and \$461 million for occupational disability annuities.

About 170,900 employees on the rolls at the end of fiscal year 2023 were immediate retirees and their regular annuities averaged \$3,845 per month. Annuities of the 68,100 deferred

retirees averaged \$2,157. Although their average railroad retirement annuity was much lower, a greater proportion of the deferred annuitants also received social security benefits – 27 percent compared to 7 percent for the immediate retirees. Moreover, the average social

Employee annuities in current-payment status on September 30, 2023	Number	Percent	Average monthly amount	Percent immediate retirements
Age				
Beginning at full retirement age or over	24,600	10	\$2,823	51
Unreduced, beginning at age 60 to under full retirement age	100,300	42	4,340	92
Reduced, beginning at age 60 to under full retirement age	51,300	21	2,003	29
Disability converted to age annuity ¹	47,100	20	3,058	82
Disability	15,800	7	3,349	81
Total	239,000	100	\$3,365	72
¹ A disability annuity ends when the retiree attains full retirement age, at which time the annuity converts to an age and service annuity. Consequently, these annuitants are receiving age and service annuities. Full retirement age is 65 for those born before 1938 and gradually increases to 67 for those born in 1960 and later.				
Note. --Detail may not add to total due to rounding.				

security benefit paid to deferred retirees was higher than that paid to immediate retirees. Combined railroad retirement and social security benefits to deferred retirees who were dual beneficiaries averaged \$2,600, while combined benefits to immediate retirees averaged \$3,720. The table shown here presents numbers of beneficiaries and average benefit amounts for employees on the rolls who were receiving social security benefits, and for those who were not, by type of retirement.

Regular employee annuities consist of as many as three components: tier I, tier II, and a vested dual benefit.

Reductions for early age retirement are made in all components in cases where the employee retired before full retirement age with less than 30 years of railroad service. The tier I component is based on the employee's combined railroad and social security covered earnings, and is reduced by the amount of any social security benefit that the employee receives.

The gross tier I amounts

of employees on the rolls at the end of fiscal year 2023 averaged \$2,647 per month. Tier I amounts of nearly 7,600 employees were completely offset by social security benefits. Tier I amounts being paid averaged \$2,435.

The employee tier II component is based solely on railroad earnings. Tier II amounts being paid at the end of fiscal year 2023 averaged \$1,029. Employees are eligible for vested dual benefits if, based on their own earnings, they met certain vesting requirements and qualified for both railroad retirement and social security benefits at the end of 1974, or, in some cases, at the end of an earlier year of last railroad service. Some 3,600 retirees were receiving vested dual benefits averaging \$154 at the end of the fiscal year.

Supplemental employee annuities

A supplemental annuity is payable to employees with a current connection with the rail industry at age 60 if the employee has at least 30 years of service, or at age 65 if the employee has 25-29 years of service. The employee must also have had some rail service before October 1981.

Approximately 600 supplemental annuities were awarded in fiscal year 2023, about 500 less than in fiscal year 2022. Over 400 of the awards (71 percent) began concurrently with the employee's regular annuity, while the remaining 200 were to employees already receiving a regular annuity. Supplemental annuity awards averaged nearly \$39 per month after court-ordered partitions; 63 percent were at the current maximum rate of \$43.

Dual benefit status	Total	Type of retirement	
		Immediate	Deferred
Receiving social security benefit			
Number	29,500	11,400	18,100
Average monthly amount:			
Railroad retirement (regular)	\$1,294	\$2,203	\$ 722
Social security	1,739	1,517	1,878
Combined benefit	3,302	3,720	2,600
Not receiving social security benefit			
Number	209,500	159,500	50,000
Average monthly amount	\$3,656	\$3,963	\$2,678
Note. --Detail may not add to total due to rounding.			

Supplemental annuities are reduced for any part of a private railroad pension attributable to employer contributions. During the fiscal year, 100 supplemental annuities were not awarded because they were entirely offset by private pensions. There were no cases in which the supplemental annuity was partially offset by the pension, or the supplemental annuity was not offset because the pension was reduced.

Supplemental annuities averaged \$41 and were being paid to nearly 100,800, or 42 percent, of the retired employees on the rolls at the end of the 2023 fiscal year.

Spouse and divorced spouse annuities

Annuity awards to spouses and divorced spouses of retired employees numbered 6,300 in fiscal year 2023, 1,000 less than in the previous year. The table on page 21 presents numbers and average amounts of spouse and divorced spouse annuities awarded during the year and being paid at the end of the year, by type of annuity and whether subject to age reduction.

If an employee is at least age 62 and retires with 10-29 years of railroad service, or has 5-9 years of service and at least 5 years were after 1995, the employee's spouse is eligible for an annuity at age 62. Full retirement age for a spouse varies depending on the year of birth. Early retirement reductions are applied to the spouse annuity if the spouse retires before full retirement age. The reduction for early retirement is 1/144 for each of the first 36 months the spouse is under full retirement age when her or his annuity begins and 1/240 for each month (if any) over 36.

If an employee retires with at least 30 years of service and is at least age 60, the employee's spouse is eligible for an annuity at age 60. Prior to 2002, certain early retirement reductions were applied to the tier I component of such a spouse annuity if the employee retired before age 62, unless the employee attained age 60 and completed 30 years of service prior to July 1, 1984. If a 30-year employee retired at age 62, no age reduction applied to the spouse annuity. December 2001 legislation liberalized early retirement benefits for 30-year employees retiring at ages 60 or 61 after 2001 and their spouses. A spouse of an employee qualified for an age and service annuity is eligible for a spouse annuity at any age if caring for the employee's unmarried child, and the child is under age 18 or the child became disabled before age 22.

Of the approximately 2,000 reduced spouse annuities awarded in fiscal year 2023, fewer than 10 averaging \$1,045 per month were to spouses of 30-year employees, and nearly 2,000 averaging \$774 were to spouses of employees with less than 30 years of service.

At the end of fiscal year 2023, about 134,000 spouse annuities averaging \$1,247 per month were being paid. Approximately 4,700 divorced spouse annuities averaging \$832 per month were also being paid. These included more than 70, averaging \$959, where the employee was not yet entitled to an annuity. Families with an employee and spouse on the rolls were paid a combined railroad retirement amount averaging \$4,898. This included \$3,650 in regular and supplemental employee annuities and \$1,247 in spouse annuities.

About 59,200, or 43 percent, of the spouses and divorced spouses on the rolls were also receiving social security benefits. Combined railroad retirement and social security benefits to these annuitants averaged \$2,122 per month, including \$488 in railroad retirement amounts and \$1,634 in social security benefits. Railroad retirement annuities to the 76,800 spouses not receiving social security benefits averaged \$1,812, while railroad retirement annuities to the 2,800 divorced spouses not receiving social security benefits averaged \$1,126.

Monthly spouse benefits	Awarded in fiscal year 2023		In current-payment status on September 30, 2023	
	Number	Average amount	Number	Average amount
Beginning at full retirement age or over	1,500	\$711	18,700	\$713
With minor or disabled child in care	100	1,499	1,000	1,648
Unreduced, beginning at age 60 to under full retirement age	2,200	1,804	75,900	1,712
Reduced rate	2,000	774	38,300	576
Total	5,800	1,169	134,000	1,247
Divorced spouse annuities	500	887	4,700	832
Grand total	6,300	\$1,148	138,800	\$1,233

Note.--Detail may not add to total due to rounding.

Like regular employee annuities, spouse annuities consist of up to three components. The tier I component equals one-half of the employee's tier I amount before any reduction for the employee's social security benefit. The spouse tier I amount is reduced for the spouse's receipt of a social security benefit and may be reduced for a spouse's public service pension. The tier I portion may also be reduced if the spouse receives a railroad retirement employee annuity, but this reduction may be restored through an addition to the spouse tier II amount. Divorced spouses receive only a tier I amount.

The spouse tier II component equals 45 percent of the employee's tier II amount. Railroad retirement amendments in 1981 precluded further awards of vested dual benefits to spouses. The last payments of vested dual benefits to spouses occurred in fiscal year 2019.

Of the 134,000 spouses on the rolls at the end of fiscal year 2023, 84,400 were being paid tier I amounts averaging \$1,167 per month. The tier I amounts of 49,600 spouses were completely offset by other benefits also due. Spouse tier II amounts averaged \$547. The 4,700 divorced spouses on the rolls at the end of fiscal year 2023 were paid tier I amounts averaging \$839 per month at that time, not reflecting all annuity adjustments.

Lump-sum retirement benefits

A lump-sum benefit may be payable at retirement to employees who received separation or severance payments after 1984. This benefit approximates the tier II payroll taxes deducted from separation or severance payments that did not yield additional service credits for retirement. About \$0.1 million was paid in separation/severance lump-sum benefits during fiscal year 2023.

Employees who have at least 10 years of railroad service and are not entitled to a vested dual benefit may be eligible for a dual retirement tax refund if they had concurrent railroad retirement and social security earnings within the period 1951-74. The refund is equal to the social security taxes that the employee paid on the combined railroad and social security earnings in excess of the annual railroad retirement creditable earnings maximum. During the 2023 fiscal year, the RRB paid approximately 20 dual retirement tax refunds averaging \$186. Most of the payments were to employees retiring during the year. Fewer than 10 refunds were to survivors, mostly widows, of employees who died before receiving the refund. Employees entitled to dual retirement tax refunds for years after 1974 may claim them on their federal income tax returns.

Survivor

Monthly benefits

Annuity awards to survivors of deceased railroad employees numbered 6,100 during fiscal year 2023, about 900 less than the previous year. Over 95,200 survivor annuities were being paid at the end of the fiscal year, including 200 temporarily paid at spouse or divorced spouse annuity rates pending recomputation to widow(er)s' rates. Approximately 73,000, or 77 percent, of the survivor annuities were to aged widows and widowers.¹

The table on page 23 presents numbers and average monthly amounts of survivor annuities, by type, awarded in the year and being paid at the end of the year.

Survivor annuities, like regular employee and spouse annuities, consist of as many as three components: tier I, tier II and, for widows and widowers only, a vested dual benefit. As with spouses, legislation in 1981 precluded new awards of vested dual benefits to widow(er)s. The tier I component is computed according to social security formulas and is based on the deceased employee's combined railroad and social security earnings. A reduction is made for the survivor's receipt of a social security benefit. There may also be a tier I reduction if the survivor receives a railroad retirement employee annuity or public pension. Remarried and divorced widow(er)s receive a tier I benefit only. A dependent parent receives only a tier I amount if another family member is also receiving payments or if the parent has remarried.

Survivor tier II amounts are calculated as a percentage of an employee tier II amount. Prior to 2002, the percentages were 50 percent for a widow(er), 15 percent for a child, and 35 percent for a parent. The total tier II amount for a survivor family was subject to a minimum of 35 percent and a maximum of 80 percent of the employee tier II amount, and all survivor tier II amounts were proportionately adjusted when either limit applied. December 2001 legislation established an "initial minimum amount" for widow(er)s which provides a tier II payment equal to 100 percent of the deceased employee's tier II amount. The maximum tier II amount payable to a family rose to 130 percent of the employee's tier II amount. Widows and widowers are guaranteed a total tier I and tier II amount not less than what they were paid as a spouse, any necessary increase being added to tier II.

¹Aged widow(er) statistics in the Survivor section exclude payments to disabled widow(er)s age 60 and over now payable as aged widow(er)s' annuities, as disability annuities convert to age and service annuities at full retirement age.

Aged widow(er)s, who are eligible for annuities at age 60, have their tier I and tier II amounts reduced if the annuity begins before full retirement age. The eligibility age for unreduced annuities varies. The maximum age reduction also varies, depending on the widow(er)'s date of birth, and is 20.36 percent for those born in 1962 or later. Excluding over 200 annuities temporarily paid at spouse or divorced spouse rates, aged widow(er)s' annuities being paid at the end of the 2023 fiscal year included 35,800 which were reduced for age. Aged widow(er)s' tier I amounts being paid averaged \$1,769 per month. In about 6,300 cases, the tier I amount was wholly offset by reductions for

Monthly survivor benefits	Awarded in fiscal year 2023		In current-payment status on September 30, 2023	
	Number	Average amount	Number	Average amount
Aged widow(er)s	4,900	\$2,734	73,000	\$2,106
Disabled widow(er)s ¹	*	1,844	2,700	1,636
Widowed mothers (fathers)	100	1,977	600	2,245
Remarried widow(er)s	100	1,617	2,200	1,442
Divorced widow(er)s	700	1,625	9,700	1,473
Children:				
Under age 18	300	1,831	1,700	1,812
Student	*	2,071	*	1,956
Disabled	100	1,627	5,200	1,324
Parents	**	**	*	1,229
Total	6,100	**	95,200	**

¹Number and average in current-payment status include annuities to disabled widow(er)s age 60 and over now payable as aged widow(er)s' annuities.
 *Fewer than 50.
Note.--Detail may not add to total due to rounding.

other benefits. Approximately 25,600 aged widow(er)s were also receiving social security benefits, and these averaged \$1,481. Tier II amounts averaged \$490. Less than 20 vested dual benefits, averaging \$86, were being paid to aged widow(er)s.

