

United States Railroad Retirement Board

2022 Annual Report



U.S. Railroad Retirement Board

Mission Statement

The Railroad Retirement Board's mission is to administer retirement/survivor and unemployment/sickness insurance benefit programs for railroad workers and their families under the Railroad Retirement Act and the Railroad Unemployment Insurance Act. These programs provide income protection during retirement and in the event of disability, death or temporary unemployment and sickness. The Railroad Retirement Board also administers aspects of the Medicare program and has administrative responsibilities under the Social Security Act and the Internal Revenue Code.

In carrying out its mission, the Railroad Retirement Board will pay benefits to the right people, in the right amounts, in a timely manner, and will take appropriate action to safeguard our customers' trust funds. The Railroad Retirement Board will treat every person who comes into contact with the agency with courtesy and concern, and respond to all inquiries promptly, accurately and clearly.

If you have comments or suggestions regarding the information in this report, please let us know. You can call us at 312-751-4777, email us at opa@rrb.gov or write us at the following address:

**Public Affairs
U.S. Railroad Retirement Board
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Chicago, IL 60611-1275**

UNITED STATES
RAILROAD RETIREMENT BOARD

2022 Annual Report

For Fiscal Year Ended September 30, 2021

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THE REPORT IN BRIEF

The Railroad Retirement Board (RRB) paid benefits totaling approximately \$13.5 billion, net of recoveries and offsetting collections, to about 558,000 beneficiaries in fiscal year 2021. Financial reports issued in 2022 on the solvency of the railroad retirement and railroad unemployment insurance systems were both favorable. Total railroad retirement system assets equaled \$30.2 billion as of September 30, 2021.

Coronavirus Pandemic

The RRB continued to implement coronavirus relief legislation, which included provisions for enhanced and special extended unemployment benefits and waiver of waiting periods for both unemployment and sickness benefits. Also, after utilizing a maximum-telework status since the start of the pandemic, the RRB resumed in-person work and customer service on March 28, 2022.

Benefits and Beneficiaries

Benefits paid by the RRB totaled approximately \$13.5 billion in the fiscal year ending September 30, 2021. Retirement and survivor benefits were paid by the RRB to about 519,000 beneficiaries during the fiscal year, of whom 488,000 were on the rolls at the end of the year. Approximately 41,000 railroad employees were paid unemployment and/or sickness insurance benefits. About 1,000 beneficiaries received payments under both the Railroad Retirement Act and the Railroad Unemployment Insurance Act.

Retirement and survivor benefit payments of \$13.2 billion during fiscal year 2021 were \$35.0 million more than payments in the prior year. Employee and spouse annuitants were paid about \$11.0 billion, accounting for 84 percent of the total payments. Employees received approximately \$8.3 billion in age annuities (including \$1.6 billion to annuitants full retirement age and over originally awarded a disability annuity), \$800 million in disability annuities, and \$55.9 million in supplemental

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. With the exception of 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.

annuities, with spouses and divorced spouses getting about \$1.9 billion.¹ Survivors received \$2.1 billion in annuities and over \$1.8 million in lump-sum benefits. The number of beneficiaries receiving retirement and survivor benefits declined by about 9,000 from fiscal year 2020.

Gross unemployment and sickness benefits paid in fiscal year 2021 totaled over \$295.6 million on a cash basis, including additional benefits authorized under coronavirus relief legislation totaling more than \$110.0 million. The relief bills provided for special extended and enhanced unemployment benefits, and eliminated the waiting period for both unemployment and sickness claims. Net benefits totaled about \$270.9 million on an accrual basis after adjustment for recovery of benefit payments, including injury settlements, some of which were made in prior years. Total gross benefit payments decreased by nearly \$67.9 million from the prior year, while net benefit payments decreased by approximately \$82.6 million. Under the Continued Assistance to Rail Workers Act enacted in December 2020, all unemployment and sickness benefits are exempt from sequestration until 30 days after the coronavirus emergency declaration terminates.

Gross unemployment benefits decreased by 30 percent compared to the previous year due to the resumption of normal railroad traffic after the first five months of the coronavirus pandemic. Gross unemployment benefits totaling \$198.0 million were paid to nearly 17,500 claimants. These benefits include \$65.9 million in enhanced benefits, \$37.0 million in special extended unemployment benefits, and \$2.3 million in waiting period waiver benefits. Net unemployment benefits were \$189.7 million, a decrease of almost 34 percent over the prior year. Gross sickness benefits went up 20 percent to \$97.7 million (\$94.8 million net), including \$4.8 million in waiting period waiver benefits, and were paid to more than 25,200 claimants.

Financial Reports

The RRB's 2022 railroad retirement financial report to Congress, which covered the period 2022-2046, was generally favorable. It concluded that barring a sudden, unanticipated, large decrease in railroad employment, or substantial investment losses, the railroad retirement system will experience no cash flow problems during the next 25 years. The long-term stability of the system, however, is still uncertain. Under the current financing structure, actual levels of railroad employment and investment return over the coming years will largely determine whether corrective action is necessary.

The RRB's 2022 railroad unemployment insurance financial report showed an improved outlook from the height of the coronavirus pandemic. For example, the report projects a 1.5 percent surcharge in calendar year 2023, down from 3.5 percent in 2022, with no surcharge likely in 2024 or 2025 under all employment assumptions. Also, under all assumptions, loans from the Railroad Retirement Account in 2020 and 2021 are fully

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.

repaid by the end of fiscal year 2022. Under the pessimistic assumption, a short-term loan is possible in fiscal year 2027 that would be repaid in the same year.

The National Railroad Retirement Investment Trust's annual management report for fiscal year 2021 showed that, as of September 30, 2021, the net asset value of the Trust-managed assets was \$28.5 billion. This represented an increase from \$24.8 billion in the previous year, with a net investment return for the year of 27.8 percent. The ending balance also reflects a transfer of \$2.8 billion to the U.S. Treasury for the payment of railroad retirement (tier II) benefits. Total railroad retirement system assets, including those maintained at the Treasury, equaled \$30.2 billion.

The 2021 railroad retirement and railroad unemployment insurance financial reports and the National Railroad Retirement Investment Trust's 2021 annual management report are available by clicking on the *Financial & Reporting* tab at **RRB.gov**.

Service Delivery

Customer Service Plan

In fiscal year 2021, customers received benefit services within the timeframes promised in the RRB's Customer Service Plan 99.2 percent of the time.

Service Enhancements

The RRB continued integration of **login.gov**, which provides identify verification and secure access to online services across the government, processed a cost-of-living adjustment for retirement and survivor benefits, modernized its information technology systems, improved use of document imaging in claims adjudication, took steps to reduce improper payments, and initiated three claims examiner training classes.

Office of Inspector General

During fiscal year 2021 the Office of Inspector General continued its independent oversight of agency operations and its efforts to combat fraud, waste, and abuse. This included the issuance of nine audit reports, two management information reports, and one risk assessment.

Investigative activities resulted in 16 indictments and/or informations, 25 criminal convictions, 15 civil judgments, and more than \$64 million in financial accomplishments. This reflects fraud amounts related to programs administered exclusively by the RRB and fraud amounts from other Federal programs, such as Medicare, which were included in the disposition resulting from the investigation. Judicial sentences associated with joint casework are not necessarily delineated by agency.

Selected Data on Benefit Operations

Retirement-Survivor ¹	Fiscal Year 2021	Fiscal Year 2020
Employee age annuities		
Number awarded	6,200	7,200
Awarded Age Annuity		
Number being paid at end of period	182,700	186,400
Average being paid at end of period	\$3,047	\$2,985
Disability converted to age annuity ²		
Number being paid at end of period	48,600	49,300
Average being paid at end of period	\$2,678	\$2,625
Employee disability annuities		
Number of total disability annuities awarded	700	800
Number of occupational disability annuities awarded	1,100	900
Number of total disability annuities being paid at end of period	7,800	8,100
Number of occupational disability annuities being paid at end of period	10,800	11,900
Average total disability annuity being paid at end of period	\$2,254	\$2,181
Average occupational disability annuity being paid at end of period	\$3,414	\$3,345
Supplemental employee annuities³		
Number awarded	1,700	2,400
Number being paid at end of period	109,800	114,400
Average being paid at end of period	\$42	\$42
Spouse and divorced spouse annuities		
Number awarded, total	7,600	8,700
Number being paid to divorced spouses at end of period	5,000	5,200
Number being paid at end of period, total	144,400	147,400
Average being paid to divorced spouses at end of period	\$719	\$705
Average being paid at end of period, total	\$1,108	\$1,088
Survivor annuities		
Number awarded to aged widow(er)s	5,800	5,200
Number awarded, total	7,300	6,400
Number being paid to aged widow(er)s at end of period	77,200	79,400
Number being paid at end of period, total	100,500	103,200
Average being paid at end of period to		
Aged widow(er)s	\$1,904	\$1,840
Disabled widow(er)s ⁴	\$1,472	\$1,437
Widowed mothers (fathers)	\$2,049	\$1,992
Remarried widow(er)s	\$1,223	\$1,192
Divorced widow(er)s	\$1,237	\$1,203
Children	\$1,236	\$1,195
Partition payments⁵		
Number being paid at end of period	2,400	2,200
Average being paid at end of period	\$324	\$324
Lump-sum survivor benefits awarded		
Number of lump-sum death benefits	2,000	1,800
Average lump-sum death benefit	\$915	\$933
Number of residual payments	6/	6/
Average residual payment	\$5,235	\$429

Selected Data on Benefit Operations (Continued)

Employees and Earnings ⁷	Fiscal Year 2021	Fiscal Year 2020
Average employment	188,000	201,000
Creditable earnings, Railroad Retirement Act (billions):		
Tier I	\$17.13	\$17.82
Tier II	\$16.01	\$16.48
Creditable earnings, Railroad Unemployment Insurance Act (billions)	\$3.73	\$3.91
Unemployment-Sickness ⁸	Benefit Year 2020-2021	Benefit Year 2019-2020
Qualified employees	228,400	234,600
Unemployment benefits		
Gross amount paid (millions) ⁹	\$273.1	(\$198.0) ¹⁰
Beneficiaries	26,500	(17,500) ¹⁰
Number of payments	379,700	226,500
Normal benefit accounts exhausted	5,900	3,400
Average payment per 2-week registration period ¹¹	\$656	\$648
Sickness benefits		
Gross amount paid (millions)	\$95.4 ⁹	(\$97.7) ^{9,10}
Beneficiaries	25,600	(25,200) ¹⁰
Number of payments	164,300	108,100
Normal benefit accounts exhausted	3,800	3,300
Average payment per 2-week registration period	\$580	\$650

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 2020 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 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, but before January 3, 2021. Beginning January 3, 2021, the Continued Assistance to Rail Workers Act temporarily suspended sequestration until 30 days after the termination of the Presidential declaration of the national emergency related to the coronavirus pandemic.

⁹ Benefits paid include payments under coronavirus relief legislation. For benefit year 2020-2021, this includes \$142.9 million in unemployment benefits and \$5.4 million in sickness benefits. For benefit year 2019-2020, this includes \$85.1 million in unemployment benefits. For fiscal year 2021, this includes \$105.2 million in unemployment and \$4.8 million in sickness benefits.

¹⁰ Data in parentheses are for fiscal year (October 1, 2020 – September 30, 2021).

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

A REVIEW OF OPERATIONS

At the end of fiscal year 2021, total railroad retirement system assets equaled \$30.2 billion. During fiscal year 2021, benefit payments totaled approximately \$13.5 billion, net of recoveries and offsetting collections. Of this amount, benefit payments totaled \$13.3 billion for the railroad retirement and survivor benefits program, \$156.9 million for the railroad unemployment and sickness insurance benefits program, and \$112.7 million under coronavirus relief legislation.

RAILROAD RETIREMENT AND SURVIVOR PROGRAM

As of September 30, 2021, 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 \$30.2 billion, an increase of \$4.3 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 7 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 2021 railroad retirement and survivor benefit payments were financed through four U.S. Treasury accounts.

The SSEB Account, established in fiscal year 1985, pays the portion of railroad retirement benefits equivalent to a social security benefit from various income sources related to these benefits. The RR Account funds retirement, survivor and disability benefits, in excess of social security equivalent benefits, from payroll taxes on employers and employees and other income sources. Supplemental benefit 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 \$13.2 billion in benefit obligations (including \$99.9 million interest on financial interchange advances and excluding \$2.0 billion in social security benefits which were reimbursed by the Social Security Administration) during fiscal year 2021.

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 \$5.3 billion, representing 38.2 percent of total financing sources (excluding a gain of \$3.8 billion, mostly due to a change in NRRIT net assets) and \$200.9 million more than in fiscal year 2020.

Railroad employees and employers pay tier I taxes which, by law, are the same as social security taxes. The 2021 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 2021 was \$142,800, 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 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 benefit payments over and above social security levels. This tax, on earnings up to \$106,200 and \$102,300 in 2021 and 2020, respectively, was 4.9 percent on employees in both years. It was 13.1 percent on employers in both 2020 and 2019.