The tier I and tier II amounts of disabled widow(er)s' annuities, which begin at ages 50-59, are reduced 28.5 percent for age. At the end of fiscal year 2023, tier I amounts being paid to disabled widow(er)s on the rolls averaged \$1,416. (In about 100 cases, the tier I amount was wholly offset by reductions.) Social security benefits being paid to about 1,200 disabled widow(er)s averaged \$1,218. Tier II amounts averaged \$279, while the less than 10 vested dual benefits being paid averaged \$80.

Tier I amounts paid to widowed mothers and fathers (widows and widowers caring for children) generally equal 75 percent of the full amount payable to an aged widow(er) before any reductions, similar to a social security mother's/father's benefit. Eligible children and grandchildren are paid this same tier I amount. However, if the sum of the tier I amounts of all members of a survivor family exceeds the social security family maximum, then tier I amounts are proportionately reduced so that the total equals the maximum. Reductions for the family maximum usually occur when the family includes three or more beneficiaries. Tier I amounts being paid as of the end of fiscal year 2023 averaged \$1,771 for widowed mothers and fathers and \$1,344 for children. Fewer than 25 mothers/fathers and

approximately 1,600 children received social security benefits averaging \$1,386 and \$803, respectively. Tier II amounts paid mothers/fathers and children averaged, respectively, \$510 and \$136.

Lump-sum survivor benefits

A lump-sum death benefit can be payable at the time of an employee's death only if there are no survivors immediately eligible for monthly benefits. For survivors of employees who had at least 10 years of railroad service before 1975, the lump-sum death benefit is based on the employee's earnings through 1974, with a maximum amount of approximately \$1,200. If the employee completed the 10th year of service after 1974, the lump-sum death benefit is limited to \$255, the maximum benefit payable under social security law, and only the widow or widower living in the same household is eligible for the benefit. Lump-sum benefits may also be payable to survivors of employees with less than 10 years of service, but at least 5 years after 1995, if the employee met the social security insured status requirements. About 1,400 lump-sum death benefits averaging \$935 were awarded during fiscal year 2023. Nearly 200 benefits were to widow(er)s, while more than 1,200 were to other individuals who paid the funeral expenses.

Another lump-sum survivor benefit, the residual payment, can be made if no other benefits based at least in part on an employee's railroad service will be payable in the future, and the total of prior benefit payments is less than what the employee paid in pre-1975 railroad retirement taxes. Fewer than 10 residual payments were awarded in the 2023 fiscal year, and they averaged \$845.

Partition Payments

The Pension Protection Act of 2006, as amended, continues the court-ordered partitioned portion of the tier II, vested dual and supplemental benefit payments to former spouses after the death of the employee. It also allows for payment of court-ordered partitioned payments where the employee is not entitled to an annuity if (1) the employee has 120 months of railroad service or 60 months of service after 1995, and (2) both the employee and spouse or divorced spouse are 62 for a full month, or, if the employee is deceased, the employee would be 62 for a full month.

At the end of fiscal year 2023, there were about 2,900 spouses and divorced spouses receiving payments averaging \$344 where the employee was deceased or not otherwise entitled to an annuity. While all but one received a partitioned tier II amount, only 2 percent received a partitioned vested dual benefit and 40 percent received a partitioned supplemental payment.

Medicare Enrollments

The Medicare program provides health insurance to persons ages 65 and older, as well as persons under age 65 who have been entitled to monthly benefits based on total disability for at least 24 months. In the case of some disability diagnoses, the waiting period is waived.

Medicare has several parts to its program. Basic hospital insurance, or Medicare Part A, is financed through payroll taxes. There is also an elective supplementary medical insurance, or Medicare Part B, plan for which monthly premiums are charged. Medicare also offers Medicare Part C (Medicare Advantage) plans that include both Parts A and B coverage and additional benefits, sometimes at an additional cost. Finally, Medicare Part D provides optional prescription drug coverage for an additional premium. Medicare Parts C and D are offered through private insurance companies approved by Medicare.

Eligible railroad retirement annuitants and social security beneficiaries whose benefits are payable by the RRB are automatically enrolled under Part A and Part B; however, Part B may be declined by the annuitant or beneficiary. Eligible nonretired persons must apply in order to obtain Medicare coverage. The RRB automatically enrolled about 18,200 beneficiaries for Medicare during fiscal year 2023. As of the end of the fiscal year, about 448,300 persons were enrolled in the Part A plan, and approximately 431,400 (96 percent) of them were also enrolled in Part B.

Except for benefits for services in Canada, which are paid from the Railroad Retirement Account, Part A benefits for railroad enrollees are paid from the Federal Hospital Insurance Trust Fund, the same as for persons covered under the social security system. Part B benefits are paid from the Federal Supplementary Medical Insurance (SMI) Trust Funds. The carrier for Part B claims of railroad Medicare enrollees made payments totaling \$938 million in the 2023 fiscal year.

The regular monthly premium for Part B during fiscal year 2023 was \$170.10 for coverage through December 2022, and \$164.90 thereafter. Beneficiaries with modified adjusted gross incomes above certain thresholds pay higher Part B and Part D premiums under the Income Related Monthly Adjustment Amount (IRMAA) provisions of law. At the end of fiscal year 2023, approximately 21,100 Part B premiums and about 18,000 Part D premiums were increased by an IRMAA amount.

The RRB generally withholds Part B premiums from the annuitant's benefit payments, and at the end of fiscal year 2023, about 413,300 annuitants were having their premiums withheld. Of the remaining Part B enrollees, almost 3,100 were paying premiums to the RRB, either directly or through an intermediary, and 15,000 had their premiums paid by state agencies. The RRB periodically transfers premiums to the SMI Trust Funds.

The agency is also able to collect Part C and Part D premiums from monthly benefits through an exchange process. While this option has grown in popularity, many annuitants pay their Part C and Part D premiums directly to their plan. At the end of fiscal year 2023, about 6,900 Part C premiums and approximately 65,300 Part D premiums were deducted from benefits paid by the RRB.

RAILROAD UNEMPLOYMENT AND SICKNESS INSURANCE PROGRAM

FINANCIAL OPERATIONS

Costs for the railroad unemployment and sickness insurance program during fiscal year 2023 were less than financing sources by \$182.2 million, and the net position increased by \$182.2 million from \$498.7 million at the end of fiscal year 2022 to \$680.9 million at the end of fiscal year 2023. For fiscal year 2023, as compared to fiscal year 2022, total financing sources for the railroad unemployment and sickness insurance program decreased by \$33.2 million, or 12.1 percent, to \$241.8 million.

(text continued on page 28)

Unemployment and Sickness Insurance Program

Consolidated Financing Sources, Costs and Net Position (Millions)¹

For the Fiscal Year Ended September 30	2023	2022
Financing Sources:		
Employer Payroll Taxes	\$336.6	\$278.8
Interest Income	5.1	0.9
General Appropriations ²	(99.9)	(4.7)
Other	0.0	0.0
Total Financing Sources	241.8	275.0
Costs:		
Benefit Payments:		
Unemployment ³	20.6	24.1
Sickness	59.8	76.8
Other	(20.8)	(14.0)
Total Costs	59.6	86.9
Financing Sources over Costs	182.2	188.1
Net Position - Beginning of Period	498.7	310.6
Net Position - End of Period	\$680.9	\$498.7

¹ Source of data is the RRB's Performance and Accountability Report.

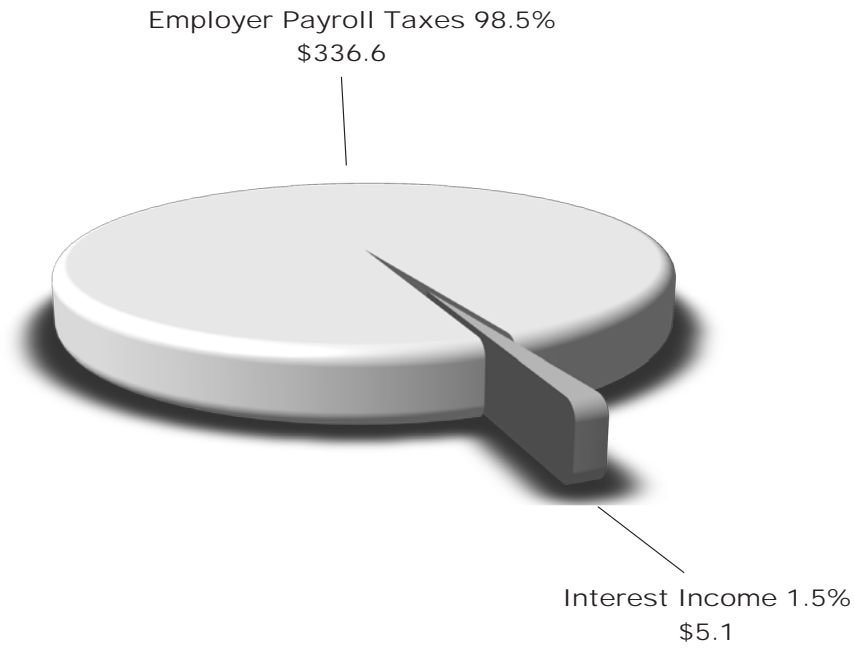
² General Appropriations include unexpended amounts under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Fiscal year 2023 includes \$93.0 million in coronavirus pandemic appropriations returned to the General Fund due to rescission per Public Law 118-5.

³ Unemployment benefit payments include recoveries of \$0.4 million and benefit payment recoveries of \$3.1 million for CARES Act activity in fiscal years 2023 and 2022, respectively.

Note.--Totals may not sum due to rounding.

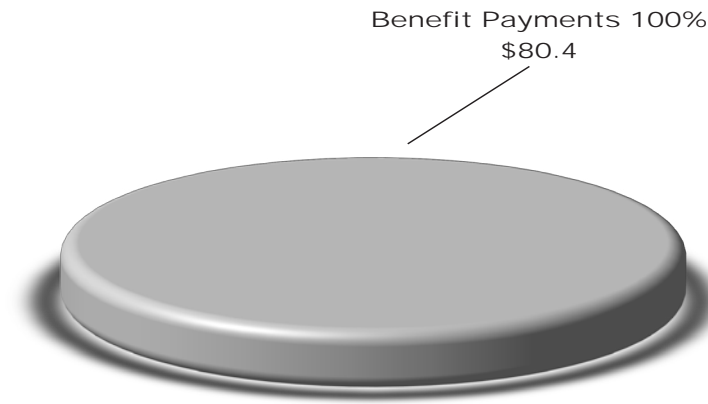
**UNEMPLOYMENT AND SICKNESS
INSURANCE PROGRAM**

Financing Sources - Fiscal Year 2023 (In Millions)
GROSS TOTAL \$341.7¹



¹Excludes (\$99.9) million as shown under General Appropriations on page 26.

Costs - Fiscal Year 2023 (In Millions)
TOTAL \$80.4¹



¹Excludes (\$20.8) million as shown under Other Costs on page 26.

Financing Sources

The primary ongoing financing source of the railroad unemployment and sickness insurance program is a payroll tax on railroad employers, based on the taxable earnings of their employees. The employees themselves are not taxed.

Each employer pays taxes at a rate which takes into consideration its employees' actual incidence of benefit usage. Under experience rating, employers whose employees have low incidences of unemployment and sickness pay taxes at a lower rate than those with higher levels of benefit usage. Each employer's rate also has a component for administrative expenses and a component to cover costs shared by all employers. The rate applies to monthly earnings up to an indexed maximum. In calendar year 2023, the taxable earnings base was the first \$1,895 of each employee's monthly earnings. The earnings base is indexed each year by a rate which is equal to approximately two-thirds of the annual rate of increase in the maximum base for railroad retirement tier I taxes.

In 2023, the basic tax rates on railroad employers, including covered commuter railroads, ranged from a minimum of 2.15 percent to a maximum of 12.0 percent. There was also a surcharge of 1.5 percent in 2023. Most employers were assessed the minimum rate in 2023. New employers in 2023 paid an initial rate of 2.82 percent.

Employer Payroll Taxes

Payroll taxes by employers totaled \$336.6 million during fiscal year 2023. This was an increase of 20.7 percent or \$57.8 million more than the previous year.

Interest

Cash not needed immediately for unemployment and sickness insurance benefits or operating expenses is held in the Federal Unemployment Insurance Trust Fund and invested by the Secretary of the Treasury. The fund earned an average rate of return of 2.0 percent in fiscal year 2023, of which the RRB earned \$5.1 million as its pro rata share.

Costs

Total costs for the railroad unemployment and sickness insurance program decreased by \$27.3 million, or 31.4 percent, to \$59.6 million.

Benefit Payments

During fiscal year 2023, unemployment insurance benefit payments decreased by \$3.5 million, or 14.5 percent, to \$20.6 million. Sickness insurance benefit payments decreased by \$17.0 million, or 22.1 percent, to \$59.8 million.

BENEFIT OPERATIONS

Net unemployment and sickness benefits totaling about \$65.3 million were paid in the 2022-2023 benefit year, \$67.6 million less than in the prior year. Coronavirus relief legislation accounted for \$0.5 million in recoveries of the \$14.1 million in unemployment benefits. In accordance with the Budget Control Act of 2011, amounts reflect a reduction of 5.7 percent for days of unemployment and sickness due to sequestration. Coronavirus relief legislation temporarily suspended sequestration from January 3, 2021, until May 10, 2023, which was 30 days after the President signed legislation formally ending the pandemic declaration. Beneficiaries numbered 15,600, compared to the prior year's total of 26,600. Fewer than 100 employees received both unemployment and sickness benefits during the 2022-2023 benefit year. The number of unemployment benefit claimants decreased by 60 percent, and sickness benefit claimants decreased by 35 percent. Total net unemployment benefit payments decreased 77 percent and net sickness benefits decreased by 29 percent. The number of employees qualified for benefits under the Railroad Unemployment Insurance Act decreased 5 percent to 197,400.

Benefits are payable for each day of unemployment or sickness in excess of 7 during the first 14-day registration period in a benefit year. During benefit year 2022-2023, there were 2,700 and 10,100 unemployment and sickness benefit waiting period claims, respectively.

Unemployment

Approximately 3,400 railroad workers were paid \$14.1 million in net unemployment benefits during the 2022-2023 benefit year. The number of benefit claimants decreased by about 5,100 from the prior year total of 8,500, while the benefit amount paid decreased by \$46.8 million from the prior year's total of \$60.9 million. The average number of compensable days per unemployment benefit claimant was 69 in benefit year 2022-2023, 4 days fewer than the previous year.

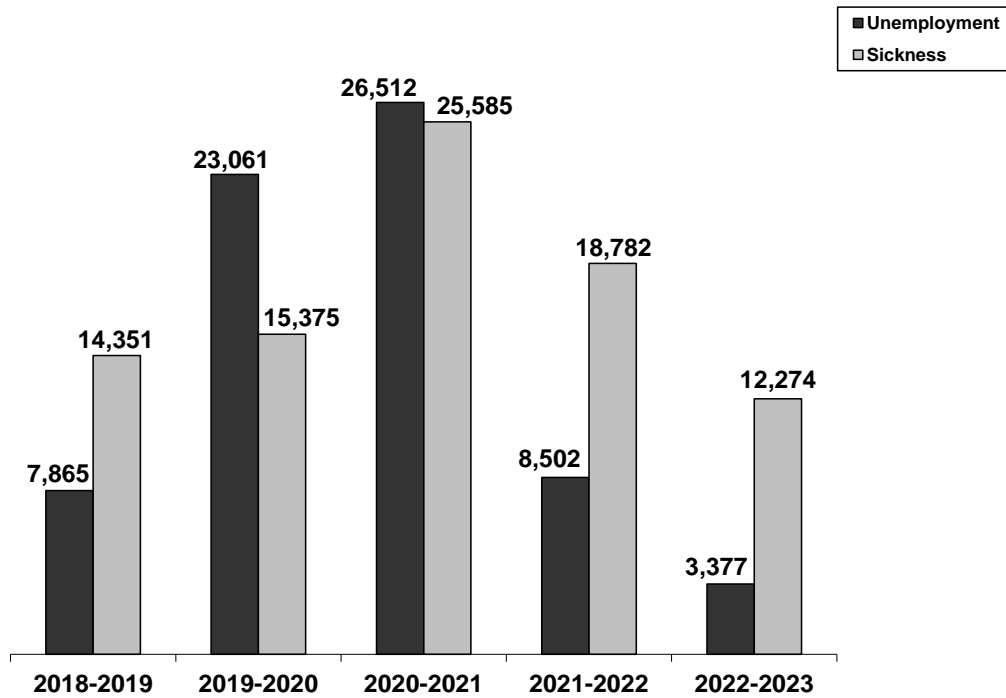
The mid-month unemployment count in the 2022-2023 benefit year started with a July count of 1,000 claimants. The count fluctuated slightly until it increased to a high of 1,200 in January 2023, before beginning a decline through May when it hit a benefit year low of 700, before rebounding to 900 in June. For the 2022-2023 benefit year, the weekly number of claimants averaged 1,000 compared to 2,500 in the previous benefit year. The overall unemployment benefit claimant rate, measured in relation to the number of employees qualified to receive benefits under the Railroad Unemployment Insurance Act during a particular time period, decreased 58 percent to 1.7 per 100 qualified, from the previous year's 4.1 per 100 qualified. The median age for all unemployment benefit claimants was 46 years, compared to 43 in the previous benefit year.

NOTE.—Railroad unemployment and sickness benefits are paid on the basis of benefit years beginning July 1 and ending June 30 of the following year. Consequently, operational data in this "Benefit Operations" section are generally presented for this time span, rather than fiscal years beginning October 1 and ending September 30.

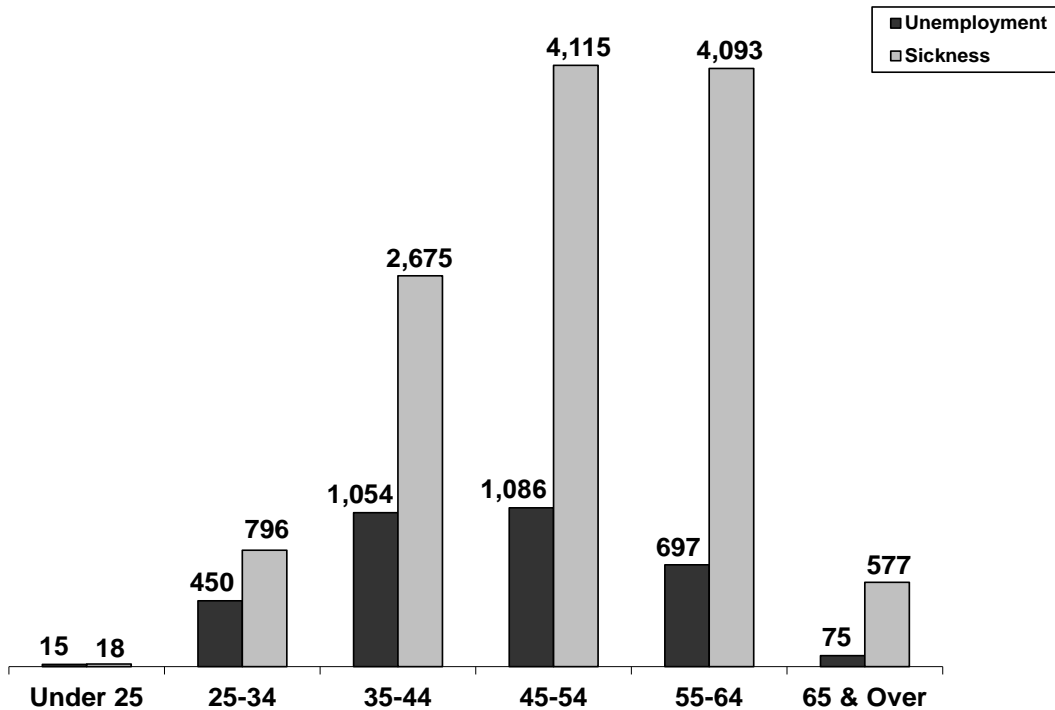
**Major unemployment and sickness benefit operations,
benefit years 2022-2023 and 2021-2022**

Item	Benefit year 2022-2023			Benefit year 2021-2022 ¹		
	Total	Unemploy- ment	Sickness	Total	Unemploy- ment	Sickness
Applications	22,000	6,000	16,000	36,600	11,700	24,900
Claims	136,700	27,400	109,400	211,400	73,100	138,300
Claimants	² 15,600	3,400	12,300	² 26,600	8,500	18,800
Gross amount of benefits ³	\$98,037,200	\$19,420,300	\$78,616,900	\$158,160,400	\$66,267,700	\$91,892,700
Number of payments						
Normal	98,700	19,900	78,800	167,000	46,100	120,900
Extended	18,000	3,000	15,000	38,000	22,600	15,500
Enhanced	..	..	..	26,300	26,300	..
Total	116,700	22,900	93,800	231,400	95,100	136,400
Average amount per 2-week registration period ³						
Normal	\$864	\$871	\$862	\$683	\$720	\$669
Extended	707	693	710	738	756	711
Enhanced	..	..	..	600	600	..
Total	840	848	838	683	697	674
<p>¹ Beginning in May 2020, includes special extended unemployment benefits, enhanced unemployment benefits, and waived waiting period benefits for both unemployment and sickness beneficiaries that were paid under the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020, the Continued Assistance to Rail Workers Act of 2020 (CARWA), and the American Rescue Plan Act of 2021. In benefit year 2021-2022, special extended unemployment benefits were \$13.0 million, enhanced unemployment benefits were \$16.0 million, waived waiting period unemployment benefits were \$0.2 million, and waived waiting period sickness benefits were \$1.2 million. These benefits were payable through registration periods beginning on or before September 6, 2021.</p> <p>² Benefits for both unemployment and sickness were paid to approximately 700 employees in benefit year 2021-2022 and fewer than 50 employees in benefit year 2022-2023. Those claimants who had only a non-compensable waiting period are not included in the beneficiary counts since no benefits were paid. Includes claimants who were paid under the RUIA or coronavirus relief legislation.</p> <p>³ In accordance with the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, amounts reflect a reduction of 5.7% due to sequestration for days after September 30, 2020. Beginning January 3, 2021, CARWA temporarily suspended sequestration until May 10, 2023, which was 30 days after the President signed legislation formally ending the pandemic declaration. Sequestration currently reduces benefits by 5.7% through fiscal year 2031.</p> <p>Note.--Detail may not add to totals due to rounding.</p>						

**Claimants under the Railroad Unemployment Insurance Act,
Benefit Years 2018-2019 through 2022-2023**



**Unemployment and Sickness Benefit Claimants by Age,
Benefit Year 2022-2023**



Sickness

The number of sickness benefit claimants during the 2022-2023 benefit year was 12,300, about 6,500 less than the previous year and a new record low. This corresponds with a decrease in sickness claims related to coronavirus illnesses. Gross sickness benefits of \$78.6 million were paid. Net sickness benefits totaled \$51.2 million, reflecting repayment of benefits following settlements of suits for injuries. Benefits payable for an injury are recoverable if the claimant is awarded damages or receives a settlement for the injury. Net benefits decreased by approximately \$20.7 million in comparison with the previous year.