Tier I and tier II taxes for fiscal year 2021 amounted to \$2.4 billion and \$2.9 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.

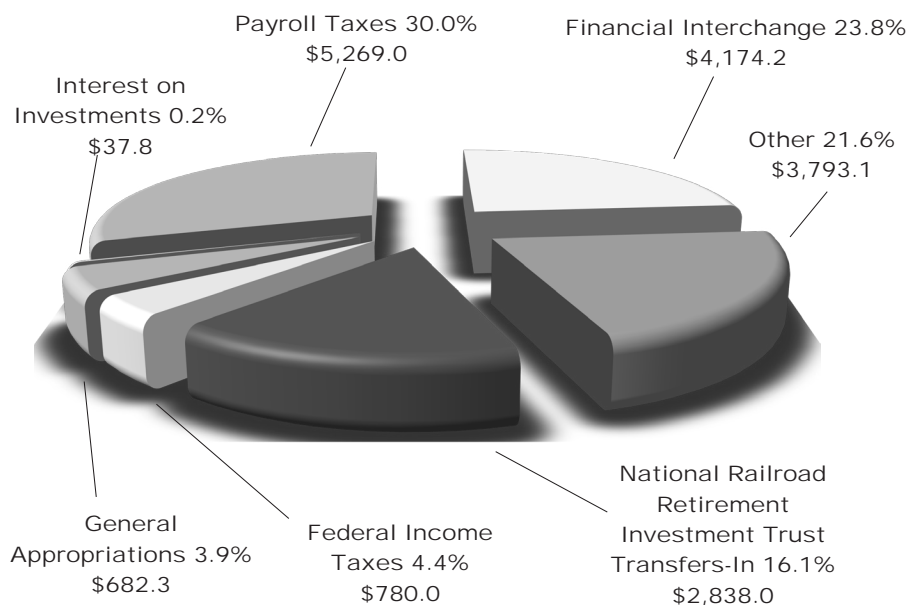
In the computation of the latter amount, credit is given for any social security benefits actually paid to railroad retirement beneficiaries. When benefit reimbursements exceed payroll taxes, the difference, with an allowance for interest and administrative expenses, is transferred from the Social Security 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 2021 amounted to \$4.2 billion.

(text continued on page 9)

RETIREMENT AND SURVIVOR PROGRAM

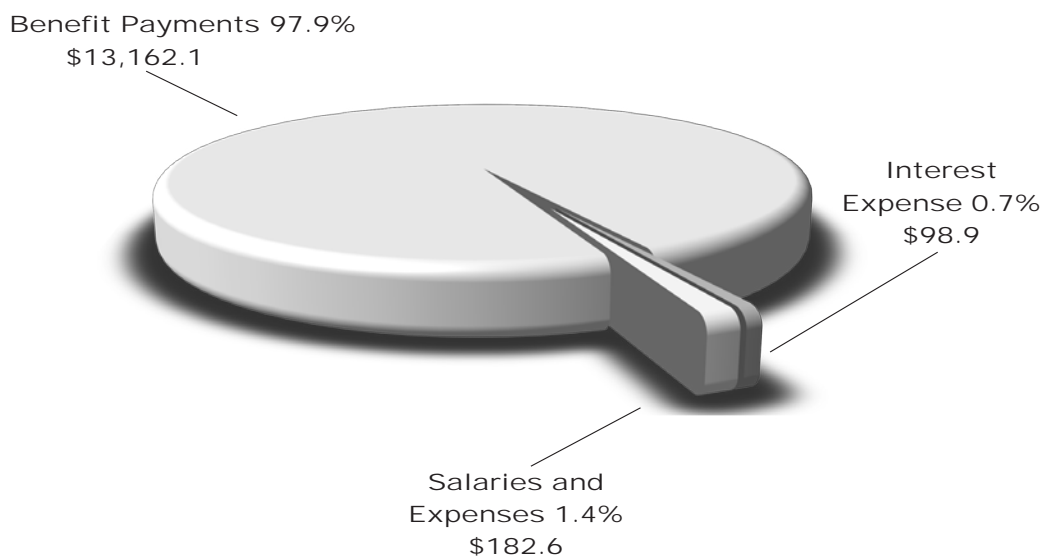
Financing Sources - Fiscal Year 2021 (In Millions)

GROSS TOTAL: \$17,574.4



Costs - Fiscal Year 2021 (In Millions)

TOTAL: \$13,443.6¹



¹Excludes -\$6.0 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 \$33.0 million in fiscal year 2020 to \$37.8 million in fiscal year 2021. Interest revenue was also earned from financial interchange advances.

Federal Income Tax Transfers

Legislation enacted in 1983 subjecting social security and railroad retirement benefits to Federal income taxes also provided for a transfer of the tax revenues to the social security and railroad retirement systems for the payment of benefits. Most of the revenue from income taxes on social security equivalent railroad retirement benefits 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 benefits 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 2021 amounted to \$722 million during the year. Original transfers for fiscal year 2020 totaled \$687 million. Net income tax transfers after adjustments were \$781 million for fiscal year 2021, including a \$41 million adjustment for calendar year 2015 and an \$18 million adjustment for calendar year 2016. Net transfers in fiscal year 2020 totaled \$687 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 2012 through 2021, including reconciliation adjustments through 2016.

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 2021 and 2020 were \$13.0 million and \$16.0 million, respectively. These amounts include Federal income tax transfers for 2021 and 2020. The amount appropriated for fiscal year 2021 was 18.8 percent less than fiscal year 2020, 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 2020-2021, and also \$150,000 for fiscal years 2019-2020.

(text continued on page 13)

**Federal Income Tax Transfers by Recipient Account and
Benefit Component, Taxable Years 2012-2021 (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 benefits	Tier II and non-SSEB tier I benefits ¹	Vested dual benefits
	<u>SSEB Account²</u>	<u>RR Account</u>	<u>DBP Account³</u>
Original transfers during the year			
2012	\$194	\$318	\$4
2013	199	333	3
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
Reconciliation adjustments⁴			
2012 (2016)	17	60	-1
2013 (2018)	31	66	••
2014 (2018)	1	76	1
2015 (2021)	-5	46	••
2016 (2021)	-16	34	••

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)^{1,2}

For the Fiscal Year Ended September 30	2021	2020
Financing Sources:		
Payroll Taxes	\$5,269.0	\$5,068.1
Financial Interchange	4,174.2	4,854.6
Interest on Investments and Other Revenue	37.8	33.0
Federal Income Taxes	780.0	686.0
General Appropriations	682.3	19.9
Other	3,793.1	(450.2)
Transfers to the National Railroad Retirement Investment Trust	0.0	0.0
Transfers from the National Railroad Retirement Investment Trust	2,838.0	2,280.0
Total Financing Sources	17,574.4	12,491.4
Costs:		
Benefit Payments	13,162.1	13,110.5
Interest Expense	98.9	111.9
Salaries and Expenses ^{3,4}	182.6	171.4
Other	(6.0)	19.7
Total Costs	13,437.6	13,413.5
Financing Sources over Costs	4,136.8	(922.1)
Net Position - Beginning of Period	25,331.8	26,253.9
Net Position - End of Period⁵	\$29,468.6	\$25,331.8

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

² Loans from the Railroad Retirement Account to the Railroad Unemployment Insurance Account were processed in fiscal years 2020 and 2021.

³ Includes unemployment and sickness insurance salaries and expenses of approximately \$24.9 million and \$22.1 million in fiscal years 2021 and 2020, respectively.

⁴ Includes funding from all sources.

⁵ Totals may not sum due to rounding.

National Railroad Retirement Investment Trust (NRRIT) **Fiscal Year 2021 Summary**

Market value of assets managed
by NRRIT on September 30, 2021 \$28.5 billion

Rate of return of investment portfolio
managed by NRRIT for full year
ended September 30, 2021 27.85%

Source: *NRRIT*

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

Other Financing Sources

Other financing sources consisted of \$7.4 million to be provided by the Office of Personnel Management to pay future retirement benefits to RRB employees. These financing sources were offset by an increase in NRRIT net assets of \$3.7 billion, a gain on contingent liability of \$123.1 million, and a \$1.3 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 \$182.6 million and \$171.4 million shown on page 11 for salaries and expenses in fiscal years 2021 and 2020, respectively, about \$24.9 million for fiscal year 2021 and \$22.1 million for fiscal year 2020 were for the unemployment and sickness insurance program. About \$1.0 million in other costs for fiscal year 2021 and \$0.9 million for fiscal year 2020 were for the unemployment and sickness insurance program.

Excluding \$25.9 million from total costs of \$13.4 billion for fiscal year 2021 and \$23.0 million from total costs of \$13.4 billion for fiscal year 2020, total costs for the railroad retirement and survivor program for fiscal year 2021 increased \$21.1 million, or 0.2 percent.

Benefit Payments

In fiscal year 2021, railroad retirement benefit payments increased \$51.6 million, or almost 0.4 percent, to about \$13.2 billion on an accrual basis, including \$10.7 million in vested dual benefits.

Interest Expense

Interest expense of \$98.9 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 \$24.9 million for fiscal year 2021 and \$22.1 million for fiscal year 2020, salaries and expenses for the railroad retirement and survivor program were about \$157.7 million for fiscal year 2021 and about \$149.3 million for fiscal year 2020, an \$8.4 million or 5.6 percent increase. Adjusted by the \$24.9 million in salaries and expenses and \$1.0 million in other costs for the unemployment and sickness insurance program, fiscal year 2021 administrative expenses for the railroad retirement and survivor program were about 1.19 percent of total costs.

Other Costs

Other costs consisted primarily of post-retirement benefits (pensions, health and life insurance) for RRB employees of \$6.4 million for the railroad retirement and survivor program and \$1.0 million for the unemployment and sickness insurance program. In addition, carrier refunds of \$37.6 million were incurred. These costs were offset by approximately \$15.2 million in reimbursements from the Centers for Medicare & Medicaid Services for Part B Medicare costs and various other revenues of approximately \$50,000.

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 2021, the net asset value of Trust-managed assets increased from \$24.8 billion on October 1, 2020, to \$28.5 billion on September 30, 2021. This includes \$2.8 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 27.85 percent.

Total railroad retirement system assets (Trust-managed assets and reserves held in Treasury accounts) grew from \$20.7 billion in 2002 to \$30.2 billion as of the end of fiscal year 2021, after net transfers for benefit payments of approximately \$29.8 billion over the same timeframe.

Trust operations are described in detail in the NRRIT Annual Management Report for fiscal year 2021 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 benefits paid, including vested dual benefits and supplemental employee annuities, totaled \$13.2 billion in fiscal year 2021, \$35 million more than in fiscal year 2020. Benefits were paid to about 518,700 beneficiaries in fiscal year 2021, and approximately 488,000 beneficiaries were being paid at the end of the year.

The table shown here presents retirement and survivor benefit payments for fiscal years 2021 and 2020, 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 2019, tier I benefits increased by 1.6 percent due to a cost-of-living adjustment, while tier II benefits increased by 0.5 percent. Increases of 1.3 percent for tier I and 0.4 percent for tier II were effective December 2020.

These cost-of-living increases provided additional benefit payments of approximately \$118 million in fiscal year 2021 compared to fiscal year 2020.

Monthly retirement and survivor benefits being paid numbered about 607,000 at the end of the 2021 fiscal year, about 16,000 less than at the end of the prior year. Monthly beneficiaries on the rolls declined by approximately 11,200 over the year, from 499,200 to 488,000. The number of monthly benefits paid is always greater than the number of beneficiaries on the rolls, since many annuitants receive more than one type of benefit. Although the second benefit 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 2021 numbered 249,800, about 5,800 less than at the end of the previous fiscal year. The number of age annuities being paid, including 48,600 disability annuities converted to age, decreased from 235,600 to 231,200 over the year, while disability annuities decreased from 20,000 to 18,600. Supplemental annuities being paid to employees declined by approximately 4,600, numbering 109,800 at the end of the year. The number of divorced spouse annuities being paid declined by about 200, to 5,000. Spouse and divorced spouse annuities together decreased by approximately 3,000, totaling 144,400 at year-end. About 100,500 monthly survivor benefits were being paid at the end of

Type of benefit	Amount (in millions)		Percent change
	Fiscal year 2021 ¹	Fiscal year 2020 ²	
Retirement benefits			
Employee annuities			
Age ³	\$8,250.7	\$8,180.3	+0.9
Disability	751.2	807.0	-6.9
Supplemental ⁴	55.9	57.9	-3.6
Spouse and divorced spouse annuities	1,943.3	1,930.2	+0.7
Total	11,001.0	10,975.4	+0.2
Survivor benefits			
Annuities	2,138.2	2,129.6	+0.4
Lump-sum benefits	1.8	1.8	+3.0
Total	2,140.0	2,131.4	+0.4
Partition payments⁵	9.3	8.5	+8.6
Grand total	\$13,150.2	\$13,115.3	+0.3
¹ Data is from the Monthly Treasury Statement and the Bureau of Fiscal Operations.			
² Data is from the Bureau of Fiscal Operations.			
³ A disability annuity ends when the retiree attains full retirement age, at which time the annuity converts to an age and service annuity. FY 2021 and FY 2020 include \$1,553.1 million and \$1,522.9 million, respectively, in payments to annuitants full retirement age and over originally awarded a disability annuity.			
⁴ Excludes partition payments to spouses and divorced spouses where the employee is deceased.			
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.			
Note. --Detail may not add to total due to rounding.			

fiscal year 2021, a decrease of 2,700 from the previous year. Approximately 2,400 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 2021, an increase of nearly 200 from the prior year.

Retirement

Regular employee annuities

Awards of regular employee annuities numbered 8,000 in fiscal year 2021, about 900 less than in fiscal year 2020. 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 full benefits with no reduction for early retirement). This ranges from age 65 for those born before 1938 to age 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 retirement is 1/180

Employee annuities awarded in fiscal year 2021	Number	Percent	Average		
			Monthly amount	Years of service	Age at retirement
Age					
Beginning at full retirement age or over	1,800	22	\$2,797	20.9	67.8
Unreduced, beginning at age 60 to under full retirement age	2,400	30	4,407	35.8	61.3
Reduced, beginning at age 62 to under full retirement age	2,100	26	2,249	16.7	63.5
Disability	1,800	22	3,128	19.7	54.6
Total	8,000	100	\$3,200	23.9	61.9

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

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,

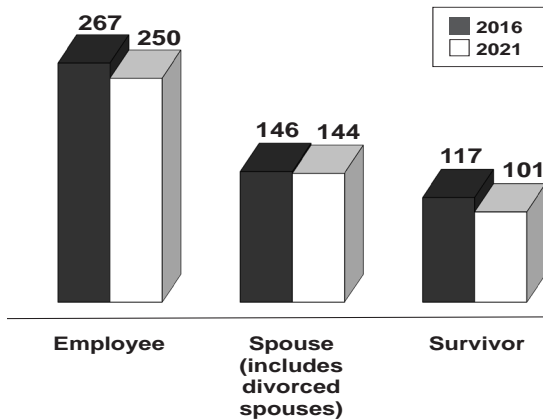
if at least 5 years were after 1995, may qualify for tier I only before retirement age on the basis of total disability if they also meet certain social security earnings requirements. An employee is considered totally disabled if medical evidence shows that a permanent physical or mental condition exists 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.

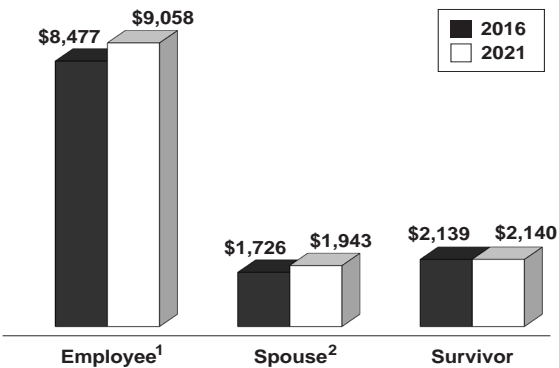
Of the year’s 1,800 disability awards, 700 averaging \$2,454 per month were for total disability and 1,100 averaging \$3,541 were for occupational disability. Many employees who are disabled for all employment but are otherwise qualified for an occupational disability annuity are initially awarded occupational disability annuities in order to expedite payment.

An estimated one-third 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, 2016, and 2021 (thousands)



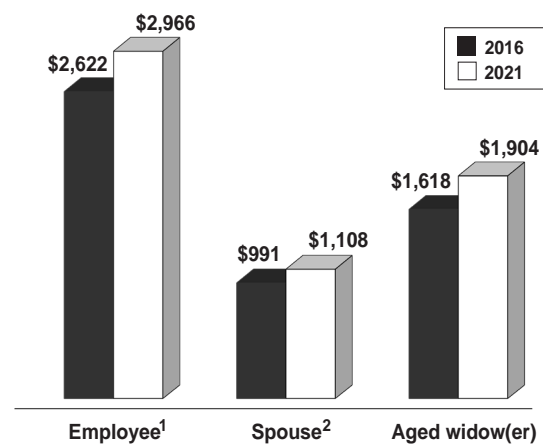
Amount of benefits paid, fiscal years 2016 and 2021 (millions)



¹Includes \$61.6 million in fiscal year 2016 and \$55.9 million in fiscal year 2021 for supplemental annuities.

²Includes divorced spouses.

Average monthly amount, September 30, 2016, and 2021



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 2021, nearly 5,600, or 70 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 \$3,630 per month, compared to \$2,221 for the 2,400 awards based on deferred retirement. Immediate retirees averaged 27 years of railroad service, almost twice the average of 16 years for deferred retirees. Of the year’s awards, 55 percent of normal age retirements were immediate. While 91 percent of all 60/30 retirements were immediate, only 46 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 249,800 retired employees on the rolls as of September 30, 2021, were being paid regular monthly annuities averaging \$2,966. The table shown here presents data by type of annuity for these benefits.

Of the 18,600 disability annuities being paid, 7,800 were for total disability and 10,800 for occupational disability. The two types of disability annuities averaged \$2,254 and \$3,414, respectively.

In fiscal year 2021, payments of about \$236 million were for total disability annuities and \$515 million for occupational disability annuities.

About 178,000 employees on the rolls at the end of fiscal year 2021 were immediate retirees and their regular annuities averaged \$3,406 per month. Annuities

of the 71,800 deferred retirees averaged \$1,875. Although their average railroad retirement annuity was much lower, a greater proportion of the deferred annuitants also received social security benefits – 26 percent compared to 6 percent for the immediate retirees.

Employee annuities in current-payment status on September 30, 2021	Number	Percent	Average monthly amount	Percent immediate retirements
Age				
Beginning at full retirement age or over	23,700	9	\$2,457	51
Unreduced, beginning at age 60 to under full retirement age	104,500	42	3,852	92
Reduced, beginning at age 60 to under full retirement age	54,500	22	1,759	28
Disability converted to age annuity ¹	48,600	19	2,678	82
Disability	18,600	7	2,926	81
Total	249,800	100	\$2,966	71
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 varies depending on an individual's year of birth, and is age 67 for those born in 1960 and later.				
Note. --Detail may not add to total due to rounding.				

Moreover, the average social 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 \$2,202, while combined benefits to immediate retirees averaged \$3,244. 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 2021 averaged \$2,264 per month. Tier I amounts of nearly 7,400 employees were completely offset by social security benefits. Tier I amounts being paid averaged \$2,089.

The employee tier II component is based solely on railroad earnings. Tier II amounts being paid at the end of fiscal year 2021 averaged \$959. 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. Nearly 5,500 retirees were receiving vested dual benefits averaging \$156 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 1,700 supplemental annuities were awarded in fiscal year 2021, about 700 less than in fiscal year 2020. Over 1,300 of the awards (77 percent) began concurrently with the employee's regular annuity, while the remaining 400 were to employees already receiving a regular annuity. Supplemental annuity awards averaged nearly \$40 per month after court-ordered partitions; 74 percent were at the current maximum rate of \$43.

Dual benefit status	Total	Type of retirement	
		Immediate	Deferred
Receiving social security benefit			
Number	29,100	10,700	18,400
Average monthly amount:			
Railroad retirement (regular)	\$1,118	\$1,959	\$ 630
Social security	1,467	1,285	1,573
Combined benefit	<u>2,585</u>	<u>3,244</u>	<u>2,202</u>
Not receiving social security benefit			
Number	220,700	167,400	53,300
Average monthly amount	\$3,210	\$3,498	\$2,306
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, 400 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 \$42 and were being paid to over 109,800, or 44 percent, of the retired employees on the rolls at the end of the 2021 fiscal year.

Spouse and divorced spouse annuities

Annuity awards to spouses and divorced spouses of retired employees numbered 7,600 in fiscal year 2021, 1,200 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 2,100 reduced spouse annuities awarded in fiscal year 2021, fewer than 10 averaging \$867 per month were to spouses of 30-year employees, and over 2,100 averaging \$660 were to spouses of employees with less than 30 years of service.

At the end of fiscal year 2021, about 139,300 spouse annuities averaging \$1,122 per month were being paid. Approximately 5,000 divorced spouse annuities averaging \$719 per month were also being paid. These included nearly 70, averaging \$749, where the employee was not yet entitled to an annuity. Families with an employee and spouse on the rolls were paid combined railroad retirement benefits averaging \$4,345. This included \$3,223 in regular and supplemental employee annuities and \$1,122 in spouse annuities.

Almost 59,000, or 41 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 \$1,806 per month, including \$445 in railroad retirement benefits and \$1,361 in social security benefits. Railroad retirement annuities to the 82,400 spouses not receiving social security benefits averaged \$1,588, while railroad retirement annuities to the 3,000 divorced spouses not receiving social security benefits averaged \$959.

Monthly spouse benefits	Awarded in fiscal year 2021		In current-payment status on September 30, 2021	
	Number	Average amount	Number	Average amount
Beginning at full retirement age or over	1,600	\$651	18,500	\$649
With minor or disabled child in care	200	1,363	1,300	1,477
Unreduced, beginning at age 60 to under full retirement age	3,200	1,633	78,800	1,536
Reduced rate	2,100	660	40,800	526
Total	<u>7,000</u>	1,116	<u>139,300</u>	1,122
Divorced spouse annuities	500	757	5,000	719
Grand total	7,600	\$1,090	144,400	\$1,108

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 benefit.

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 139,300 spouses on the rolls at the end of fiscal year 2021, 89,800 were being paid tier I amounts averaging \$1,004 per month. The tier I amounts of 49,600 spouses were completely offset by other benefits also due. Spouse tier II amounts averaged \$512. The 5,000 divorced spouses on the rolls at the end of fiscal year 2021 were being paid tier I amounts averaging \$728 per month, 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 \$0.2 million was paid in separation/severance lump-sum benefits during fiscal year 2021.

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 2021 fiscal year, the RRB paid approximately 100 dual retirement tax refunds averaging \$92. Most of the payments were to employees retiring during the year. Fewer than 50 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 7,300 during fiscal year 2021, about 900 more than the previous year. Over 100,500 survivor annuities were being paid at the end of the fiscal year, including 400 temporarily paid at spouse or divorced spouse annuity rates pending recomputation to widow(er)s' rates. Approximately 77,200, 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 benefits or if the parent has remarried.

Survivor tier II amounts are calculated as a percentage of an employee tier II benefit. 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 benefit, 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 benefit equal to 100 percent of the tier II amount of the deceased employee. 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 benefits 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 benefits 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 400 annuities temporarily paid at spouse or divorced spouse rates, aged widow(er)s' annuities being paid at the end of the 2021 fiscal year included 39,000 which were reduced for age. Aged widow(er)s' tier I amounts being paid averaged \$1,497 per month. In about 6,400 cases, the tier I amount was wholly offset by reductions for

other benefits. Approximately 26,100 aged widow(er)s were also receiving social security benefits, and these averaged \$1,237. Tier II amounts averaged \$533. Less than 20 vested dual benefits, averaging \$76, 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 2021, tier I amounts being paid to disabled widow(er)s on the rolls averaged \$1,217. (In about 100 cases, the tier I amount was wholly offset by reductions.) Social security benefits being paid to nearly 1,300 disabled widow(er)s averaged \$1,045. Tier II amounts averaged \$303, while the less than 10 vested dual benefits being paid averaged \$95.

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 or 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 2021 averaged \$1,495 for widowed mothers and fathers and \$1,141 for children. Fewer than 50 mothers/fathers

Monthly survivor benefits	Awarded in fiscal year 2021		In current-payment status on September 30, 2021	
	Number	Average amount	Number	Average amount
Aged widow(er)s	5,800	\$2,429	77,200	\$1,904
Disabled widow(er)s ¹	100	1,874	3,000	1,472
Widowed mothers (fathers)	100	2,090	600	2,049
Remarried widow(er)s	100	1,418	2,400	1,223
Divorced widow(er)s	800	1,393	9,800	1,237
Children:				
Under age 18	300	1,611	1,700	1,558
Student	*	1,721	*	1,643
Disabled	100	1,479	5,700	1,136
Parents	*	1,103	*	1,039
Total	7,300	..	100,500	..

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.

and nearly 1,800 children received social security benefits averaging \$1,240 and \$696, respectively. Tier II amounts paid mothers/fathers and children averaged, respectively, \$596 and \$125.

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 2,000 lump-sum death benefits averaging \$915 were awarded during fiscal year 2021. Approximately 300 benefits were to widow(er)s, while nearly 1,700 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 2021 fiscal year, and they averaged \$5,235.

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 2021, there were about 2,400 spouses and divorced spouses receiving payments averaging \$324 where the employee was deceased or not otherwise entitled to an annuity. While all but 2 received a partitioned tier II benefit, only 3 percent received a partitioned vested dual benefit and 39 percent received a partitioned supplemental benefit.