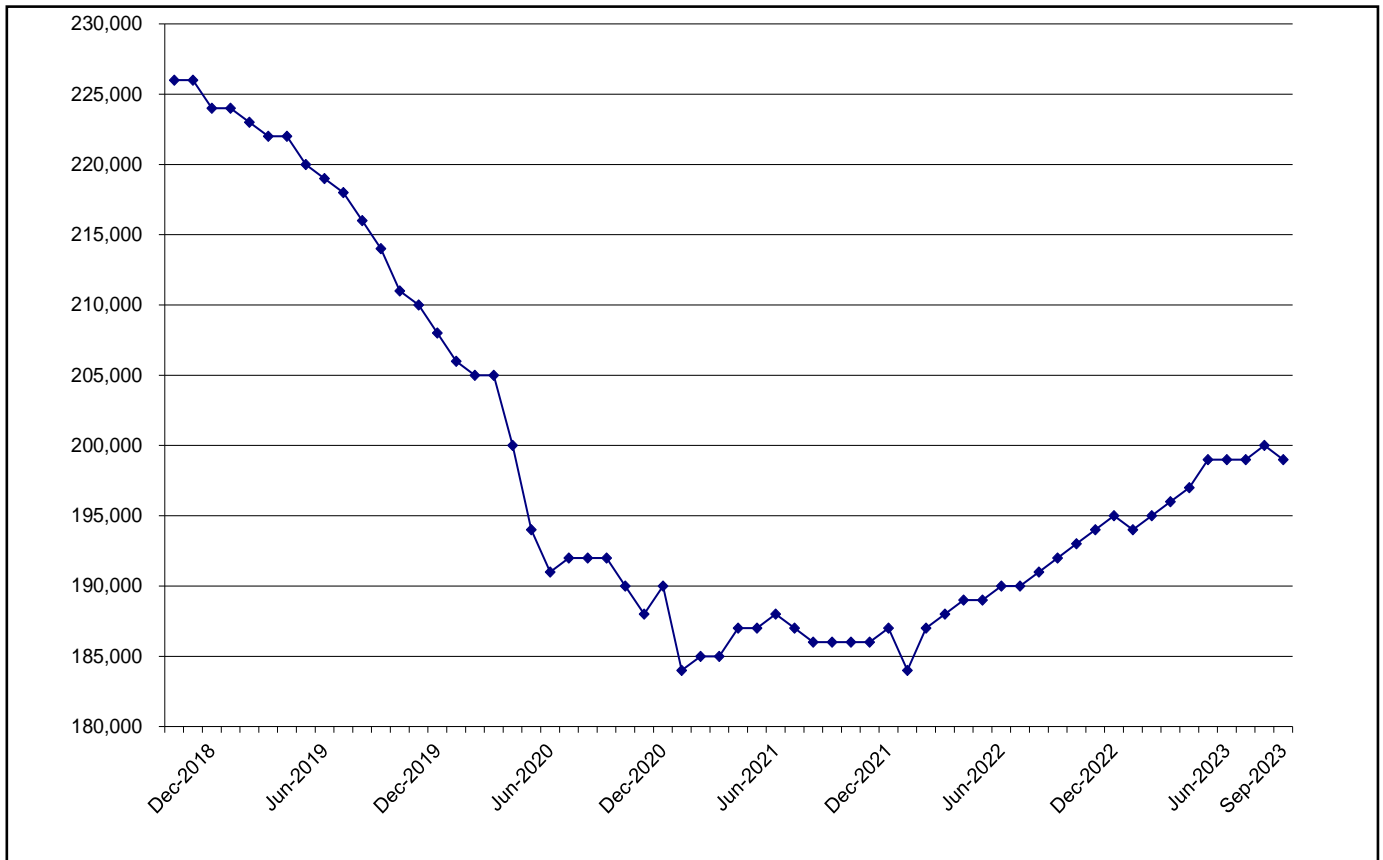
The utilization rate for sickness benefits was 6.2 percent of qualified employees, 31 percent lower than the previous benefit year's rate of 9.0 percent. The average duration of sickness was 76 days in benefit year 2022-2023, up from 63 in the previous benefit year.

Among the most common causes of sickness were injuries that included fractures or wounds (affecting 29 percent of beneficiaries), diseases of the musculoskeletal system and connective tissue (20 percent), mental disorders, including drug and alcohol addictions (13 percent), diseases of the circulatory system (7 percent), and diseases of the digestive system (6 percent). Infections and parasitic diseases dropped from the most common cause to the ninth most common, due to the decline of the coronavirus pandemic. The median age of all sickness benefit claimants was 51 years, compared with 49 years the previous benefit year.

RAILROAD EMPLOYMENT

The preliminary average monthly railroad employment in fiscal year 2023 increased 5 percent to 197,000 from the 188,000 average of the previous fiscal year. Railroad employment was declining at the end of 2018 through the beginning of 2020, falling from 226,000 in November 2018 to 205,000 in March 2020. The coronavirus pandemic began to affect the railroad industry in April 2020 and the decline in employment accelerated. Employment stabilized towards the beginning of 2021 and, with some seasonal declines, increased to 200,000 employees in August 2023, ending the fiscal year at 199,000.

**Average Railroad Employment
Fiscal Years 2019 through 2023**



Note.--Numbers for 2023 are preliminary.

ADMINISTRATIVE DEVELOPMENTS

The following describes major activities and issues addressed primarily in 2022 and 2023 as part of the RRB's efforts to improve operations and customer service.

Performance Management

Customer Service Plan

The RRB's Customer Service Plan promotes the principles and objectives of customer-driven quality service. An important part of the plan is to keep customers informed of RRB timeliness standards and how well the agency is meeting those standards. The RRB publicizes the Customer Service Plan and performance results by posting them to the agency website and in every field office. The plan is reviewed and updated periodically based on agency experience, customer feedback, and comparison with similar best-in-business models, and it is also shared with the Office of Management and Budget (OMB) in the Executive Office of the President. For fiscal year 2023, the plan included a new "Benefit Adjustments" section that addresses annuity adjustment workloads related to self-reported activities by beneficiaries, such as post-retirement work activity and earnings.

The agency uses an index to measure the overall timeliness of customer service in four benefit areas: retirement applications; survivor applications; disability applications and payments; and railroad unemployment and sickness benefit applications and claims. The timeliness index for retirement applications and survivor applications was 96.4 percent and 97.2 percent, respectively. The timeliness index for railroad unemployment and sickness benefit applications, a highly automated process, was 99.9 percent. Finally, the timeliness index for disability applications and payments was 53.2 percent. The agency is experiencing unprecedented delays in processing disabilities, post awards, and rate adjustments. This is directly related to inadequate budget appropriations and loss of experienced staff. Although the RRB met or exceeded nine of its ten customer performance goals in its Fiscal Year 2023 Annual Performance Plan, our constituents are experiencing delays in disability decisions, payment adjustments, and phone wait times.

Payment Integrity

The RRB’s estimated improper payment rates for its benefit payment programs – the Railroad Retirement Act (RRA) and Railroad Unemployment Insurance Act (RUIA) – have consistently fallen below the statutory thresholds for “significant improper payments” under the Payment Integrity Information Act (PIIA) of 2019. During fiscal year 2020, the agency conducted and published risk assessments for the RRA and RUIA programs in the “Payment Integrity” section of the RRB’s Performance and Accountability Report for that year. These risk assessments concluded that both programs remained below the statutory thresholds of “significant improper payments” under the PIIA. Therefore, both programs operate under “Phase 1” of OMB Circular A-123, Appendix C (M-21-19), which places them in a three-year risk assessment cycle unless there are major changes to the program that would require an earlier assessment.

The RRB conducted a risk assessment in fiscal year 2023 and results concluded that the program continues to remain below the statutory threshold for “significant improper payments” under the PIIA and shall remain in Phase 1. The next scheduled risk assessment for the RRA program is in fiscal year 2026, unless the program experiences a significant change in legislation and/or a significant increase in funding levels, which would then warrant an earlier assessment. The RRB conducted a risk assessment for the RUIA program during fiscal years 2021 and 2022 due to program changes implemented as a result of the passage of the Coronavirus Aid, Relief, and Economic Security Act of 2020, the Continued Assistance to Railway Workers Act of 2020, and the American Rescue Plan Act of 2021. Both risk assessments concluded that the program continues to remain below the statutory thresholds. As a result, the next RUIA risk assessment is scheduled for fiscal year 2025.

In addition, the agency responded to OMB’s annual data call survey, providing information concerning outlays, risk assessments, payment recapture information, and confirmed fraud (per the RRB’s Office of Inspector General), for the RRA and RUIA programs. This information was submitted through OMB’s online payment-integrity data collection tool and incorporated into the website **PaymentAccuracy.gov**, where the public can access it.

Service Enhancements

Login.gov

The RRB continued integration and promotion of the General Services Administration (GSA) identity-proofing solution, **Login.gov**, for access to online benefits through the **myRRB** application on the agency website. By using the Login.gov portal, claimants can

verify their identity online and immediately apply for unemployment benefits without calling, mailing forms, or visiting an RRB field office.

Through the end of December 2023, the RRB had over 110,000 ID-verified accounts with Login.gov, a 20-percent increase over the prior year. With additional agencies using and promoting accounts with Login.gov, most notably the Social Security Administration, the RRB anticipates savings through economies of scale, but also a better customer experience with a single username and password for interactions with multiple agencies.

At the end of December 2022, the Login.gov support desk began offering telephone support, in addition to opening a customer-support ticket on their website on weekdays. In February 2023, Login.gov expanded hours for telephone and email support to 24 hours a day, seven days per week, year-round. The telephone options and expanded service hours are provided to partner agencies at no additional cost.

The RRB participated in a pilot program with GSA and the U.S. Postal Service (USPS) for citizens in the District of Columbia, Maryland, and Virginia, who could not upload a photo ID online to establish a Login.gov account. As of October 2022, those citizens could start setting up their online account, then visit a participating post office in that area to present their ID for verification. Participants in the pilot were offered the opportunity to assist the Login.gov research team by allowing them to shadow the residents during the process, either online or in person at a USPS facility, and then answer questions about their experience. The RRB and Department of Veterans Affairs were the first two Login.gov partner agencies to participate in the pilot. Several RRB employees and claimants assisted the research team during the first phase of the in-person identity proofing pilot.

Based on the initial success and feedback, Login.gov expanded the pilot in early 2023 to over 18,000 USPS offices nationwide, with the goal to subsequently include additional partner agencies. The expanded service was offered at no cost to the RRB, as Technology Modernization Fund grant money awarded to Login.gov subsidized the cost of this new capability for the duration of the pilot. Through the end of December 2023, of the 234 RRB claimants who visited a USPS facility after starting the process online, 224 successfully completed their ID verification.

Cost-of-Living Adjustment

In December 2023, the tier I portion of railroad retirement annuities increased by 3.2 percent while the tier II portion rose by 1.0 percent, due to a cost-of-living adjustment (COLA). The increases were effective with the January 2024 payments, with income tax withholding calculated using updated tax tables. The increase was paid to 477,562 annuitants and was also included in the social security benefits the RRB paid to 127,069

beneficiaries. The total amount of the COLA was more than \$27.3 million in railroad retirement annuities and almost \$6.5 million in social security benefits. In addition, the standard Medicare Part B premium for 2024 increased from \$164.90 a month to \$174.70 a month, with higher premiums for some high-income beneficiaries.

Imaging

The RRB continues to pursue workload modernization and is prioritizing the conversion of paper workloads to electronic versions. In 2022, the RRB issued a solicitation for an outside contractor to scan documents returned to the agency's physical locations to decrease reliance on paper. The contractor started at the end of fiscal year 2022 with a pilot for proof of concept, using two high-volume sickness benefit forms to establish architecture and procedure. At the conclusion of the pilot in April 2023, RUIA correspondence was added to the contractor's responsibilities.

The contractor continues to scan documents for the RRB, and the agency is working to expand the types of work items being converted to an electronic format. Disability medical evidence was added as a scanned work item in fiscal year 2024. The RRB will continue to refine and develop processes for handling electronic documents, eliminating manual intervention whenever possible in the imaging process.

RUIA Online Tax Forms

As part of its efforts to modernize existing processes, the RRB developed and implemented a new RUIA online tax application for the 2023 tax season. Claimants who received unemployment or sickness benefits under the RUIA in calendar year 2023 can now access their W-2 and/or 1099-G forms on **RRB.gov**.

Form 1099-G reflects the total amount of unemployment benefits paid during the previous year, while Form W-2 shows the total amount of sickness benefits paid. Sickness benefits payable for the first 6 months after the month an employee last worked are subject to tier I railroad retirement payroll taxes unless benefits are paid for an on-the-job injury. (W-2s are not generated if a claimant received benefits from an on-the-job injury.) Both the 1099-G and W-2 forms may include federal tax withholding and are used for filing federal income taxes. Currently, online tax forms are only available for unemployment and sickness claimants, with no online tax forms available for railroad retirement annuitants.

Officials

Erhard Chorlé continues to serve as Chairman of the Railroad Retirement Board, John Bragg as the Labor Member, and Thomas Jayne as the Management Member. All three first assumed office in February 2019. Martin Dickman, who had served as Inspector General for the RRB since 1994, retired at the end of April 2024. President Biden

designated Ben R. Wagner, the Inspector General for the Tennessee Valley Authority, to also serve as the RRB's Acting Inspector General until a successor is confirmed.

The Board appointed Jack Schreiber as the agency's Director of Administration effective December 31, 2023. In this capacity, he supervises RRB units that provide administrative and management support for the agency, including human resources, facility management, procurement, and public affairs. He also serves on the RRB's Executive Committee, which is responsible for day-to-day operations of the agency and making policy recommendations to the three-member Board. At the time of his appointment, he had over 15 years of experience with the U.S. Department of Transportation or its component agencies, most recently as Associate Administrator for Administration at the Federal Motor Carrier Safety Administration.

Human Capital Management

Thirty percent of RRB employees have 20 or more years of service, while 27 percent of the current workforce will be eligible for retirement in fiscal year 2025. These numbers reflect an increasing number of separations by RRB employees, including retirement. To ensure the agency achieves its mission and supports the railroad public it serves, the RRB continues to place emphasis on strategic management of human capital, particularly in the areas of recruitment, development, and workforce succession planning. Through its annual strategic management processes conducted by all agency components, the RRB continues to update and refine its Human Capital Plan (HCP). The HCP aligns with the agency's Strategic Plan, mission, values, customer service standards, and goals, with resulting hiring and workforce succession, training, and development designed to meet the mission of the RRB and the railroad public it serves.