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 nearly 21,700 beneficiaries for Medicare during fiscal year 2021. As of the end of the fiscal year, about 459,300 persons were enrolled in the Part A plan, and approximately 441,600 (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 \$920 million in the 2021 fiscal year.

The regular monthly premium for Part B during fiscal year 2021 was \$144.60 for coverage through December 2020, and \$148.50 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 2021, approximately 20,100 Part B premiums and about 16,600 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 2021, about 423,400 annuitants were having their premiums withheld. Of the remaining Part B enrollees, almost 3,200 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 2021, about 9,800 Part C premiums and approximately 64,800 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 2021 exceeded financing sources by \$241.6 million, and the net position decreased by \$241.6 million from \$552.2 million at the end of fiscal year 2020 to \$310.6 million at the end of fiscal year 2021. For fiscal year 2021, as compared to fiscal year 2020, total financing sources for the railroad unemployment and sickness insurance program decreased by \$535.5 million (94.8 percent) to \$29.3 million.

(text continued on page 28)

Unemployment and Sickness Insurance Program

Consolidated Financing Sources, Costs and Net Position (Millions)^{1,2}

For the Fiscal Year Ended September 30	2021	2020
Financing Sources:		
Employer Payroll Taxes	\$112.1	\$82.7
Interest Income	0.1	2.1
General Appropriations ^{3,4}	(82.9)	480.0
Other	0.0	0.0
Total Financing Sources	29.3	564.8
Costs:		
Benefit Payments:		
Unemployment ⁵	189.7	287.0
Sickness	94.8	80.6
Other	(13.6)	(14.1)
Total Costs	270.9	353.5
Financing Sources over Costs	(241.6)	211.3
Net Position - Beginning of Period	552.2	340.9
Net Position - End of Period ⁶	\$310.6	\$552.2

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

² Loans to the Railroad Unemployment Insurance Account from the Railroad Retirement Account were processed in fiscal years 2020 and 2021.

³ Total financing sources include a \$2.0 million appropriation for CARES Act activity.

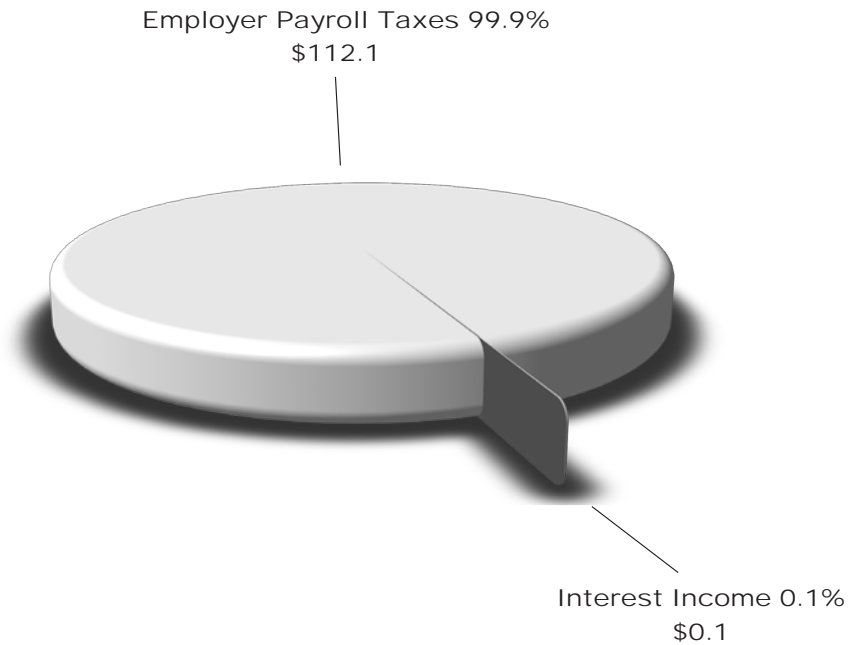
⁴ Includes unexpended appropriations from CARES Act activity of \$84.9 million.

⁵ Unemployment benefit payments include about \$112.7 million and \$154.8 million for CARES Act activity in fiscal years 2021 and 2020, respectively.

⁶ Totals may not sum due to rounding.

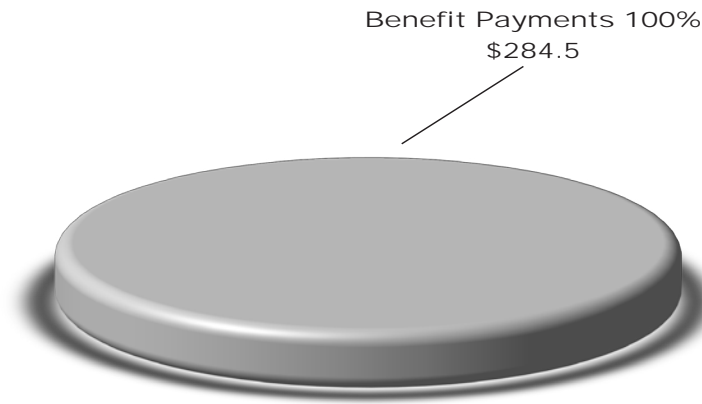
**UNEMPLOYMENT AND SICKNESS
INSURANCE PROGRAM**

Financing Sources - Fiscal Year 2021 (In Millions)
GROSS TOTAL \$112.2¹



¹Excludes -\$82.9 million as shown under General Appropriations on page 26.

Costs - Fiscal Year 2021 (In Millions)
TOTAL \$284.5¹



¹Excludes -\$13.6 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 2021, the taxable earnings base was the first \$1,710 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 2021, the basic tax rates on railroad employers, including covered commuter railroads, ranged from a minimum of 3.15 percent to a maximum of 12.0 percent. There was also a surcharge of 2.5 percent in 2021. Most employers were assessed the minimum rate in 2021. New employers in 2021 paid an initial rate of 3.15 percent.

Employer Payroll Taxes

Payroll taxes by employers totaled \$112.1 million during fiscal year 2021. This was an increase of 35.6 percent or \$29.4 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 2.1 percent in fiscal year 2021, of which the RRB earned \$0.1 million as its pro rata share.

Costs

Total costs for the railroad unemployment and sickness insurance program decreased by \$82.6 million (23.4 percent) to \$270.9 million.

Benefit Payments

During fiscal year 2021, unemployment insurance benefit payments decreased by \$97.3 million (33.9 percent) to \$189.7 million. Sickness insurance benefit payments increased by \$14.2 million (17.6 percent) to \$94.8 million.

BENEFIT OPERATIONS

Net unemployment and sickness benefits totaling about \$351.3 million were paid in the 2020-2021 benefit year, \$119.0 million more than in the prior year. Coronavirus relief legislation accounted for \$151.4 million of the \$272.9 million in unemployment benefits. In accordance with the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, amounts reflect a reduction of 5.9 percent for days of unemployment and sickness after September 30, 2019, and 5.7 percent for days after September 30, 2020. Coronavirus relief legislation temporarily suspended sequestration from January 3, 2021, until 30 days after the Presidential emergency declaration ends. Beneficiaries numbered 48,900, compared to the prior year's total of 37,100. Nearly 3,200 employees received both unemployment and sickness benefits during the 2020-2021 benefit year. The number of unemployment benefit claimants increased by 15 percent, and sickness benefit claimants increased by 66 percent. Total net unemployment benefit payments increased 58 percent, while net sickness benefits increased by 32 percent. The number of employees qualified for benefits under the Railroad Unemployment Insurance Act decreased 3 percent to 228,400.

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 2020-2021, there were 13,900 and 23,500 unemployment and sickness benefit waiting period claims, respectively.

Unemployment

Approximately 26,500 railroad workers were paid \$272.9 million in net unemployment benefits during the 2020-2021 benefit year. The number of benefit claimants increased by almost 3,500 from the prior year total of 23,100, and the benefit amount increased \$99.8 million from the prior year's total of \$173.1 million. The average number of compensable days per unemployment benefit claimant was 84 in benefit year 2020-2021, 22 more than the previous benefit year, due to special extended unemployment benefits and waiting period waiver benefits authorized by coronavirus relief legislation

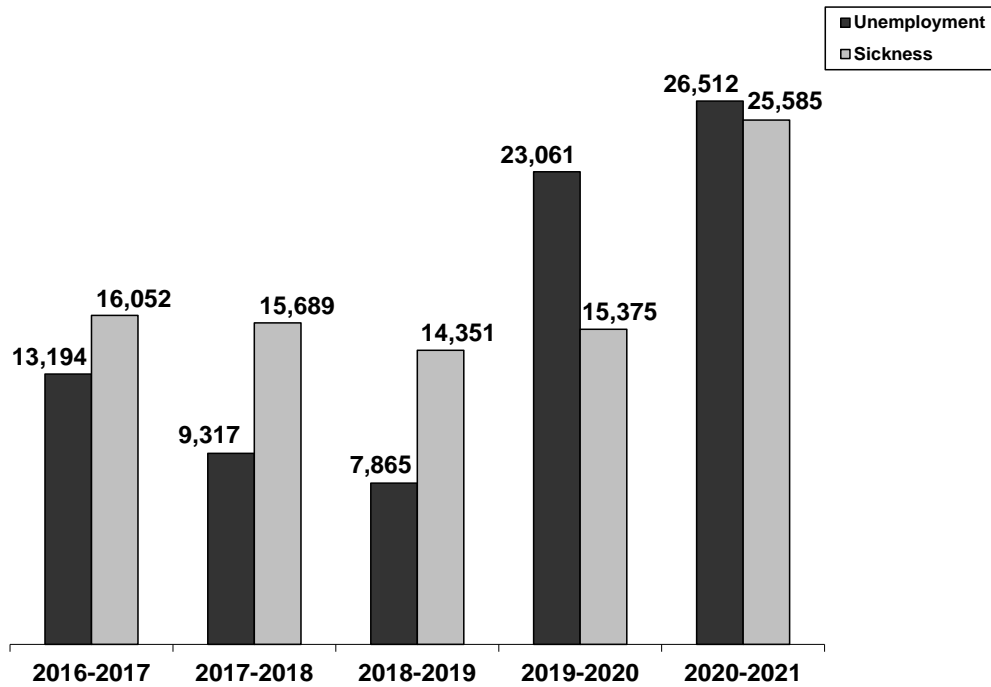
The mid-month unemployment count in the 2020-2021 benefit year started at a high, with a July count of 12,900 claimants. The count declined until increasing to 10,300 in December 2020. After that, unemployment dropped monthly before hitting a benefit year low of 4,800 in June 2021. For the 2020-2021 benefit year, the weekly number of claimants averaged 8,400 compared to 6,300 in the previous benefit year. While no mid-month count was as high as May or June 2020, the effects of the coronavirus pandemic were present from the start of the benefit year, rather than just the last quarter of benefit year 2019-2020. 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, increased 18 percent to 11.6 per 100 qualified, from the previous year's 9.9 per 100 qualified. The median age for all unemployment benefit claimants was 40 years, compared to 39 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.

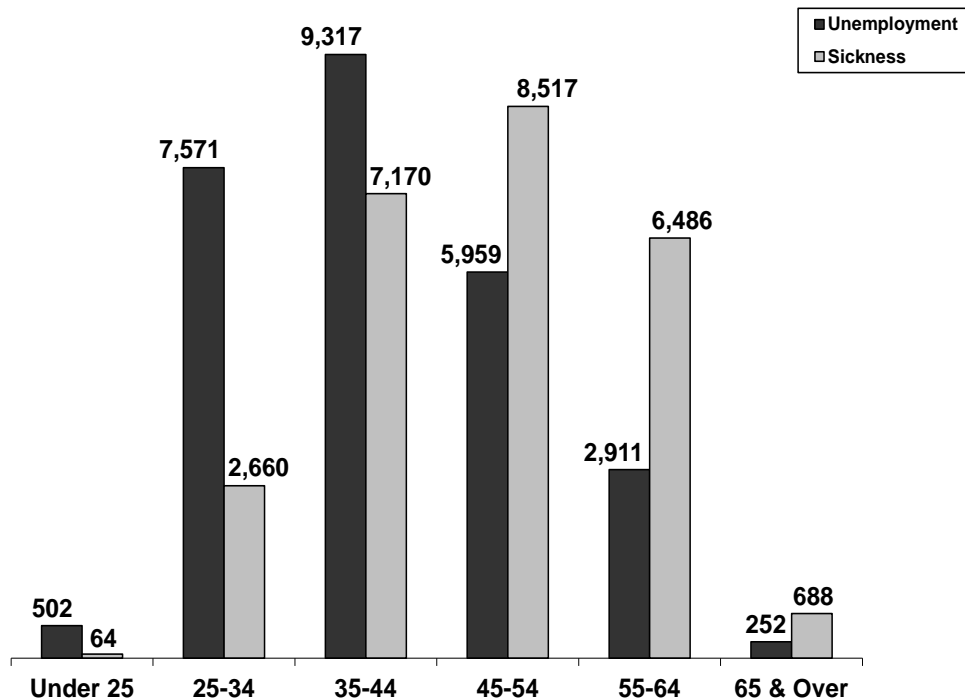
**Major unemployment and sickness benefit operations,
benefit years 2020-2021 and 2019-2020**

Item	Benefit year 2020-2021			Benefit year 2019-2020		
	Total	Unemploy- ment ¹	Sickness ¹	Total	Unemploy- ment ¹	Sickness
Applications	60,000	26,000	34,100	63,700	43,900	19,800
Claims	390,600	241,400	149,200	298,500	171,300	127,200
Claimants	² 48,900	26,500	25,600	² 37,100	23,100	15,400
Gross amount of benefits ³	\$368,458,100	\$273,066,400	\$95,391,700	\$262,436,200	\$182,468,300	\$79,967,900
Number of payments						
Normal	351,300	201,900	149,300	238,500	143,300	95,200
Extended	64,900	49,900	15,000	32,000	18,800	13,200
Enhanced	127,900	127,900	••	64,400	64,400	••
Total	544,000	379,700	164,300	334,900	226,500	108,400
Average amount per 2-week registration period ³						
Normal	\$609	\$638	\$569	\$691	\$649	\$754
Extended	720	729	691	634	644	618
Enhanced	840	840	••	1,200	1,200	••
Total	677	719	580	784	806	738
<p>¹ Beginning in May 2020, includes special extended unemployment benefits, enhanced unemployment benefits, and waived waiting period requirements for both unemployment and sickness beneficiaries that were paid under the CARES Act, CARWA, and the ARP Act. In benefit year 2020-2021, special extended unemployment benefits were \$29.4 million, enhanced unemployment benefits were \$107.9 million, waived waiting period unemployment benefits were \$5.6 million, and waived waiting period sickness benefits were \$5.4 million. In benefit year 2019-2020, special extended unemployment benefits were \$7.7 million and enhanced unemployment benefits were \$77.4 million.</p> <p>² Benefits for both unemployment and sickness were paid to approximately 1,400 employees in benefit year 2019-2020 and 3,200 employees in benefit year 2020-2021. 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 6.2% under sequestration 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 30 days after the Presidential emergency declaration concerning the pandemic terminates.</p>						
Note. --Detail may not add to totals due to rounding.						

**Claimants under the Railroad Unemployment Insurance Act,
Benefit Years 2016-2017 through 2020-2021**



**Unemployment and Sickness Benefit Claimants by Age,
Benefit Year 2020-2021**



Sickness

The number of sickness benefit claimants during the 2020-2021 benefit year was 25,600, about 10,200 more than the previous year. This corresponds with an increase in sickness claims related to coronavirus illnesses. Gross sickness benefits of \$95.4 million were paid, including \$5.4 million under coronavirus relief legislation, \$15.4 million more than in the prior benefit year. Net sickness benefits totaled \$78.4 million, reflecting repayment of a large amount 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 increased by approximately \$19.2 million in comparison with the previous year.

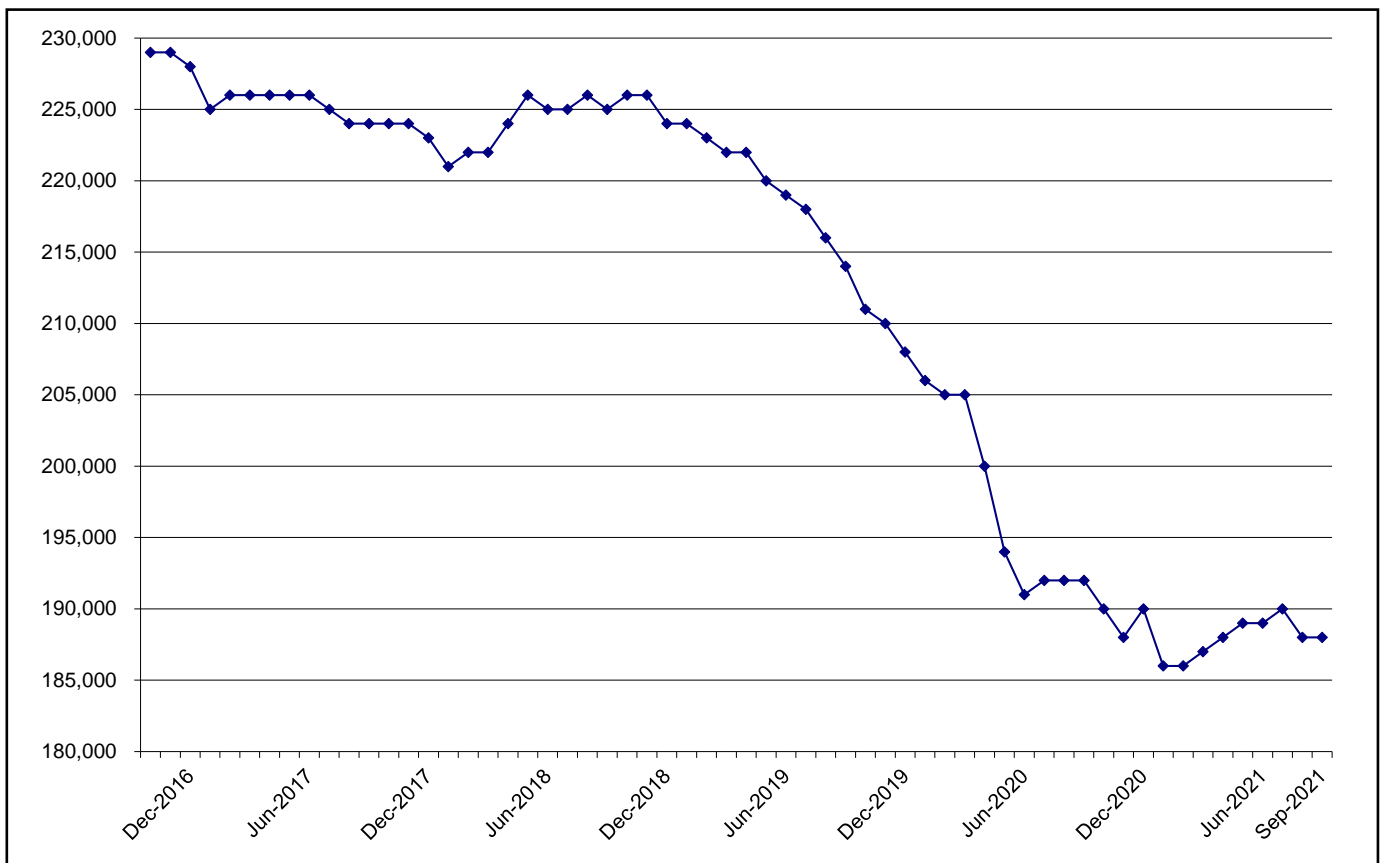
The utilization rate for sickness benefits was 11.2 percent of qualified employees, the highest since the 1984-1985 benefit year, and 71 percent higher than the previous benefit year's rate of 6.6 percent. The average duration of sickness was 53 days in benefit year 2020-2021, down from 70 in the previous benefit year. The increase in beneficiaries can be largely attributed to coronavirus-related illnesses that primarily resulted in shorter sickness periods.

Among the most common causes of sickness were infectious and parasitic diseases (affecting 38 percent of beneficiaries), injuries that included fractures or wounds (17 percent), diseases of the musculoskeletal system and connective tissue (12 percent), symptoms and ill-defined conditions (8 percent), and mental disorders, including drug and alcohol addictions (7 percent). The coronavirus cases were largely grouped into the infectious and parasitic diseases category. The median age of all sickness benefit claimants was 48 years, compared with 49 years the previous benefit year.

RAILROAD EMPLOYMENT

The preliminary average monthly railroad employment in fiscal year 2021 decreased 6 percent to 188,000 from the 201,000 average of the previous fiscal year. From October 2016 through January 2018, there was a sustained decline in employment. Then, from February through November of 2018, there was a moderate recovery. The decline resumed in December 2018 until March 2020. In April 2020, when the coronavirus pandemic began to affect the railroad industry, the decline in employment accelerated. Employment hit a low of 186,000 in January 2021, before climbing slightly to reach a steadier state of 188,000 by the end of fiscal year 2021.

**Average Railroad Employment
Fiscal Years 2017 through 2021**



Note.--Numbers for 2021 are preliminary.

ADMINISTRATIVE DEVELOPMENTS

The following describes major activities and issues addressed in 2020 and 2021 as part of the RRB's efforts to improve operations and customer service.

Coronavirus Pandemic

As the United States continued to deal with the coronavirus pandemic, the RRB made significant system modifications and expended substantial effort to implement three pieces of legislation designed to ease the resulting economic strain.

Relief Legislation

The *Coronavirus Aid, Relief, and Economic Security (CARES) Act*, enacted March 27, 2020, included three provisions that impacted the payment of benefits under the Railroad Unemployment Insurance Act (RUIA), each having a separate Treasury appropriation for the payment of those benefits. In addition, all CARES Act benefits were exempt from sequestration. The key provisions were as follows.

- Special extended unemployment benefits for rail workers with jobless claims during the period from July 1, 2019, to June 30, 2020, funded by using the approximate \$142 million remaining from the Worker, Homeownership, and Business Assistance Act of 2009. Benefits had to begin by December 31, 2020.
- Enhanced benefits of \$1,200 per 2-week registration period, for registration periods that began on or after April 1, 2020, through July 31, 2020. The enhanced benefits were paid from a \$425 million appropriation provided by the CARES Act and were payable until the end of a person's entitlement or until the appropriation ran out, whichever came first.
- Waiver of waiting periods for unemployment and sickness benefits for registration periods that started on or after March 28, 2020, and ended on or before December 31, 2020. The waiting period waiver benefits were paid from an appropriation of \$50 million provided by the CARES Act and were payable until the end of a person's entitlement or until the appropriation ran out, whichever came first.

The *Continued Assistance to Rail Workers Act (CARWA)*, enacted December 27, 2020, amended the CARES Act. Under CARWA, unemployment and sickness benefits are exempt from sequestration from January 3, 2021, until 30 days after the Presidential

declaration of a national emergency due to the coronavirus pandemic terminates. Its key provisions included the following.

- Provided an extension to the special unemployment extended benefits through April 5, 2021, for anyone who received regular unemployment benefits in the benefit year beginning July 1, 2020.
- Enhanced benefits of \$600 per registration period were revived for registration periods beginning on or after December 27, 2020, through registration periods beginning on or before March 14, 2021.
- Waiting period waiver extended to March 14, 2021.

The *American Rescue Plan Act (ARPA)*, enacted March 11, 2021, amended the CARWA extensions to the CARES Act as follows.

- Provided an extension to the special unemployment extended benefits through September 6, 2021, for anyone who received regular unemployment benefits in the benefit years beginning July 1, 2020, or July 1, 2021.
- Enhanced benefits of \$600 per registration period were extended through registration periods beginning on or before September 6, 2021.
- Waiting period waiver extended through registration periods that ended on or before September 6, 2021.

Agency Operations

As a result of the pandemic, RRB offices continued to be closed to the public for in-person service, with agency employees working on a maximum-telework basis. A limited number of employees came into the office to process mail and other written communications, as needed, and to take necessary processing actions resulting from such correspondence. Field offices continued to provide service to agency customers through use of the RRB's national toll-free number, and customers were also encouraged to use automated options available through the toll-free number, as well as online services on the agency website, **RRB.gov**.

The RRB also retained enhanced screening procedures for the limited number of employees and contractors entering the headquarters building, including temperature checks, and developed a tracking system to collect information on employees' vaccination status. The RRB also had ongoing planning for a safe return to work by its employees, based on relevant Federal guidance, and directed agency employees to start returning to the office for in-person work March 28, 2022.

Performance Management

Customer Service Plan

The RRB's Customer Service Plan promotes the principles and objectives of customer-driven quality service agencywide. An important part of the plan is to keep customers informed of how well the RRB is meeting timeliness standards. The RRB publicizes the Customer Service Plan and performance results and posts them 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.

The agency has developed 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. In addition, this composite indicator, based on a weighted average, allows for a more concise and meaningful presentation of its customer service efforts in these four areas. During fiscal year 2021, the overall benefit timeliness index was 99.2 percent. This means that the RRB provided benefit services within the timeframes promised in the Customer Service Plan 99.2 percent of the time. The timeliness index for retirement applications, survivor applications, and disability applications and payments, the processing of which includes considerable manual intervention, was 90.6 percent. The timeliness index for railroad unemployment and sickness benefit applications and claims, a highly automated process, was 99.8 percent. Overall, benefit timeliness for fiscal year 2021 improved slightly from the overall level of 99.0 in fiscal year 2020. The RRB also met or exceeded five out of ten of its customer service performance goals for the year in its Annual Performance Plan.