The RRB's Bureau of Human Resources (BHR) continues to update dated policies and programs pertaining to agency employees. In fiscal year 2023, BHR drafted and implemented the RRB's remote work policy, internal placement and merit promotion policy, recruitment and incentive plan, and the RRB's grievance policy for non-bargaining unit employees. In addition, BHR continues to draft and exchange proposals with its employee union in an ongoing effort to update the agency's dated collective bargaining agreement. Finally, BHR continues to utilize technology to automate and streamline its processes to ensure timely and efficient operations and services to RRB employees, which translates into meeting the demands of the railroad population served by the agency.

Staffing

The RRB continues to evaluate, automate, and update its recruitment and selection strategies, processes, and policies. While updating its internal processes, the RRB was able to fill more than 290 vacancies during fiscal year 2023. The agency continued to maximize

the use of hiring strategies and flexibilities available to all federal agencies while also ensuring compliance with relevant statutes, executive orders, and regulations.

In fiscal year 2023, BHR continued to redefine its recruitment branding image and moved beyond just announcing vacancies through the standard governmentwide website, USAJOBS.gov, by also announcing them on LinkedIn, Handshake, and Simplicity. The agency has also posted its hard-to-fill or unique positions through industry-specific publications and sites to reach candidates related to actuarial science, information technology, and/or cybersecurity. The RRB has also connected with junior colleges and veterans groups to reach a wider audience of potential candidates.

The agency continued to recruit for its mission-critical positions of claims and program representative and claims examiner in 2023 and conducted training for these positions throughout the year. Claims and program representatives are based in the RRB's network of 53 field offices and are responsible for responding to annuitant and beneficiary inquiries received through the RRB's nationwide toll-free number (877-772-5772), email, and postal mail. Claims examiners are based at the agency's Chicago headquarters to adjudicate unemployment and sickness applications and claims, enroll individuals in Medicare, process payments and address entitlement questions and issues, maintain railroad retirement and social security payments once eligibility is established, process adjustments, release overpayment letters, and perform authorization review of work processed by other examiners.

In fiscal year 2023, five separate classes of examiner and claims representative trainees representing more than 80 new hires were recruited to assist the RRB adjudicate RRA and RUIA claims. The candidates were trained in adjudicating claims and applications for railroad employees, annuitants, and their beneficiaries in the areas of disability, Medicare, retirement, survivor, and sickness/unemployment.

At the same time, the Sickness and Unemployment Benefits Section of the Office of Programs experienced an attrition rate of nearly 50 percent as a result of promotions, retirements, and transitions to external employment. In addition to adjudicating applications and handling claims for unemployment and sickness benefits, these examiners also respond to correspondence and inquiries from railroad employees and resolve computer-generated referrals that may impact RUIA benefit entitlement. The RRB is planning a 9-month initial RUIA claims examiner training class in fiscal year 2024 to replenish this work unit.

In other hiring activity, the Office of Programs hired three GS-8 service, compensation and records examiners and two GS-9 operations specialists in Policy & Systems in August 2023, and they completed their training program in December 2023. In September 2023,

Programs rehired a retiree at the GS-13 level to provide detailed training in the RRA taxation area.

In fiscal year 2023, a class of eight employees started a Medicare training program which will be completed in the summer of 2024. Medicare examiners are responsible for enrolling individuals in the Medicare program, processing payments, and addressing entitlement questions and issues.

In fiscal year 2023, the RRB, as a component of its ongoing succession plan, also hired 12 interns through the Pathways Program developed by the Office of Personnel Management (OPM). This program affords interns the chance to work for the federal government and, in most situations, interns are provided the opportunity to work full-time once they have completed their requisite education and work-hour requirements.

In August 2020, five user analyst trainees were hired in the Policy & Systems unit of the Office of Programs through the Pathways Program, and in August 2023, they received promotions to GS-12 analyst positions. In August 2023, four analyst trainees were hired under the Pathways Program, and an additional one was hired in October 2023. Also, in January 2023, the Office of Programs hired a college intern at the GS-4 level to assist with a special project involving standard paragraphs used in various external letters.

Training

The training and development section in BHR continues to create, implement, and modify an overall training program with the goal of creating opportunities to assist RRB employees in building the knowledge, skills, and abilities needed to achieve the agency's strategic goals and mission. Building on the demand for and necessity of virtual training during the pandemic, BHR continues to work with other agency units to bolster use of its automated learning management system. That system, also known as *RRB University*, continues to play an important role in the RRB's training and development activities. This cloud-based platform allows the agency to track, capture, publish, and deliver virtual training opportunities to employees throughout the agency. *RRB University* effectively delivers mandatory federal training, technical training, and soft-skill training through a comprehensive learning catalog. While in-office activities have increased throughout the agency in the past fiscal year, the training and development team continues to focus on creating and delivering online training content and curricula. However, they have also resumed providing options and opportunities for in-person/hybrid learning.

Employee Survey

The Federal Employee Viewpoint Survey, developed by OPM, is a tool that measures employees' perceptions of whether, and to what extent, conditions characterizing successful organizations are present in their agencies. The RRB had a 54 percent response rate to the 2023 survey, compared to the governmentwide response rate of 39 percent. The results identified 68 items as strengths (65 percent or more positive) for the RRB, while no survey items were identified as a challenge (35 percent or more negative). Altogether, 71 items increased positively since 2022, while only 5 items decreased in that period. Even the items that decreased only did so by one or two percentage points, and all of them remained well above the 65 percent threshold to be identified as a strength and governmentwide averages.

The RRB also performed above the governmentwide average in all five indices that measure employee perceptions of the agency's leadership and supervision: employee engagement; global satisfaction; performance confidence; diversity, equity, inclusion, and accessibility (DEIA); and employee experience. The employee engagement index, which measures employees' overall engagement, perceptions of leadership integrity, and supervisory relationships (to include trust, respect, and support), was 77 percent, which exceeded the governmentwide index of 72 percent. The global satisfaction index, which measures job, pay, and organizational satisfaction, was 71 percent, which exceeded the governmentwide index of 64 percent. The performance confidence index, which measures workplace effectiveness and employee perceptions of achieving workplace goals, was 86 percent, exceeding the governmentwide index of 84 percent. The DEIA index, which measures diversity, equity, inclusion, and accessibility, was 77 percent, compared to the governmentwide index of 71 percent. Finally, the employee experience index, which measures whether the workplace espouses the right environment to foster engaged employees, was 79 percent, exceeding the governmentwide index of 73 percent.

Information Technology

Information Security

The RRB is committed to protecting its annuitants' information from unauthorized use or disclosure and continues to work on improving its security capabilities. In 2023, the RRB's information security team administered statutorily required security-awareness training for agency employees and contractors. Staff members identified as having more significant information security responsibilities participated in enhanced role-based security training. In addition, the RRB's privacy team prepared and coordinated training for all employees and necessary contractors on safeguarding controlled unclassified information, federal tax information, and Privacy Act information.

The agency implemented an automated cybersecurity solution using the Department of Justice’s cybersecurity assessment and management service. This provides a centralized, enterprise-wide portfolio view of risks across the organization, including risk control and remediation activities, dependencies, risk scores/levels, risk management roles and responsibilities, an information security architecture strategy, an enterprise-wide configuration plan, and management dashboards. The RRB also implemented an information security continuous monitoring strategy through the Department of Homeland Security Cybersecurity & Infrastructure Security Agency’s continuous diagnostic and mitigation program. These actions directly and positively impact the RRB’s ability to improve its overall risk management posture in a proactive, measurable way.

Information Resources Management

In fiscal year 2023, the RRB coordinated and secured computer-matching agreements with 25 states. The agency also secured OMB approval of 17 information collections. A central goal of the OMB review process is to help agencies strike a balance between collecting information needed to fulfill their statutory missions and guarding against unnecessary or duplicative requests that impose unjustified costs on the public.

Equal Opportunity

The RRB is committed to maintaining a diverse and inclusive workforce that integrates equal opportunity across the entire agency. The Office of Equal Opportunity (OEO) provides leadership, direction, and guidance in carrying out the RRB’s equal opportunity and civil rights responsibilities. OEO administers the agencywide equal employment opportunity (EEO) programs by initiating policy as well as by implementing and enforcing a variety of federal laws, executive orders, and regulations that relate to EEO. It champions RRB’s efforts to foster a fair and equitable workplace – one where employment decisions are based on individual merit, and everyone has an equal chance to succeed as far as their talents will take them. It works to integrate EEO into the agency’s everyday business by:

- Contributing subject-matter expertise to aid the RRB with realistic strategic thinking, problem-solving, and policy development toward achieving a model workplace;
- Analyzing data to identify concrete ways of removing potential impediments to equity in employment;
- Proactively engaging with stakeholders, such as RRB leadership, BHR, the American Federation of Government Employees, and special emphasis groups (Employees with Disabilities Advisory Council, Federal Women’s Program Committee, and Workplace Diversity Committee);

- Educating the agency workforce about EEO laws, and about behaviors that could be unwelcome at work;
- De-escalating workplace conflicts through robust harassment prevention and alternative dispute resolution programs;
- Providing a neutral forum (outside the Office of General Counsel or BHR for addressing EEO concerns; and
- Independently investigating and assessing EEO concerns and remedying violations of employment discrimination laws.

During fiscal year 2023, the RRB continued to capitalize on enhancements to its EEO program which began in previous years, including the provision of additional resources. For example, in fiscal year 2023, there was the addition of an attorney-advisor to OEO. This additional support means that the agency's EEO program now has an in-house legal staff with excellent professional credentials to provide written and oral legal opinions as appropriate; interpret statutes and regulations; draft and/or review final agency decisions and settlement or voluntary conciliation agreements; initiate training seminars with materials; and proofread complainant, stakeholder, and other documents or reports for compliance with relevant laws, regulations, and precedents.

Special Emphasis Programs

Special emphasis programs (SEP) are an integral part of the EEO program. The purpose of these programs is to ensure that federal agencies, including the RRB, take affirmative steps to provide equal opportunity to minorities, women, and people with disabilities in all areas of employment. The term SEP refers specifically to employment-related programs which focus special attention on groups that are conspicuously absent or underrepresented in a specific occupational category or grade level in the agency's workforce.

In fiscal year 2023, OEO continued to actively manage the agency's SEP offerings through sponsorship of the following groups: the Employees with Disabilities Advisory Council, the Federal Women's Program Committee, and the Workplace Diversity Committee.

These three bodies have been instrumental in helping to cultivate a workplace culture that attracts diverse talent and encourages employee engagement and retention. OEO provides guidance, resources, and management support to these groups and encourages employees to participate in commemorative/diversity observances and events held throughout the year.

In fiscal year 2023, the following events were observed: Black History Month (February); Women's History Month (May); Asian American and Pacific Islander Heritage

Month (May); Hispanic Heritage Month (September 15 - October 15); and National Disability Employment Awareness Month (October).

Recruitment

The RRB recognizes its success is dependent on an effective, highly skilled workforce. Accordingly, the agency focuses on recruiting, retaining, and training staff with the right mix of skills and expertise. In fiscal year 2023, the RRB carried out recruitment utilizing the following resources:

- College Central Network website (Illinois community colleges);
- Handshake website (national job search tool for college students);
- DICE website (information technology positions);
- LinkedIn; and
- Participating at the Chicago Urban league’s Federal Career Fair information session.

To enhance communications about professional development and strategies, OEO and BHR also hosted two events for RRB employees. In July 2023, OEO presented a “Federal Resume Review” workshop, and in August 2023, BHR hosted a career fair.

Public Information Activities

The RRB maintains direct contact with railroad retirement beneficiaries through its field offices located across the country. Field personnel explain benefit rights and responsibilities on an individual basis, assist railroad employees in applying for benefits and answer any questions related to the benefit programs. The RRB also relies on railroad labor groups and employers for assistance in keeping railroad personnel informed about its benefit programs.

The Office of the Labor Member has proactively helped educate rail union officials about the benefits available to members and their families under the Railroad Retirement and Railroad Unemployment Insurance Acts since 1957. At pre-retirement seminars sponsored by the Labor Member of the Board, RRB employees describe and discuss the benefits available under the railroad retirement-survivor, unemployment-sickness, and Medicare programs, and provide attendees with comprehensive informational materials. These meetings are attended by officials and members of rail labor unions, as well as railroad employees and spouses nearing retirement. In addition, railroad labor unions frequently request that RRB representatives speak before their meetings and conventions.

At seminars for railroad executives and managers, agency representatives review programs, financing, and administration, with special emphasis on those areas which require cooperation between railroads and RRB offices. The Management Member’s Office

conducts these seminars for railroad officials, as well as other benefit update presentations and pre-retirement counseling seminars for railroad employees and their spouses.

Office of Inspector General

The Office of Inspector General (OIG) for the RRB focuses its audit and investigative efforts on protecting the integrity of the agency's trust funds by providing comprehensive program and operational oversight. Reports and other documents issued by the OIG can be found at [RRB.gov/OurAgency/InspectorGeneral/Library](https://www.RRB.gov/OurAgency/InspectorGeneral/Library).