Payment Integrity

The RRB's estimated improper payment rate for the Railroad Retirement Act (RRA) and RUIA programs has consistently fallen below the statutory thresholds for "significant improper payments." For this reason, in fiscal year 2018 the RRB requested reporting relief for these two programs based on the guidance in Office of Management and Budget (OMB) Circular A-123, Appendix C, Part II.A.3. OMB approved this request in July 2018, resulting in the omission of the RRB's improper payment analysis for these two programs in the agency's Performance and Accountability Reports (P&AR) for fiscal years 2018, 2019, and 2020.

During fiscal year 2020, the RRB did conduct and publish risk assessments for the RRA and RUIA programs in the "Payment Integrity" section of the fiscal year 2020 P&AR. These risk assessments concluded that both programs remain below the statutory thresholds of "significant improper payments" as defined by law. Therefore, both programs

are now operating 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 next RRA risk assessment will be conducted in fiscal year 2023. The RRB conducted a risk assessment for the RUIA program during fiscal year 2021 due to program changes implemented as a result of the passage of the Coronavirus Aid, Relief, and Economic Security Act of 2020. This risk assessment concluded that the program continues to remain below the statutory thresholds. However, the agency will conduct another RUIA risk assessment during fiscal year 2022 due to enactment of two subsequent coronavirus relief bills, the Continued Assistance to Railway Workers Act of 2020 and the American Rescue Plan Act of 2021.

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, with the information incorporated into the website **PaymentAccuracy.gov**, where it is available to the public.

Service Enhancements

Login.gov

The RRB continued integration and promotion of the General Services Administration (GSA) identity-proofing platform, **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 office. Through the end of December 2021, the RRB had over 72,000 accounts with **Login.gov**. Additional agencies began using and promoting accounts with Login.gov this year, most notably the Social Security Administration (SSA). As more agencies partner with **Login.gov**, the RRB anticipates savings through economies of scale, along with a better customer experience due to use of a single username and password for interactions with multiple agencies.

Cost-of-Living Adjustment

In December 2021, tier I benefits increased by 5.9 percent while tier II benefits rose by 1.9 percent, due to a cost-of-living adjustment (COLA). The increases were effective with the January 2022 payments, with income tax withholding calculated using updated tax tables. The increase was paid to 497,890 annuitants, and was also included in the RRB-paid social security benefits to 126,121 beneficiaries. The total amount of the COLA

was more than \$43.9 million in railroad retirement annuities and almost \$10.1 million in social security benefits. Also, the standard Medicare Part B premium for 2022 increased from \$148.50 per month to \$170.10, with increased premiums for some high-income beneficiaries. A major driver for the premium increase was increased healthcare spending related to the coronavirus pandemic.

Imaging

The RRB continues to make significant use of its Auto Import software. Auto Import was purchased pre-pandemic, then widely adopted during the extended period of work at home caused by the coronavirus pandemic. This allowed the RRB to process benefits faster by importing electronic documents to the imaging system while employees were away from the office. Imaging analysts worked with various units to embed the software into existing workflows to fulfill the agency's mission of paying benefits in an accurate, timely manner. Some units use Auto Import along with a barcoded coversheet that serves to create an electronic routing transaction associated with the document. While tens of thousands of documents have been submitted to the imaging platform using the Auto Import process, agency analysts continue to refine the software configuration and coversheets to enhance workflow wherever possible. As a result, process improvements attributable to Auto Import will continue long after the pandemic.

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 has served as the Inspector General for the RRB since 1994.

In fiscal year 2021, the Board made several appointments to senior executive and management positions, in most cases due to the retirement of the incumbent. In January 2021, the Board named Daniel Fadden as the agency's Director of Administration. At the time of his appointment, he had been the RRB's Director of Field Service since February 2013. In his new position, he also continued to serve as the agency's Senior Executive Officer, chairing the RRB's Executive Committee and coordinating development and implementation of agency policy. Also in January 2021, the Board named Nancy Bitzer as Director of Human Resources. Before her new appointment, she had served as the agency's Chief of Human Services/Labor Relations since September 2013.

In February 2021, the Board named Keith Sartain as the agency's Chief Actuary. Before joining the RRB, he was a partner and consulting actuary for Aon, a global professional services firm, where he served as the company's national expert on railroad retirement benefits. Mr. Sartain had also served as a member of the RRB's Actuarial

Advisory Committee since September 2011. The Board named Mark Blythe as Director of Field Service in May 2021. He worked at SSA for more than 20 years, and at the time of his appointment, he was an Area Director in the Denver Region, overseeing about 425 employees at 25 SSA facilities in Colorado and Wyoming. In August 2021, the Board named Arturo Cardenas as its Director of Programs. He had more than 30 years of service at SSA, and at the time of his appointment, he was Deputy Commissioner for SSA's Office of Quality Review, responsible for 1,000 employees at SSA's headquarters in Woodlawn, Maryland, as well as 10 regional sites and four satellite offices.

Human Capital Management

Nearly 40 percent of RRB employees have 20 or more years of service, while 30 percent of the current workforce will be eligible for retirement by fiscal year 2023. 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 workforce planning, knowledge management, training, development, recruitment, and succession planning. For example, this past year the RRB collaborated with the Office of Personnel Management (OPM) to conduct succession planning activities to include succession risk analysis and provide succession planning best practices in the Federal environment. The RRB utilized this collaboration to create its Human Capital Plan (HCP). In alignment with the RRB Strategic Plan and agency mission, the HCP is a robust synopsis of individual bureaus' hiring, training and succession plans.

The RRB's Bureau of Human Resources (BHR) continues to update dated policies and programs pertaining to agency employees. In this past year, BHR drafted both telework and incentive awards policies. In addition, BHR utilizes technology to automate Federal services and benefits offered to RRB employees. In 2021, BHR worked with the U.S. Department of Labor to implement that agency's automated workers' compensation claims system. BHR also worked with the Defense Counterintelligence and Security Agency to update and further automate the RRB's personnel security system and processes.

Staffing

The RRB continues to evaluate, automate, and update its recruitment and selection strategies and processes. In 2021, the agency automated its internal hiring process to make it more efficient for staffing specialists and managers, as well as easier for employees to apply for internal positions. BHR also partnered with OPM to develop online assessment tools for entry-level claims examiners and claims representative positions, and continued to use the Pathways Recent Graduate Program, which is geared to attracting individuals who have completed a degree or certificate within the previous two years – six years if fulfilling a military obligation – to a career in Federal service.

In 2021, BHR also partnered with one of the RRB's key divisions to cast a wider net in terms of recruitment opportunities, moving beyond posting vacant positions solely on OPM's **USAJobs.gov** website. These expanded recruitment efforts included announcing Pathways positions for recent graduates, and even posting hard-to-fill positions on the LinkedIn platform. One of BHR's most notable accomplishments in 2021 was filling 132 vacancies in the agency in a 6-month period. This effort involved reviewing more than 2,400 applications for claims assistant, claims representative, and claims examiner positions, all of which are mission-critical positions, utilizing a limited number of BHR employees.

The agency started a 9-month training class for 15 RUIA claims examiners in August 2021. RUIA examiners are responsible for adjudicating both unemployment and sickness applications, claims and correspondence from railroad employees, as well as resolving computer-generated referrals that may impact entitlement to RUIA benefits. Once this class is complete, the RRB will create a new debt management unit to establish recoverables and process cash receipts related to RUIA benefits. The agency is also planning to begin a training class for Medicare claims examiners in fiscal year 2022, although the number of trainees is yet to be determined. Medicare examiners are responsible for enrolling individuals into the Medicare program, processing payments and addressing entitlement questions and issues.

The RRB's Office of Programs (OP) also had seven trainees complete post-adjudication training for retirement and survivor benefits. The training started in February 2021 and ended in December 2021. Post examiners are responsible for the maintenance of railroad and social security payments after initial eligibility is established, processing adjustments, releasing overpayment letters and performing authorization review of work processed by other examiners of the same or a lower pay grade. These positions are critical to processing the agency's ongoing, mission-critical work.

Using the Pathways program, OP hired seven new GS-7/9/11/12 user analyst trainees in August 2020. One new hire left the program during the training period, and another left subsequent to its completion. The five remaining trainees received their initial promotion to the GS-9 level, and are currently being mentored and receiving on-the-job training until they reach the GS-12 target level.

During fiscal year 2021, OP also promoted three initial disability benefit examiners to GS-12 post examiners. All three successfully began their training and orientation to the post workload, which includes making initial disability freeze and early Medicare determinations under the Social Security Act, completing continuing disability reviews related to medical improvement and earnings, and authorizing initial disability determinations.

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. Of course, due to the coronavirus pandemic, this is largely done by recognizing the demand for and necessity of a remote training environment. In 2021, the training and development section developed and coordinated new employee orientation and onboarding programs in a virtual environment, and hosted virtual workshops throughout the year for employees interested in creating individual development plans.

The training staff also worked collaboratively with other agency offices and bureaus to produce and publish training videos and materials for railroad workers and their families. This included creating the virtual platform and hosting the 2021 National Rail Employer Training Seminar. This training conference is for railroad officials responsible for reporting service and compensation to the RRB, along with other interactions with the agency, takes place every 3 years, and was conducted virtually for the first time. Lastly, the training and development unit partnered with the agency's Bureau of Information Services to implement agencywide information security training plan strategies.

The agency continues to capitalize on its learning management system (LMS), also known as *RRB University*, as the cornerstone of its training and development activities. This cloud-based platform allows the RRB to accurately track, capture, publish, and deliver virtual training opportunities to employees throughout the agency. *RRB University* is effectively utilized to deliver mandatory Federal training on an agencywide basis, technical training for bureaus/offices – particularly for employees in OP and the Bureau of Field Service – and soft-skill training via a comprehensive learning catalog. In 2021, RRB employees and contractors completed 1,956 individual learning objects (e.g., online courses, instructor-led training, form requirements, course curricula) managed through the LMS, for a total of 25,384 individual learning-object completions. Due to the coronavirus pandemic, agency employees did not participate in any external, in-person training during the year.

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 2021 survey once again featured reduced core survey items and a section on potential challenges/changes employees faced due to the coronavirus pandemic. Of the 781 employees invited to participate, 273 completed the survey, for a response rate of nearly 35 percent. Twenty-seven survey items were identified

as strengths (65 percent positive or higher), while no survey items were identified as a challenge (35 percent negative or higher). The agency's engagement index score, which OPM developed to measure employees' overall sense of purpose and attachment relative to an organization's mission, exceeded OPM's goal for 2021 (72 percent), and also met or exceeded the governmentwide benchmarks in all areas.

As for coronavirus-specific content, results indicated that employees felt the agency supported their well-being and work needs during the pandemic. Nearly 90 percent of RRB employees indicated that senior leaders were committed to employee health and safety, and almost 85 percent felt that their supervisor supported their efforts to stay healthy and safe while working. The results of the survey provide an important opportunity to assess the agency's current state and inform future emergency policies and actions.

Information Technology

System Modernization

The RRB made significant progress as it turns its focus from the stabilization phase to the modernization phase of improving its information technology (IT) capabilities. The agency continues to look for opportunities to accelerate the modernization of systems and assets that directly support the mobility of the RRB workforce. The agency completed several significant IT modernization efforts that establish a cloud presence for mission applications and systems, including:

- Migration of the RRB data center mainframe and disaster recovery site to IBM operations on the IBM zCloud for Government. The transition provides RRB optimization of mainframe operations and enables both IT and application modernization.
- The migration of the RRB data center email services to the Microsoft M365 cloud solution.
- The upgrade of the RRB data center SharePoint document storage and collaboration platform to Microsoft SharePoint Online.
- The implementation of Microsoft Teams for workspace messaging and video conferencing.

In addition, on-premises production web/database servers were migrated to the Microsoft Azure cloud, with 88 of the RRB's applications now residing there in full production capacity. Working together, Bureau of Information Services (BIS) and OP staff assisted in the migration of applications by testing and verifying their functionality in the cloud environment.

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 2021, the BIS 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 strengthened the cybersecurity of the RRB and improved information security monitoring by implementing a continuous diagnostics and mitigation (CDM) tool, as recommended by the Department of Homeland Security (DHS) and the Cybersecurity Infrastructure Security Agency (CISA). The software-as-a-service CDM tool assesses hardware, software, security management configurations, and software vulnerabilities. The service will continuously scan the RRB network and devices for security risks and send the data to CISA for the RRB's dashboard that aggregates and displays agency information. The dashboard helps the agency to be more effective in resolving security incidents and threats. RRB data also feeds into the DHS Federal dashboard for use in calculating an agencywide adaptive risk enumeration (AWARE) score. This process, and the AWARE score, provides agencies a view of cyber risks in order to assess the size and scope of vulnerabilities, prioritize actions, and address the most significant problems first.

Information Resources Management

In fiscal year 2021, the RRB coordinated and secured computer-matching agreements with 39 states. The agency also secured OMB approval of 25 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

Policies and Procedures

The agency's Equal Employment Opportunity (EEO) complaint program has policies and procedures in place to address all forms of discrimination, including harassment, and the discrimination and anti-harassment complaint processes have the elements of impartiality, timeliness and credibility.