Office of Audit

During fiscal year 2023, the Office of Audit (OA) published six reports, including mandated audits pertaining to the RRB's compliance with the Federal Information Security Modernization Act of 2014, the agency's compliance with the Payment Integrity Information Act of 2019, and the agency's financial statements. OA also issued a mandated risk assessment pertaining to the RRB's purchase and travel card programs.

Pursuant to the Reports Consolidation Act of 2000 and the requirements of OMB Circular A-136, OA issued a management information report that identified the most serious management and performance challenges facing the RRB and its progress in addressing them. The Inspector General identified the following challenges in fiscal year 2023: improve disability program integrity; improve information technology security and complete systems modernization; improve management of railroad Medicare; improve payment accuracy and transparency; financial management and reporting; and compliance concerns identified.

OA also issued program-related audit reports pertaining to the RRB's lien process under Section 12(o) of the Railroad Unemployment Insurance Act and the agency's records and information management programs.

In total, OA issued 59 audit recommendations and identified \$358.8 million in questioned costs.

Office of Investigations

The Office of Investigations (OI) focuses on identifying, investigating, and presenting RRB fraud cases for prosecution or monetary recovery action. It also seeks to prevent and deter RRB program fraud by reporting systemic weaknesses in agency operations and processes identified through investigative work. In order to maximize the impact of its resources, OI pursues cooperative investigative activities in coordination with other Inspectors General, such as the Office of Inspector General for the Department of Health

and Human Services, and other law enforcement agencies, such as the Federal Bureau of Investigation.

During fiscal year 2023, OI secured 13 indictments and/or informations, 19 criminal convictions, 13 civil judgments, and approximately \$101.2 million in financial accomplishments. This reflects monetary amounts related to programs administered exclusively by the RRB, as well as monetary amounts from other federal programs, such as Medicare, which may have been included in the disposition resulting from joint casework. Results associated with joint casework are sometimes prescribed in an aggregate amount and not necessarily delineated by individual agencies. If delineated, the RRB's share, and not the aggregate amount, will be reflected in the OIG's financial accomplishments. As of September 30, 2023, OI's investigative caseload totaled 325 matters.

LEGAL RULINGS

In fiscal year 2023, three cases involving the RRB were filed in U.S. Circuit Courts, with one of them dismissed, and a case filed in a U.S. District Court was dismissed. The agency also issued 208 decisions on claimant appeals of previous agency decisions.

Court Cases

Four separate petitions for review filed in the U.S. Court of Appeals for the First, Fourth, Fifth, and Eleventh Circuits that were pending at the end of fiscal year 2022 were dismissed in fiscal year 2023. In addition, a case filed in the U.S. District Court for the Middle District of Pennsylvania that was pending at the end of fiscal year 2022 was also dismissed during the fiscal year.

One case was filed in the U.S. District Court for the Middle District of Alabama during fiscal year 2023 and was dismissed during the fiscal year. Also, a petition for review was filed in the U.S. Court of Appeals for the District of Columbia Circuit and was dismissed in the fiscal year.

Finally, two other petitions for review were filed in the U.S. Court of Appeals, one in the Fourth Circuit and the other in the Ninth Circuit, during fiscal year 2023. Both remained pending at the end of fiscal year.

Appeals

Any claimant for benefits under the Railroad Retirement Act (RRA) or the Railroad Unemployment Insurance Act (RUIA) may appeal a determination he or she feels is not justified. This appeal must be filed within certain time frames. Appeals are heard and decided by the RRB's Bureau of Hearings and Appeals. An appellant who is dissatisfied with the decision on his or her appeal may further appeal the case to the agency's three-member Board within a prescribed period of time.

RRA

During fiscal year 2023, 199 appeals were filed with the Bureau of Hearings and Appeals under the RRA, and the Bureau rendered decisions in 131 appeals. The Bureau rendered decisions favorable in whole or in part to the claimant in 80 appeals. The Bureau issued denials in 37 appeals, affirming the previous decision, and dismissed 14 appeals.

Twenty-two appeals were filed with the Board in fiscal year 2023, and the Board issued 58 decisions. In 29 cases the previous ruling of the hearings officer was affirmed, in 11 cases the decision was fully favorable to the appellant, in nine cases the decision was

partially favorable, and seven were remanded to the Bureau of Hearings and Appeals. In addition, two appeals were dismissed. At the end of the year, 36 appeals were pending before the Board.

RUIA

During fiscal year 2023, 15 appeals were filed with the Bureau of Hearings and Appeals under the RUIA, and the Bureau rendered decisions in 11 appeals. The Bureau issued decisions fully favorable to the claimant in six appeals and dismissed five appeals.

One appeal was filed with the Board in fiscal year 2023, and the Board rendered decisions in eight, with five affirming the decision of the hearings officer. The decision in one case was fully favorable to the appellant, one was partially favorable, and one was remanded. At the end of the year, one appeal was pending before the Board.

STATISTICAL TABLES

Table 1.--Beneficiaries and benefits paid under the Railroad Retirement Act and the Railroad Unemployment Insurance Act, by fiscal year, 2014-2023, cash basis

Fiscal year	Total ¹	Retirement ²	Survivor ²	Unemployment ³	Sickness ³
BENEFICIARIES (in thousands)					
2014.....	585	428	141	10	16
2015.....	581	428	136	9	16
2016.....	583	428	131	17	17
2017.....	574	427	127	12	16
2018.....	563	423	123	9	16
2019.....	557	422	119	9	15
2020.....	568	418	116	26	18
2021.....	558	412	113	17	25
2022.....	528	402	110	6	17
2023.....	⁴ 508	392	106	3	12
BENEFIT PAYMENTS (in millions)					
2014.....	\$11,998.3	\$9,724.9	\$2,167.2	⁵ \$40.8	\$65.4
2015.....	12,273.2	10,012.2	2,156.9	36.7	67.4
2016.....	12,497.4	10,202.4	2,139.2	80.2	75.6
2017.....	12,593.3	10,341.4	2,121.9	53.8	76.3
2018.....	12,803.5	10,567.2	2,118.8	40.7	76.8
2019.....	13,077.9	10,836.8	2,125.0	42.3	73.8
2020.....	13,470.3	10,975.4	2,131.4	⁶ 282.3	⁶ 81.2
2021.....	13,436.6	11,001.0	2,140.0	⁶ 198.0	⁶ 97.7
2022.....	13,546.3	11,255.2	2,169.6	⁶ 34.0	⁶ 87.5
2023.....	14,113.9	11,769.8	2,239.7	19.1	73.8

¹ Beneficiaries and benefit payments include partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity. Benefit payments also include a small amount of payments for hospital insurance benefits for services in Canada. The number of beneficiaries represents all individuals paid benefits in year. In the total number for each year, beneficiaries are counted only once, even though they may have received more than one type of benefit.

² Retirement benefits include vested dual benefit and supplemental annuity payments. Survivor amounts include vested dual benefit payments but exclude partition payments.

³ In accordance with the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, amounts reflect a reduction of 7.2% under sequestration for days of unemployment and sickness after September 30, 2013, 7.3% for days after September 30, 2014, 6.8% for days after September 30, 2015, 6.9% for days after September 30, 2016, 6.6% for days after September 30, 2017, 6.2% for days after September 30, 2018, 5.9% for days after September 30, 2019 and 5.7% for days after September 30, 2020 and before January 3, 2021. Beginning January 3, the Continued Assistance to Rail Workers Act of 2020 (CARWA) temporarily suspended sequestration through May 9, 2023, which was 30 days after the end of the Presidential declaration of a national emergency due to the coronavirus pandemic. Benefits are currently sequestered at 5.7% through fiscal year 2031.

⁴ In fiscal year 2023, 6,900 individuals received both retirement and survivor payments, 100 employees received both unemployment and sickness benefits, and 1,000 employees received benefits under both the Railroad Retirement Act and the Railroad Unemployment Insurance Act.

⁵ Includes temporary extended unemployment benefits under the American Recovery and Reinvestment Act of 2009 and Worker, Homeownership, and Business Assistance Act of 2009, as amended by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, the Temporary Payroll Tax Cut Continuation Act of 2011, the Middle Class Tax Relief and Job Creation Act of 2012, and the American Taxpayer Relief Act of 2012. Benefits had to begin by December 31, 2013.

⁶ Beginning in May 2020, RUIA claimants have also been paid under the Coronavirus Aid, Relief, and Economic Security Act of 2020, CARWA, and the American Rescue Plan Act of 2021, with no benefits payable under these acts for registration periods beginning after September 6, 2021. In fiscal years 2020, 2021, and 2022, gross unemployment benefits for these temporary payments were \$151.2 million, \$105.2 million, and \$0.8 million, respectively. Gross sickness benefits were \$1.7 million, \$4.8 million, and \$0.1 million, respectively.

NOTE.-- In Annual Reports through 2019, information in this table, with respect to unemployment and sickness benefits paid, was reported on a net basis. Beginning with the 2020 report, these amounts are shown on a gross basis.

Table 2.--Status of the Railroad Retirement Act accounts and trust funds, by fiscal year, 2014-2023 (in millions), cash basis

Item	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
RAILROAD RETIREMENT ACCOUNT										
Receipts										
Tax transfers ¹	\$3,392.2	\$3,760.8	\$3,586.7	\$3,562.9	\$3,822.9	\$3,730.4	\$3,120.0	\$3,373.6	\$3,675.3	\$4,204.3
Interest and profit on investments ²	14.0	17.2	16.8	16.4	15.8	11.0	(18.6)	9.2	15.9	21.0
Transfers from the National RR Investment Trust ³	1,429.0	1,191.0	1,410.0	1,821.0	1,809.0	1,794.0	2,280.0	2,838.0	1,964.0	1,415.0
Transfers from the SSEB Account ⁴	93.0	129.0	.....	(296.0)	91.0	191.0	(83.0)	103.0	(120.0)	507.0
Loan repayments from RUI Account ⁴.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Loan repayments from DBP Account ⁴	4.5	.....	.....	.....	.....	.....	.....	.....	.....	.....
Expenditures										
Benefit payments ⁵	\$5,044.0	\$5,106.8	\$5,229.0	\$5,321.4	\$5,446.1	\$5,548.2	\$5,591.5	\$5,607.2	\$5,636.7	\$5,719.7
Financial interchange adjustment ⁶	(164.0)	(162.3)	(146.5)	.....	.....	.....	.....	.....	.....	.....
Net transfers to administration.....	69.3	72.1	72.3	76.7	85.7	84.1	88.4	91.0	91.7	100.0
Loans to RUI Account.....	.....	.....	.....	.....	.....	.....	22.0	98.0	.....	.....
Loans to DBP Account ⁷	4.5	.....	.....	.....	.....	.....	.....	.....	.....	.....
SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT⁸										
Receipts										
Tax transfers ¹	\$3,163.1	\$3,389.3	\$3,097.5	\$3,113.8	\$3,267.3	\$3,129.8	\$2,594.0	\$3,226.5	\$3,109.7	\$3,528.2
Interest and profit on investments ²	21.9	24.3	18.6	14.9	24.4	23.4	(9.4)	19.6	24.3	52.9
Transfers under financial interchange ⁸	4,700.8	4,676.6	4,662.7	4,522.5	4,942.4	4,946.4	4,987.7	4,899.6	5,471.3	5,636.2
Advances against financial interchange ¹⁰	3,886.1	3,849.9	3,926.1	4,095.4	4,109.1	4,306.4	4,793.0	5,040.6	4,849.6	5,082.4
Expenditures										
Benefit payments.....	\$6,815.2	\$7,035.4	\$7,090.4	\$7,124.5	\$7,226.7	\$7,403.8	\$7,509.8	\$7,531.7	\$7,789.3	\$8,293.9
Financial interchange adjustment ⁶	164.0	162.3	146.5	.....	.....	.....	.....	.....	.....	.....
Net transfers to administration.....	32.3	32.9	30.0	30.5	29.8	33.4	29.4	26.5	24.0	22.2
Transfers under financial interchange ⁹	611.6	594.7	656.8	637.4	596.5	570.3	606.4	568.2	515.9	588.4
Repayment of advances against financial interchange ⁴	4,041.9	3,982.7	3,940.1	4,054.5	4,194.3	4,202.4	4,458.2	4,951.6	5,085.9	4,953.1
Transfers to the National RR Investment Trust/RR Account ³	93.0	129.0	.....	(296.0)	91.0	191.0	(83.0)	103.0	(120.0)	507.0

See footnotes at end of table.

Table 2.--Status of the Railroad Retirement Act accounts and trust funds, by fiscal year, 2014-2023 (in millions), cash basis - Continued

Item	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST¹¹										
Cash and investment balance at end of period ¹²	\$26,039.9	\$24,483.9	\$25,007.7	\$26,389.6	\$26,468.7	\$25,332.4	\$24,468.6	\$28,289.6	\$23,002.3	\$24,241.3
DUAL BENEFITS PAYMENTS ACCOUNT¹³										
Loans from Railroad Retirement Account ⁷	\$4.5	.....	.....	.....	.....	.....	.....	.....	.....	.....
Benefit payments.....	37.2	\$31.9	\$27.5	\$23.6	\$20.2	\$17.1	\$14.0	\$11.3	\$9.1	\$7.4
Repayment of loans from Railroad Retirement Account ⁴	4.5	.....	.....	.....	.....	.....	.....	.....	.....	.....

¹ Net of U.S. Treasury adjustments for payroll tax refunds to certain carriers and their employees for prior periods. Includes federal income tax transfers under section 72(r) of the Internal Revenue Code as amended. In calendar year 2012, Social Security Equivalent Benefit (SSEB) Account includes general revenue transfers under the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 and the Middle Class Tax Relief and Job Creation Act of 2012, respectively. The final reconciliation for calendar year 2012 occurred in June 2015. In fiscal years 2021 through 2023, SSEB Account includes general revenue transfers under the Coronavirus Aid, Relief, and Economic Security Act of 2020 and other associated 2020 COVID-19 related legislation.

² Net of interest on U.S. Treasury adjustments for payroll tax refunds (see footnote 1).

³ Under the Railroad Retirement and Survivors' Improvement Act of 2001, as amended, the portion of the Railroad Retirement (RR) Account not needed to pay current administrative expenses is to be transferred to the National Railroad Retirement Investment Trust (Trust). The Trust may transfer funds back to the RR Account for payment of benefits. The balance of the SSEB Account not needed to pay current benefits and administrative expenses is to be transferred to the Trust or to the RR Account. The SSEB Account transferred funds to the Trust in fiscal year 2003 and to the RR Account thereafter. In fiscal years 2017, 2020, and 2022, the RR Account transferred funds to the SSEB Account to pay benefits.

⁴ Includes interest.

⁵ Effective January 1, 2002, supplemental benefits are paid from the RR Account.

⁶ Adjustments in benefit payments charged to the SSEB Account as compared to actual financial interchange benefits, with interest. This adjustment was discontinued in fiscal year 2017. Due to delay in enactment of a continuing resolution, the Dual Benefits Payments Account borrowed \$4,500,000 from the RR Account in October 2013 in order to pay vested dual benefits. The loan was repaid in entirety in December 2013.

⁸ Established October 1, 1984, to keep track of the financing and payment of social security level portions of railroad retirement benefits.

⁹ Transfers to or from OASDHI Trust Funds under section 7(c)(2) of the 1974 Railroad Retirement Act.

¹⁰ Advances, including interest, from U.S. Treasury to offset lag in receipt of financial interchange funds under section 7(c)(4) of the 1974 Railroad Retirement Act as amended.

¹¹ Established February 1, 2002, for investment of railroad retirement assets.

¹² Source: National Railroad Retirement Investment Trust.

¹³ Established October 1, 1981, to keep track of the financing and payment of vested dual benefits.

NOTE.--This Table has been revised to only include information from the U.S. Department of the Treasury's Monthly Treasury Statements and other resources within the U.S. Railroad Retirement Board's Bureau of the Actuary and Research.

Table 3.--Status of the Railroad Unemployment Insurance Account, by fiscal year, 2019-2023 (in thousands), cash basis

Item	Fiscal year				
	2019	2020	2021	2022	2023
RECEIPTS					
Taxes.....	\$105,243	\$52,931	\$88,385	\$251,329	\$302,601
Interest.....	2,058	2,284	1,020	1,913	5,560
Transfer from Administration fund under sec. 11(d) of the RUI Act.....	9,674	9,401	11,403	6,255	7,469
Undistributed recoveries of benefit payments ¹	(42)	1,013	1,275	663	898
Loans from the RR Account.....	0	22,000	98,000	0	0
Total.....	\$116,933	\$87,629	\$200,083	\$260,160	\$316,528
EXPENDITURES					
Benefit payments ²	\$87,768	\$188,186	\$163,789	\$93,789	\$61,972
Funding for Office of Inspector General.....	1,421	1,363	1,461	1,699	1,860
Total.....	\$89,189	\$189,549	\$182,751	\$202,847	\$63,978
Cash balance end of period.....	\$128,587	\$26,667	\$44,001	\$101,314	\$354,008
LOANS DUE RAILROAD RETIREMENT ACCOUNT					
Loans.....	--	\$22,000	\$120,000,000	\$105,131,210	--
Interest Accrued.....	--	--	267,875	--	--
Repayment from RUI Account ³	--	--	(14,868,790)	(105,131,210)	--
Due RR Account end of period.....	--	\$22,000	\$105,399,085	\$0	--

¹ Net of distributed payments.

² In accordance with the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, amounts reflect a reduction of 6.2% for days of unemployment and sickness after September 30, 2018, 5.9% for days after September 30, 2019, and 5.7% for days after September 30, 2020. Beginning January 3, 2021, CARWA temporarily suspended sequestration until May 10, 2023, which was 30 days after the President signed legislation formally ending the pandemic declaration. The sequestration rate as of that date is 5.7% and applies through fiscal year 2031.

³ Loans from the Railroad Retirement Account to the Railroad Unemployment Insurance Account were processed in fiscal year 2021 and paid off in fiscal year 2022.

Table 4.--Status of the RUIA Administration Fund, by fiscal year, 2014-2023 (in thousands), cash basis

Fiscal year	Taxes and interest	Administrative expenditures ¹	Transfer to Railroad Unemployment Insurance Account under Sec. 11d ²	Balance at end of period
2014.....	25,225	15,172	12,257	10,120
2015.....	28,063	12,987	11,339	13,858
2016.....	27,146	15,498	13,375	12,132
2017.....	26,551	14,842	12,357	11,483
2018.....	25,621	17,429	11,208	8,467
2019.....	26,203	16,066	9,674	8,930
2020.....	27,186	15,253	9,401	11,463
2021.....	22,581	16,025	11,403	6,615
2022.....	25,071	19,126	6,302	6,257
2023.....	27,888	18,341	7,469	8,837

¹ Expenditures for each year included encumbrances as of end of year. Fiscal years 2014-2023 reflect reallocation of prior period administrative expenses between the Railroad Retirement Act and Railroad Unemployment Insurance Act programs.

² Transfers to the Railroad Unemployment Insurance Account are based on the excess of the accrual balance on the prior September 30 over \$6,000,000.

Table 5.--Number and average amount of retirement and survivor annuities in current-payment status at end of year, by type of annuitant and fiscal year, 2014-2023

Fiscal year	Retired employees											
	Total ¹	Awarded age annuity	Disability converted to age ²	Disability	Supple- mental ³	Spouses and divorced spouses	Aged widow(er)s ⁴	Disabled widow(er)s ⁵	Widowed mothers (fathers) ⁴	Children	Remarried widow(er)s	Divorced widow(er)s ⁴
NUMBER AT END OF YEAR												
2014	661,069	190,224	41,554	37,891	122,086	142,626	98,435	3,868	688	9,164	3,506	9,747
2015	656,847	190,114	43,141	34,514	123,037	143,920	94,279	3,741	665	8,978	3,344	9,704
2016	654,127	190,835	44,744	31,308	122,966	145,891	90,919	3,660	652	8,695	3,187	9,709
2017	648,277	190,301	46,180	27,990	122,050	146,850	87,817	3,528	623	8,478	3,037	9,708
2018	641,470	189,571	47,436	25,059	120,222	147,708	84,710	3,378	604	8,232	2,903	9,760
2019	633,742	188,372	48,475	22,552	117,831	148,163	81,959	3,277	576	7,957	2,743	9,764
2020	622,932	186,357	49,278	19,996	114,444	147,412	79,406	3,176	570	7,726	2,566	9,746
2021	606,960	182,672	48,572	18,554	109,827	144,389	77,214	3,043	586	7,469	2,413	9,773
2022	591,464	179,295	47,765	17,110	105,171	141,566	75,064	2,892	587	7,306	2,303	9,749
2023	576,571	176,138	47,122	15,753	100,761	138,722	72,994	2,741	567	6,974	2,183	9,747
AVERAGE AMOUNT												
2014	.....	\$2,536	\$2,252	\$2,613	\$42	\$946	\$1,525	\$1,250	\$1,798	\$1,027	\$1,005	\$1,005
2015	.....	2,625	2,322	2,663	42	975	1,576	1,285	1,835	1,055	1,036	1,040
2016	.....	2,675	2,358	2,675	42	991	1,618	1,307	1,883	1,066	1,050	1,055
2017	.....	2,731	2,401	2,691	42	1,008	1,664	1,326	1,878	1,078	1,071	1,078
2018	.....	2,817	2,474	2,746	42	1,035	1,721	1,367	1,902	1,110	1,114	1,118
2019	.....	2,912	2,564	2,822	42	1,065	1,780	1,401	1,942	1,157	1,152	1,168
2020	.....	2,985	2,625	2,871	42	1,088	1,840	1,437	1,992	1,195	1,192	1,203
2021	.....	3,047	2,678	2,926	42	1,108	1,904	1,472	2,049	1,236	1,223	1,237
2022	.....	3,211	2,832	3,094	41	1,160	1,987	1,532	2,129	1,331	1,314	1,337
2023	.....	3,448	3,058	3,349	41	1,233	2,102	1,636	2,245	1,448	1,442	1,472

¹ Includes annuities to parents and, beginning in fiscal year 2008, partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity. On September 30, 2023, there were 8 parents' annuities in current-payment status averaging \$1,229 and 2,861 partition payments averaging \$344.

² A disability annuity ends when the retiree attains full retirement age, at which time the annuity converts to an age and service annuity. Consequently, these annuitants are receiving age and service annuities. Full retirement age gradually increases, from age 65 to 67, for those born between 1937 and 1960. It is age 67 for those born after 1959 and age 65 for those born before 1938.

³ Excludes partition payments to spouses and divorced spouses where the employee is deceased. Averages are after court-ordered partitions.

⁴ Numbers include annuities temporarily being paid at spouse annuity rates, pending final adjudication of survivor annuities.

⁵ Includes annuities to disabled widow(er)s age 60 and over now payable as aged widow(er)s' annuities.

Table 6.--Number and average amount of retirement and survivor annuities awarded during year, by type of annuitant and fiscal year, 2014-2023

Fiscal year	Retired employees										
	Total ¹	Age	Disability	Supple- mental ²	Spouses and divorced spouses	Aged widow(er)s	Disabled widow(er)s	Widowed mothers (fathers)	Children	Remarried widow(er)s	Divorced widow(er)s
NUMBER AWARDED											
2014.....	37,294	10,210	1,800	6,673	11,495	5,582	133	111	398	144	745
2015 ³	36,316	10,059	1,686	6,194	11,300	5,546	120	99	462	151	696
2016.....	35,950	10,236	1,682	5,910	11,373	5,319	123	94	380	116	715
2017.....	33,540	9,121	1,562	5,178	10,758	5,484	86	86	390	127	746
2018.....	31,795	8,665	1,662	4,155	10,459	5,411	78	94	379	123	766
2019.....	28,997	7,663	1,767	3,294	9,799	5,036	100	88	394	107	748
2020.....	26,493	7,203	1,713	2,386	8,748	5,153	87	90	379	79	655
2021.....	24,619	6,244	1,756	1,721	7,591	5,752	92	117	471	92	781
2022.....	22,791	5,947	1,425	1,102	7,293	5,504	43	130	466	94	787
2023.....	19,347	5,059	1,271	598	6,295	4,868	37	76	342	81	720
Cumulative 1937-2023	5,424,644	1,572,981	538,167	540,987	1,282,406	1,088,645	19,571	86,190	242,002	16,799	33,336
AVERAGE AMOUNT											
2014.....	.....	\$3,041	\$2,624	\$41	\$1,024	\$1,985	\$1,615	\$1,874	\$1,294	\$1,151	\$1,095
2015.....	.....	3,114	2,611	41	1,055	2,031	1,685	1,728	1,302	1,153	1,175
2016.....	.....	3,124	2,667	41	1,062	2,096	1,677	2,034	1,371	1,166	1,174
2017.....	.....	3,159	2,723	41	1,047	2,113	1,752	1,806	1,368	1,189	1,209
2018.....	.....	3,188	2,775	41	1,054	2,188	1,864	1,864	1,386	1,270	1,222
2019.....	.....	3,173	2,880	41	1,057	2,299	1,563	1,940	1,487	1,249	1,271
2020.....	.....	3,256	2,937	41	1,105	2,349	1,681	2,053	1,549	1,334	1,297
2021.....	.....	3,221	3,128	40	1,090	2,429	1,874	2,090	1,588	1,418	1,393
2022.....	.....	3,233	3,315	39	1,114	2,527	1,892	2,257	1,719	1,378	1,456
2023.....	.....	3,417	3,611	39	1,148	2,734	1,844	1,977	1,796	1,617	1,625

¹ Excludes partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity. Includes annuities to parents. Fiscal year 2023 total includes no annuities to parents. Cumulative total includes 3,560 annuities to parents.