Both the agency's website and its intranet include information to ensure that the public and agency employees have access to information regarding the complaint programs. Training is provided to ensure that employees know their rights and responsibilities under various Federal laws and Executive Orders. In fiscal year 2021, the Office of Equal Opportunity (OEO) facilitated training for all agency managers on the Notification and Federal Employee Antidiscrimination and Retaliation (No FEAR) Act, as well as training on prohibited personnel practices and whistleblower complaints offered by the U.S. Office of Special Counsel under its supervisory training certification program. This mandatory training offered supervisors and managers information on how to respond to alleged complaints, including allegations that pertain to a violation of whistleblower protection. In addition, agency policies on prohibited personnel practices and whistleblower protections, along with other related policies, are posted at RRB headquarters and in each field office. All agency employees also have access to all EEO policies and complaint procedures through the RRB's internal intranet.

In accordance with President Biden's Executive Order 13988, signed January 20, 2021, "Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation," OEO developed a plan and reviewed all existing orders, regulations, guidance, policies and programs to ensure compliance with Section 1 of the Executive Order. This resulted in several revisions that included such items as the agency's EEO handbook, sexual harassment policy, and alternative dispute resolution program.

Diversity Program

With the continuance of the coronavirus pandemic, the OEO continued to sponsor online events throughout the year to foster an inclusive work environment. These included cultural enrichment videos to commemorate special emphasis programs such as Black History Month, Hispanic Heritage Month, and Women's History Month, along with others. Once the pandemic is over, OEO plans to resume all diversity events that also include highlighting Asian Pacific Heritage Month, Native American Heritage Month, and National Disability in Employment Month. The OEO's three committees – the Workplace Diversity Committee, the Federal Women's Program Committee, and the Employees with Disabilities Advisory Council – organizes these events/programs.

Recruitment

The RRB is committed to maintaining a diverse workforce. In fiscal year 2021, the OEO continuously cooperated with the Bureau of Human Resources to create a diverse pool of external job applicants by identifying sources for the recruitment of individuals with disabilities, various underrepresented groups, and disabled veterans.

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. The Management Member's Office also hosted the 11th annual National Rail Employer Training Seminar in August 2021, which was conducted virtually due to the coronavirus pandemic. It was attended by 153 reporting personnel from across the country, and featured guest speakers from SSA, the Internal Revenue Service (IRS), and the RRB's Office of Inspector General. Topics included RRB and IRS audits, basic reporting and specific IRS reporting issues, employer coverage, the railroad unemployment insurance program's experience rating system, online availability of service and reporting forms, cyber security, retirement and survivor annuities, and effects of recent court decisions.

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 issued by the OIG and other documents referenced here can be found at [RRB.gov/OurAgency/InspectorGeneral/Library](https://www.RRB.gov/OurAgency/InspectorGeneral/Library).

Office of Audit

During fiscal year 2021, the Office of Audit published 11 reports, including mandated audits such as the annual information security audit, the annual Payment Integrity Information Act of 2019, the annual financial statement audit, the annual management and performance challenges, and the annual risk assessment of the RRB's purchase/travel card program.

The OIG also issued audits pertaining to the following: the RRB's disability briefing document process; the Bureau of Fiscal Operations' functionality; the RRB's information technology initiatives; the RRB's designated change process; and the RRB's purchase card program. The OIG also issued an interim review of the RRB's benefit payments under the CARES Act. This review addressed concerns about the RRB's lack of unemployment insurance fraud referrals and the lack of an automated debt recovery system for CARES Act benefit payments.

In total, the Office of Audit issued 78 recommendations to agency management and identified almost \$1.2 million in questioned costs.

Pursuant to the Reports Consolidation Act of 2000 and the requirements of OMB Circular A-136, the OIG issued a document that identified the most serious management challenges facing the RRB and its progress in addressing them. The OIG identified the following challenges: disability program integrity; information technology security and complete systems modernization; management of railroad Medicare; payment accuracy and transparency; financial management and reporting; and compliance concerns with various guidance.

Office of Investigations

The Office of Investigations 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, the office 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 2021, the office secured 16 indictments and/or informations, 25 criminal convictions, 15 civil judgments, and more than \$64 million in financial accomplishments. This reflects fraud amounts related to programs administered exclusively by the RRB and fraud amounts from other Federal programs, such as

Medicare, which were included in the disposition resulting from the investigation. Judicial sentences associated with joint casework are not necessarily delineated by agency.

As of September 30, 2021, the Office of Investigations' caseload totaled 293 matters, which represents almost \$348 million in potential fraud losses. This reflects potential fraud amounts related to programs administered exclusively by the RRB and potential fraud amounts from other Federal programs, such as Medicare, which have been identified during the office's joint investigative work. Potential fraud amounts associated with joint casework may not necessarily be delineated by agency.

LEGAL RULINGS

During fiscal year 2021, one case involving the RRB was filed in Federal court and the agency issued 228 decisions on claimant appeals of previous agency determinations.

Court Cases

One new petition for review was filed during the fiscal year, in the U.S. Court of Appeals for the Fifth Circuit, and remained pending at the end of the fiscal year. The case that was filed in the U.S. District Court for the Southern District of Georgia in fiscal year 2019, and remained pending in fiscal year 2020, was dismissed in fiscal year 2021. That individual then appealed to the U.S. Court of Appeals for the Eleventh Circuit, which dismissed the appeal during fiscal year 2021. Finally, in the case that was filed in the U.S. Supreme Court in fiscal year 2019, and remained pending in fiscal year 2020, the Supreme Court ruled in fiscal year 2021 that the Board's decision was subject to judicial review and remanded the case to the U.S. Court of Appeals for the Fifth Circuit for further proceedings. On remand, the Fifth Circuit affirmed the Board's underlying decision and dismissed the appeal.

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 three-member Board within a prescribed period of time.

RRA

During fiscal year 2021, 167 appeals were filed with the Bureau of Hearings and Appeals under the RRA, and the Bureau rendered decisions in 170 appeals. The Bureau rendered decisions favorable in whole or in part to the claimant in 83 appeals. The Bureau issued denials in 66 cases, affirming the previous decision, and dismissed 20 cases.

Thirty appeals were filed with the Board in fiscal year 2021, and the Board issued 37 decisions. In 21 cases the previous ruling of the hearings officer was affirmed, in 9 cases the decision was fully favorable to the appellant, and in 2 cases the decision was partially favorable. The Board remanded three cases to the Bureau of Hearings and Appeals, and two appeals were dismissed. At the end of the year, 141 appeals were pending before the Board.

RUIA

During fiscal year 2021, 13 appeals were filed with the Bureau of Hearings and Appeals under the RUIA, and the Bureau rendered decisions in 18 appeals. The Bureau issued decisions favorable in whole or in part to the claimant in five appeals. The Bureau issued denials in nine cases, affirming the previous decision, and dismissed four cases.

Three appeals were filed with the Board in fiscal year 2021, and the Board rendered decisions in three appeals, affirming the decision of the hearings officer. The decision in one case was fully favorable to the appellant, in one case it was partially favorable, and one appeal was dismissed. At the end of the year, 15 appeals were 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, 2012-2021, cash basis

Fiscal year	Total ¹	Retirement ²	Survivor ²	Unemployment ³	Sickness ³
BENEFICIARIES (in thousands)					
2012.....	595	429	150	10	17
2013.....	592	429	146	11	16
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.....	⁴ 558	412	113	17	25
BENEFIT PAYMENTS (in millions)					
2012.....	\$11,446.3	\$9,155.4	\$2,171.7	⁵ \$46.2	\$73.0
2013.....	11,748.1	9,456.5	2,175.5	⁵ 51.5	64.6
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

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 benefits 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 9.2% under sequestration for days of unemployment and sickness after February 28, 2013, 7.2% for days 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, 2021, CARWA temporarily suspended sequestration until 30 days after the Presidential declaration of a national emergency due to the coronavirus pandemic terminations.

⁴ In fiscal year 2021, 7,700 individuals received both retirement and survivor benefits, 1,900 employees received both unemployment and sickness benefits, and 1,400 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 CARES Act, CARWA, and ARPA, with no benefits payable under these acts for registration periods beginning after September 6, 2021. In fiscal years 2020 and 2021, gross unemployment benefits for these temporary payments were \$151.2 million and \$105.2 million, respectively. Gross sickness benefits were \$1.7 million and \$4.8 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, 2012-2021 (In millions), cash basis

Item	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
RAILROAD RETIREMENT ACCOUNT										
Receipts										
Tax transfers ¹	\$2,659.8	\$3,140.2	\$3,392.2	\$3,760.8	\$3,586.7	\$3,562.9	\$3,822.9	\$3,730.4	\$3,120.0	\$3,373.6
Interest and profit on investments ²	11.4	9.0	14.0	17.2	16.8	16.4	15.8	11.0	(18.6)	9.2
Transfers from the National RR Investment Trust ³	2,026.0	1,581.0	1,429.0	1,191.0	1,410.0	1,821.0	1,809.0	1,794.0	2,280.0	2,838.0
Transfers from the SSEB Account ⁵	19.0	171.0	93.0	129.0	.....	(296.0)	91.0	191.0	(83.0)	103.0
Loan repayments from RUI Account ⁴.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	17.5
Loan repayments from DBP Account ⁴.....	.....	.....	4.5	.....	.....	.....	.....	.....	.....	.....
Expenditures										
Benefit payments ⁵	\$4,775.0	\$4,906.2	\$5,044.0	\$5,106.8	\$5,229.0	\$5,321.4	\$5,446.1	\$5,548.2	\$5,591.5	\$5,607.2
Financial Interchange adjustment ⁶	(141.9)	(166.6)	(164.0)	(162.3)	(146.5)	.....	.....	.....	.....	.....
Net transfers to administration.....	69.6	70.2	69.3	72.1	72.3	76.7	85.7	84.1	88.4	91.0
Loans to RUI Account.....	.....	.....	.....	.....	.....	.....	.....	.....	22.0	98.0
Loans to DBP Account ⁷.....	.....	.....	4.5	.....	.....	.....	.....	.....	.....	.....
SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT⁸										
Receipts										
Tax transfers ¹	\$2,878.5	\$2,954.1	\$3,163.1	\$3,389.3	\$3,097.5	\$3,113.8	\$3,267.3	\$3,129.8	\$2,594.0	\$3,226.5
Interest and profit on investments ²	20.1	22.4	21.9	24.3	18.6	14.9	24.4	23.4	(9.4)	19.6
Transfers under financial interchange ⁹	4,651.0	4,499.0	4,700.8	4,676.6	4,662.7	4,522.5	4,942.4	4,946.4	4,987.7	4,899.6
Advances against financial interchange ¹⁰	3,738.6	3,943.0	3,886.1	3,849.9	3,926.1	4,095.4	4,109.1	4,306.4	4,793.0	5,040.6
Expenditures										
Benefit payments.....	\$6,506.7	\$6,686.9	\$6,815.2	\$7,035.4	\$7,090.4	\$7,124.5	\$7,226.7	\$7,403.8	\$7,509.8	\$7,531.7
Financial Interchange adjustment ⁶	141.9	166.6	164.0	162.3	146.5	.....	.....	.....	.....	.....
Net transfers to administration.....	31.4	30.1	32.3	32.9	30.0	30.5	29.8	33.4	29.4	26.5
Transfers under financial interchange ⁹	510.9	576.6	611.6	594.7	656.8	637.4	596.5	570.3	606.4	568.2
Repayment of advances against financial interchange ⁴	3,946.3	3,863.1	4,041.9	3,982.7	3,940.1	4,054.5	4,194.3	4,202.4	4,458.2	4,951.6
Transfers to the National RR Investment Trust/RR Account ³	19.0	171.0	93.0	129.0	.....	(296.0)	91.0	191.0	(83.0)	103.0

See footnotes at end of table.

Table 2.--Status of the Railroad Retirement Act accounts and trust funds, by fiscal year, 2012-2021 (In millions), cash basis - Continued

Item	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST ¹¹										
Cash and investment balance at end of period ¹²	\$23,586.2	\$24,963.7	\$26,039.9	\$24,483.9	\$25,007.7	\$26,389.6	\$26,468.7	\$25,332.4	\$24,468.6	\$28,289.6
DUAL BENEFITS PAYMENTS ACCOUNT ¹³										
Loans from Railroad Retirement Account ⁷			\$4.5							
Benefit payments.....	\$48.6	\$42.6	37.2	\$31.9	\$27.5	\$23.6	\$20.2	\$17.1	\$14.0	\$11.3
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 years 2011-2012, 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 years 2011-2012 occurred in June 2015. In fiscal year 2012, SSEB Account includes a one-time general revenue transfer under the Hiring Incentives to Restore Employment Act of 2010. In fiscal year 2021, SSEB Account includes a one-time general revenue transfer under the CARES Act and other coronavirus relief 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. 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 and 2020, 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.