² Excludes partition payments to spouses and divorced spouses where the employee is deceased. Averages are after court-ordered partitions.

³ Supplemental annuity awards exclude more than 1,000 restorations due to Legal Opinion 2014-2, Reductions to Supplemental Annuities for 401(k) Distributions.

NOTE.--Cumulative figures reflect adjustments not made in yearly data, but average amounts for each year include effects of changes in rates made by the end of the year.

Table 7.--Retirement and survivor benefits in current-payment status on September 30, 2023, by class and state (amounts in thousands)

State ³	Total ¹		Retirement benefits ²		Survivor benefits	
	Number	Monthly amount	Number	Monthly amount	Number	Monthly amount
Alabama.....	10,400	\$20,810	8,400	\$16,978	1,900	\$3,824
Alaska.....	200	350	200	291	(4)	60
Arizona.....	11,200	22,867	9,200	19,051	1,900	3,786
Arkansas.....	11,200	21,837	9,200	18,219	1,800	3,588
California.....	26,600	51,113	21,900	42,522	4,600	8,551
Colorado.....	9,700	20,115	8,400	17,510	1,300	2,588
Connecticut.....	2,900	7,266	2,400	6,234	500	1,029
Delaware.....	3,100	6,612	2,700	5,868	400	741
Washington DC.....	400	733	300	685	(4)	48
Florida.....	33,200	67,494	27,800	57,447	5,300	9,999
Georgia.....	19,300	39,232	16,000	32,872	3,200	6,339
Hawaii.....	200	361	200	307	(4)	53
Idaho.....	5,200	10,586	4,400	8,965	800	1,607
Illinois.....	34,400	68,617	28,600	57,537	5,600	11,006
Indiana.....	16,700	33,270	13,700	27,502	2,900	5,732
Iowa.....	10,000	19,965	8,400	16,787	1,500	3,147
Kansas.....	15,000	31,048	12,700	26,214	2,300	4,815
Kentucky.....	14,900	28,759	12,200	23,329	2,700	5,410
Louisiana.....	8,100	16,146	6,700	13,386	1,400	2,748
Maine.....	2,400	4,320	1,900	3,518	400	800
Maryland.....	9,400	18,748	8,000	16,210	1,400	2,529
Massachusetts.....	4,300	8,904	3,700	7,785	600	1,116
Michigan.....	13,400	26,213	10,900	21,431	2,400	4,747
Minnesota.....	14,200	27,967	11,900	23,593	2,300	4,350
Mississippi.....	5,900	11,482	4,800	9,283	1,100	2,193
Missouri.....	21,200	42,075	17,900	35,649	3,200	6,386
Montana.....	7,000	14,362	6,000	12,370	1,000	1,981
Nebraska.....	18,400	40,578	16,200	35,915	2,100	4,626
Nevada.....	3,500	6,877	2,900	5,820	500	1,048
New Hampshire.....	1,000	2,079	800	1,734	200	342
New Jersey.....	9,700	22,562	8,100	19,492	1,600	3,064
New Mexico.....	4,400	8,916	3,600	7,378	700	1,528
New York.....	22,000	48,990	18,400	42,147	3,600	6,823
North Carolina.....	11,100	21,305	8,900	17,514	2,100	3,777
North Dakota.....	3,700	7,726	3,100	6,474	600	1,247

See footnotes at end of table.

Table 7.--Retirement and survivor benefits in current-payment status on September 30, 2023, by class and state (amounts in thousands) - Continued

State ³	Total ¹		Retirement benefits ²		Survivor benefits	
	Number	Monthly amount	Number	Monthly amount	Number	Monthly amount
Ohio.....	23,300	\$44,723	18,600	\$35,740	4,600	\$8,951
Oklahoma.....	5,400	10,743	4,300	8,704	1,000	2,027
Oregon.....	8,000	15,502	6,600	12,727	1,400	2,753
Pennsylvania.....	31,600	64,011	26,000	53,344	5,500	10,641
Rhode Island.....	700	1,591	600	1,402	100	188
South Carolina.....	8,300	16,791	6,800	14,082	1,400	2,698
South Dakota.....	2,200	4,461	1,900	3,908	300	549
Tennessee.....	13,500	26,866	11,100	22,317	2,300	4,528
Texas.....	39,600	83,424	32,800	70,150	6,400	13,160
Utah.....	5,400	11,323	4,500	9,494	900	1,817
Vermont.....	700	1,206	500	999	100	207
Virginia.....	16,900	34,504	13,900	28,989	2,900	5,496
Washington.....	11,300	22,696	9,300	18,858	1,900	3,814
West Virginia.....	8,100	16,363	6,500	13,306	1,500	3,044
Wisconsin.....	10,400	20,245	8,800	17,041	1,600	3,187
Wyoming.....	4,700	10,433	4,100	9,173	500	1,247
Outside United States:						
Canada.....	1,600	1,160	1,200	653	500	507
Mexico.....	100	148	(4)	47	100	101
Other.....	500	765	300	500	200	264
Total⁵	576,600	\$1,167,257	478,500	\$979,461	95,200	\$186,811

¹ Includes 2,861 partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity.

² Includes 100,800 supplemental annuities to employees receiving regular annuities. In a relatively small number of cases, employees were also receiving spouse or widow(er) benefits.

³ State of residence of beneficiary on September 30, 2023.

⁴ Less than 50.

⁵ Includes beneficiaries whose state of residence was unknown.

NOTE.--Retirement benefits include regular and supplemental employee annuities, spouse annuities and divorced spouse annuities. Survivor benefits include annuities to aged and disabled widow(er)s, widowed mothers and fathers, remarried and divorced widow(er)s, children, parents, and widow(er)s annuities temporarily being paid at spouse annuity rates pending final adjudication of survivor annuities. Benefit amounts exclude social security payments to dual beneficiaries.

Table 8.-- Principal administrative data for the unemployment and sickness benefit programs, benefit years 2018-2019 through 2022-2023, cash basis

Item	2018-2019	2019-2020 ¹	2020-2021 ¹	2021-2022 ¹	2022-2023
Qualified employees.....	235,400	234,600	228,400	208,400	197,400
Maximum daily benefit rate.....	\$77	\$78	\$80	\$82	\$85
UNEMPLOYMENT BENEFITS²					
Gross amount of benefits paid (thousands) ³	\$37,994	\$182,468	\$273,066	\$66,268	\$19,420
Payments:					
Number.....	52,300	226,500	379,700	95,100	22,900
Average amount per two week claim period.....	\$644	⁴ \$648	⁴ \$656	⁴ \$732	\$752
Beneficiaries.....	7,900	23,100	26,500	8,500	3,400
Applications received.....	12,200	43,900	26,000	11,700	6,000
Claims received.....	63,000	171,300	241,400	73,100	27,400
Normal benefit accounts exhausted.....	1,700	3,400	5,900	1,800	800
SICKNESS BENEFITS²					
Gross amount of benefits paid (thousands) ³	\$73,492	\$79,968	\$95,392	\$91,893	\$78,617
Payments:					
Number.....	102,100	108,100	164,300	136,400	93,800
Average amount per two week claim period.....	\$638	\$650	⁵ \$580	⁵ \$674	\$746
Beneficiaries.....	14,400	15,400	25,600	18,800	12,300
Applications received.....	17,900	19,800	34,100	24,900	16,000
Claims received.....	119,600	127,200	149,200	138,300	109,400
Normal benefit accounts exhausted.....	3,000	3,300	3,800	3,500	2,900

¹ Starting in May 2020, includes unemployment and sickness waiting period waiver benefits, special extended unemployment benefits and enhanced unemployment benefits authorized by the Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES), the Continued Assistance to Rail Workers Act of 2020 (CARWA), and the American Rescue Plan Act of 2021 (ARPA). Gross benefits for these temporary payments were \$85,086,000 for 2019-2020 and \$148,292,000 for 2020-2021 and \$30,453,000 for 2021-2022. No benefits were payable under these acts for registration periods beginning after September 6, 2021.

² In accordance with the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, amounts reflect a reduction of 6.6% under sequestration for days of unemployment and sickness after September 30, 2017, 6.2% for days after September 30, 2018, 5.9% for days after September 30, 2019, and 5.7% for days after September 30, 2020 and before January 3, 2021. Beginning January 3, 2021, CARWA temporarily suspended sequestration through May 9, 2023, 30 days after the Presidential declaration of an end to the national emergency concerning the COVID-19 pandemic. Benefits are currently sequestered at 5.7% through fiscal year 2031.

³ In Annual Reports through 2019, information on this table, with respect to benefits paid, was reported on a net basis. Beginning with 2020's report, these amounts are now shown on a gross basis.

⁴ Average unemployment payment includes special extended and waiting period waiver unemployment benefits but does not include enhanced unemployment benefit payments made under the CARES Act, CARWA, and ARPA, with no benefits payable under these acts for registration periods beginning after September 6, 2021.

⁵ Average sickness payment includes the waiting period waiver sickness benefit payments made under the CARES Act, CARWA, and ARPA, with no benefits payable under these acts for registration periods beginning after September 6, 2021.

Table 9.--All employees, new entrants, employees qualified for RUIA benefits, and related data, by employer, 2022

Type or name of employer	All employees			New entrants		Creditable Compensation (thousands)		RUIA
	Total	With 12 months of service in 2022	With sufficient service for RRA annuity	Qualified for RUIA benefits	Total	Tier I	Tier II	
TYPE OF EMPLOYER								
Class I line-haul railroads.....	134,847	101,788	106,995	123,569	14,649	\$11,550,237	\$10,868,543	\$2,465,639
Non-Class I line-haul railroads and switching & terminal companies.....	22,810	16,347	15,100	20,374	2,967	1,534,201	1,478,418	397,369
Commuter railroads.....	50,581	38,667	37,121	47,437	5,838	4,514,454	4,124,436	941,977
Car-loan companies.....	2,344	1,726	1,457	2,106	326	156,733	150,795	42,059
Labor organizations.....	2,173	1,649	1,583	1,724	217	199,622	168,579	34,302
Miscellaneous employers ²	4,471	3,511	3,089	4,220	383	415,508	365,954	83,205
Total	217,226	163,688	165,345	199,430	24,380	\$18,370,755	\$17,156,725	\$3,964,550
SELECTED EMPLOYERS								
BNSF Railway Co.....	40,683	31,878	32,931	38,170	3,208	\$3,627,108	\$3,414,947	\$764,708
Canadian National, U.S. Operations								
Bessemer and Lake Erie Railroad Co.....	51	44	48	50	....	4,161	4,149	1,012
Chicago Central and Pacific Railroad Co.....	269	223	206	260	14	23,864	23,014	5,264
Grand Trunk Western Railroad Co.....	772	620	591	742	50	71,495	67,496	14,834
Illinois Central Railroad Co.....	3,725	2,985	2,945	3,573	247	352,941	327,563	71,420
Pittsburgh and Conneaut Dock Co.....	29	20	25	26	3	1,480	1,480	498
Wisconsin Central Transportation Corp.....	2,169	1,682	1,713	2,052	180	188,753	182,894	40,756
Canadian Pacific, Soo Line Corporation								
Dakota, Minnesota & Eastern Railroad Corp.....	878	553	496	763	218	62,347	59,613	14,230
Delaware and Hudson Railway Co. Inc.....	196	128	153	178	20	13,156	12,866	3,376
Soo Line Railroad Co.....	2,243	1,607	1,634	2,002	300	185,198	173,369	39,360
CSX Transportation Inc.....	20,309	15,488	16,376	18,424	2,326	1,738,781	1,639,733	369,740
Kansas City Southern Railway Co.....	2,982	2,301	2,210	2,744	297	243,806	230,427	54,768
Texas Mexican Railway Co.....	324	279	203	314	11	28,734	27,958	6,383
National Railroad Passenger Corp. (Amtrak).....	21,650	15,428	14,956	19,718	3,607	1,764,064	1,631,473	387,328
Norfolk Southern Corp.....	23,192	15,695	16,674	20,054	4,348	1,938,377	1,780,115	395,620
Union Pacific Railroad Co.....	37,025	28,285	30,790	34,217	3,427	3,070,034	2,922,919	683,669

¹ Includes National Railroad Passenger Corp. (Amtrak).

² Includes lessor companies, employer associations and miscellaneous carrier affiliates.

NOTE.--Tier I compensation excludes miscellaneous compensation taxable at the tier I tax rate.



U.S. Railroad Retirement Board

844 North Rush Street
Chicago, IL 60611-1275

Toll Free: (877) 772-5772

TTY: (312) 751-4701

Directory: (312) 751-4300

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