⁷ 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, 2017-2021 (in thousands), cash basis

Item	Fiscal year				
	2017	2018	2019	2020	2021
RECEIPTS					
Taxes.....	\$100,030	\$108,255	\$105,243	\$52,931	\$88,385
Interest.....	1,945	2,480	2,058	2,284	1,020
Transfer from Administration fund under sec. 11(d) of the RUI Act.....	12,357	11,208	9,674	9,401	11,403
Undistributed recoveries of benefit payments ¹	(2,866)	(439)	(42)	1,013	1,275
Loans from the RR Account.....	0	0	0	22,000	98,000
Total.....	\$111,466	\$121,504	\$116,933	\$87,629	\$200,083
EXPENDITURES					
Benefit payments ²	\$105,614	\$92,750	\$87,768	\$188,186	\$163,789
Funding for Office of Inspector General.....	1,260	1,522	1,421	1,363	1,461
Total.....	\$106,875	\$94,272	\$89,189	\$189,549	\$182,751
Cash balance end of period.....	\$73,610	\$100,843	\$128,587	\$26,667	\$44,001
LOANS DUE RAILROAD RETIREMENT ACCOUNT					
Loans.....	--	--	--	\$22,000	\$120,000,000
Interest Accrued.....	--	--	--	--	267,875
Repayment from RUI Account.....	--	--	--	--	(14,868,790)
Due RR Account end of period.....	--	--	--	\$22,000	\$105,399,085

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 6.9% under sequestration for days of unemployment and sickness 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. Beginning January 3, 2021, CARWA temporarily suspended sequestration until 30 days after the Presidential declaration of a national emergency due to the coronavirus pandemic terminates.

Table 4.--Status of the RUIA Administration Fund, by fiscal year, 2012-2021 (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
2012.....	\$25,463	\$14,608	\$11,219	\$11,419
2013.....	26,202	14,591	10,706	12,324
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

¹ Expenditures for each year included encumbrances as of end of year. Fiscal years 2012-2021 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, 2012-2021

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												
2012	668,957	189,909	37,370	45,066	121,614	139,741	106,268	4,081	739	9,687	3,824	9,660
2013	664,055	189,569	39,506	41,745	121,530	140,894	102,186	3,965	703	9,463	3,666	9,710
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
AVERAGE AMOUNT												
2012	.....	\$2,363	\$2,098	\$2,526	\$42	\$882	\$1,426	\$1,181	\$1,700	\$980	\$956	\$938
2013	.....	2,451	2,180	2,574	42	915	1,476	1,217	1,757	1,006	986	974
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

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, 2021, there were 11 parents' annuities in current-payment status averaging \$1,039 and 2,437 partition payments averaging \$324.

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, 2012-2021

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											
2012.....	38,649	10,054	2,858	6,778	11,479	5,828	181	115	454	164	734
2013.....	38,094	10,211	2,324	6,502	11,444	5,995	164	111	456	146	739
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
Cumulative 1937-2021	5,383,125	1,562,114	535,518	539,358	1,269,174	1,078,276	19,491	85,986	241,195	16,623	31,830
AVERAGE AMOUNT											
2012.....	.....	\$2,888	\$2,585	\$41	\$981	\$1,859	\$1,515	\$1,647	\$1,220	\$1,130	\$1,049
2013.....	.....	2,921	2,565	41	1,003	1,911	1,503	1,916	1,332	1,161	1,104
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

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 2021 total includes 2 annuities awarded 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, 2021, 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.....	10,900	\$19,361	9,000	\$15,784	2,000	\$3,571
Alaska.....	200	305	200	244	(4)	61
Arizona.....	11,600	20,775	9,600	17,264	1,900	3,487
Arkansas.....	11,700	20,397	9,800	17,131	1,900	3,245
California.....	28,500	48,398	23,400	40,035	5,000	8,334
Colorado.....	10,300	18,831	8,900	16,393	1,400	2,424
Connecticut.....	2,900	6,322	2,400	5,377	500	943
Delaware.....	3,000	5,840	2,700	5,195	400	644
Washington DC.....	400	645	300	581	100	63
Florida.....	34,600	62,002	29,200	52,849	5,300	9,113
Georgia.....	20,100	36,263	16,900	30,442	3,200	5,808
Hawaii.....	200	319	200	269	(4)	50
Idaho.....	5,500	9,796	4,700	8,332	800	1,452
Illinois.....	36,400	64,012	30,300	53,431	5,900	10,526
Indiana.....	17,600	31,159	14,500	25,677	3,000	5,455
Iowa.....	10,700	18,906	9,000	15,906	1,600	2,974
Kansas.....	15,800	28,770	13,300	24,299	2,400	4,455
Kentucky.....	16,000	27,252	13,000	22,061	2,900	5,176
Louisiana.....	8,500	14,948	7,000	12,365	1,500	2,574
Maine.....	2,600	4,108	2,100	3,341	500	766
Maryland.....	9,800	17,318	8,200	14,807	1,500	2,503
Massachusetts.....	4,400	8,030	3,800	6,959	600	1,069
Michigan.....	14,400	24,823	11,800	20,259	2,500	4,534
Minnesota.....	15,300	26,563	12,700	22,302	2,500	4,241
Mississippi.....	6,400	10,887	5,200	8,799	1,200	2,083
Missouri.....	22,300	39,036	18,800	33,006	3,400	5,993
Montana.....	7,300	13,183	6,200	11,286	1,000	1,888
Nebraska.....	18,800	36,850	16,600	32,648	2,100	4,172
Nevada.....	3,700	6,453	3,100	5,444	600	1,002
New Hampshire.....	1,000	1,872	900	1,574	200	296
New Jersey.....	9,800	19,990	8,200	17,083	1,700	2,905
New Mexico.....	4,700	8,236	3,800	6,806	800	1,421
New York.....	22,700	44,430	18,800	37,817	3,900	6,597
North Carolina.....	11,600	19,585	9,400	16,105	2,200	3,470
North Dakota.....	3,800	7,020	3,200	5,893	600	1,122

See footnotes at end of table.

Table 7.--Retirement and survivor benefits in current-payment status on September 30, 2021, 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.....	25,300	\$42,891	20,200	\$34,057	5,000	\$8,806
Oklahoma.....	5,700	9,854	4,600	7,989	1,000	1,855
Oregon.....	8,600	14,819	7,100	12,223	1,400	2,577
Pennsylvania.....	33,700	60,213	27,600	49,663	6,100	10,527
Rhode Island.....	700	1,323	600	1,148	100	173
South Carolina.....	8,400	14,940	6,900	12,510	1,400	2,423
South Dakota.....	2,300	4,048	2,000	3,556	300	489
Tennessee.....	14,200	25,020	11,800	20,785	2,400	4,217
Texas.....	41,100	76,291	34,100	64,034	6,700	12,161
Utah.....	5,700	10,584	4,800	8,873	900	1,701
Vermont.....	700	1,164	600	950	100	213
Virginia.....	17,800	31,920	14,600	26,557	3,200	5,348
Washington.....	12,200	21,577	10,100	17,824	2,000	3,736
West Virginia.....	8,700	15,315	7,000	12,369	1,700	2,935
Wisconsin.....	11,000	18,768	9,200	15,686	1,700	3,066
Wyoming.....	4,800	9,379	4,200	8,305	500	1,065
Outside United States:						
Canada.....	1,800	1,139	1,300	631	500	509
Mexico.....	100	157	(4)	50	100	107
Other.....	500	711	300	482	200	229
Total⁵.....	607,000	\$1,082,809	504,000	\$905,465	100,500	\$176,555

¹ Includes 2,437 partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity.
² Includes 109,800 supplemental annuities to employees receiving regular annuities. In a relatively small number of cases, employees were also receiving spouse or widow(er)'s benefits.
³ State of residence of beneficiary on September 30, 2021.
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 tempo rarely 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 2016-2017 through 2020-2021, cash basis

Item	2016-2017	2017-2018	2018-2019	2019-2020 ¹	2020-2021 ¹
Qualified employees.....	260,700	242,100	235,400	234,600	228,400
Maximum daily benefit rate.....	\$72	\$72	\$77	\$78	\$80
UNEMPLOYMENT BENEFITS²					
Gross amount of benefits paid (thousands) ³	\$59,888	\$42,588	\$37,994	\$182,468	\$273,066
Payments:					
Number.....	90,000	63,000	52,300	226,500	379,700
Average amount per two week claim period.....	\$594	\$601	\$644	⁴ \$648	⁴ \$656
Beneficiaries.....	13,200	9,300	7,900	23,100	26,500
Applications received.....	16,800	12,500	12,200	43,900	26,000
Claims received.....	108,100	75,500	63,000	171,300	241,400
Normal benefit accounts exhausted.....	3,100	2,100	1,700	3,400	5,900
SICKNESS BENEFITS²					
Gross amount of benefits paid (thousands) ³	\$77,075	\$77,346	\$73,492	\$79,968	\$95,392
Payments:					
Number.....	114,400	115,000	102,100	108,100	164,300
Average amount per two week claim period.....	\$597	\$597	\$638	\$650	⁵ \$580
Beneficiaries.....	16,100	15,700	14,400	15,400	25,600
Applications received.....	20,100	19,600	17,900	19,800	34,100
Claims received.....	133,800	133,700	119,600	127,200	149,200
Normal benefit accounts exhausted.....	3,400	3,500	3,000	3,300	3,800

¹ Starting in May 2020, includes unemployment and sickness waiting period waiver benefits, special extended unemployment benefits and enhanced unemployment benefits authorized by the CARES Act, CARWA, and ARPA. Gross benefits for these temporary payments were \$85,086,000 for 2019-2020 and \$148,292,000 for 2020-2021.

² 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, 2021, CARWA temporarily suspended sequestration until 30 days after the Presidential declaration of a national emergency due to the coronavirus pandemic terminates.

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.

⁵ Average sickness payment includes the waiting period waiver sickness benefit payments made under the CARES Act, CARWA, and ARPA.

Table 9.--All employees, new entrants, employees qualified for RUIA benefits, and related data, by employer, 2020

Type or name of employer	All employees		New entrants		Creditable Compensation (thousands)			RUIA
	Total	With 12 months of service in 2020	With sufficient service for RRA annuity	Qualified for RUIA benefits	Total	Tier I	Tier II	
TYPE OF EMPLOYER								
Class I line-haul railroads.....	137,854	103,017	120,009	132,708	1,290	\$11,020,623	\$10,451,002	\$2,414,022
Non-Class I line-haul railroads and switching & terminal companies.....	21,930	16,983	15,332	20,393	1,267	1,434,808	1,385,058	380,307
Commuter railroads ¹	47,685	38,955	37,175	46,749	1,115	4,048,002	3,747,571	885,353
Car-loan companies.....	2,234	1,584	1,515	2,185	37	148,786	142,490	38,713
Labor organizations.....	2,278	1,659	1,726	1,884	124	189,513	159,914	33,876
Miscellaneous employers ²	4,714	3,861	2,983	4,475	309	401,243	355,682	82,954
Total	216,695	166,059	178,740	208,394	4,142	\$17,242,976	\$16,241,717	\$3,835,225
SELECTED EMPLOYERS								
BNSF Railway Co.....	42,904	32,548	36,252	41,660	220	\$3,529,196	\$3,325,016	\$766,952
Canadian National, U.S. Operations								
Bessemer and Lake Erie Railroad Co.....	61	52	54	57	1	4,497	4,472	1,101
Chicago Central and Pacific Railroad Co.....	290	215	226	279	7	24,336	22,767	5,124
Grand Trunk Western Railroad Co.....	763	504	611	751	2	66,133	61,164	13,445
Illinois Central Railroad Co.....	3,900	2,929	3,121	3,799	42	330,498	310,363	69,573
Pittsburgh and Conneaut Dock Co.....	30	22	27	29	1	1,763	1,763	525
Wisconsin Central Transportation Corp.....	2,302	1,640	1,744	2,192	30	194,877	184,737	40,172
Canadian Pacific, Soo Line Corporation								
Dakota, Minnesota & Eastern Railroad Corp.....	679	505	528	663	10	50,802	49,597	11,771
Delaware and Hudson Railway Co. Inc.....	202	147	173	193	5	14,281	13,780	3,604
Soo Line Railroad Co.....	2,095	1,571	1,716	2,041	29	178,185	164,388	37,184
CSX Transportation Inc.....	19,868	15,204	18,484	19,176	337	1,631,733	1,545,492	332,717
Kansas City Southern Railway Co.....	2,831	2,268	2,261	2,767	32	234,053	218,832	51,013
Gateway Eastern Railway Co.....	.....	.....	.....	.....	.....	.....	.....	.....
Texas Mexican Railway Co.....	279	164	185	275	1	21,781	21,025	4,756
National Railroad Passenger Corp. (Amtrak).....	19,444	14,831	15,328	19,042	366	1,461,062	1,396,546	356,179
Norfolk Southern Corp.....	23,554	16,824	20,257	22,128	353	1,768,358	1,692,565	403,802
Union Pacific Railroad Co.....	38,096	28,424	34,370	36,698	220	2,970,128	2,835,042	672,282

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.



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