Bill Cassidy, M.D.

AMENDMENT NO.________ Calendar No.______

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—119th Cong., 2d Sess.

S. 4965

To amend the Railroad Retirement Act of 1974 to establish a Railroad Retirement Board Administrative Account, and for other purposes.

Referred to the Committee on ________________ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended to be proposed by Mr. CASSIDY

Viz:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Railroad Retirement Board Stability Act".

SEC. 2. RAILROAD RETIREMENT BOARD ADMINISTRATIVE ACCOUNT.

(a) IN GENERAL.—Section 15(h) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(h)) is amended to read as follows:

"(h) RAILROAD RETIREMENT BOARD ADMINISTRATIVE ACCOUNT.—

"(1) IN GENERAL.—There is created within the Treasury an account known as the Railroad Retirement Board Administrative Account (in this subsection, referred to as the 'Account'). All amounts within the Account are permanently and continuously available to the Board for purposes of administering this Act and the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.).

"(2) TRANSFERS AND LIMITATIONS.—

"(A) TRANSFER AUTHORITY.—Subject to subparagraph (B), the Board may transfer from the Railroad Retirement Account, the Social Security Equivalent Benefits Account, and the Railroad Unemployment Insurance Administration Fund amounts the Board determines to be necessary for the purposes described in paragraph (1).

"(B) LIMITATIONS ON AMOUNTS.—

"(i) FISCAL YEARS 2027 THROUGH 2031.—For fiscal years 2027 through 2031, the Board shall not transfer funds in a fiscal year to the Account in an amount that is greater than—

"(I) the lesser of—

"(aa) 1.25 percent of the total benefits paid under this Act and the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.) during the preceding fiscal year; or

"(bb) 0.75 percent of the total amounts in the National Railroad Retirement Investment Trust as of the close of the preceding fiscal year; minus

"(II) the unobligated amounts in the Account as of the close of the previous fiscal year.

"(ii) FISCAL YEAR 2032 AND SUBSEQUENT FISCAL YEARS.—For fiscal year 2032 and subsequent fiscal years, the Board shall not transfer funds in a fiscal year to the Account in an amount that is greater than—

"(I) the lesser of—

"(aa) 1.15 percent of the total benefits paid under this Act and the Railroad Unemployment

Insurance Act (45 U.S.C. 351 et seq.) during the preceding fiscal year; or

"(bb) 0.75 percent of the total amounts in the National Railroad Retirement Investment Trust as of the close of the preceding fiscal year; minus

"(II) the unobligated amounts in the Account as of the close of the previous fiscal year.

"(C) PURPOSE LIMITATIONS.—Amounts transferred to the Account from—

"(i) the Social Security Equivalent Benefits Account may only be used to provide for the administrative expenses of the Board allocable to social security equivalent benefits under section 15A(e)(1); and

"(ii) the Railroad Unemployment Insurance Administration Fund—

"(I) may only be used for the administrative expenses of the Board allocable for administering the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.); and

"(II) shall be subject to the same restrictions described in section 11(c) of such Act (45 U.S.C. 361(c)).

"(3) TECHNOLOGY FUND.—

"(A) IN GENERAL.—Within the Account, there is created a Railroad Retirement Technology Fund (in this subsection, referred to as the 'Fund'). In addition to amounts otherwise available, the Board shall use amounts in the Fund to complete its modernization of legacy benefit processing systems.

"(B) TRANSFERS.—Of the amounts transferred to the Account under paragraph (2)(A), the Board shall transfer not less than the following amounts to the Fund:

"(i) For fiscal year 2027, $10,000,000.

"(ii) For each of fiscal years 2028 through 2031, $20,000,000.

"(C) AVAILABILITY.—Amounts transferred under this paragraph shall remain available to the Board to complete its modernization of legacy benefit processing systems through fiscal year 2032. On the last day of fiscal year 2032, the Board shall transfer any unobligated amounts remaining in the Fund to the Account.

"(4) ADDITIONAL AMOUNTS.—In addition to amounts transferred under paragraph (2)(A) or amounts otherwise available, there is authorized to be appropriated to the Account from the Railroad Retirement Account, the Social Security Equivalent Benefits Account, and the Railroad Unemployment Insurance Administration Fund—

"(A) for fiscal year 2027 and subsequent fiscal years, for any additional administrative expenses of the Board with respect to unforeseen needs relating to processing claims for benefits, such sums as are necessary; and

"(B) for fiscal year 2033 and subsequent fiscal years, for modernization of the Board's legacy benefit processing systems, such sums as are necessary.".

(b) CONFORMING AMENDMENTS.—

(1) RAILROAD RETIREMENT ACT.—The Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.) is amended—

(A) in section 15(a), by inserting "to transfer to the Railroad Retirement Board Administrative Account established under subsection (h)" before "to provide for expenses"; and

(B) in section 15A(c), by striking "to provide" and inserting "to transfer to the Railroad Retirement Board Administrative Account established under section 15(h)".

(2) RAILROAD UNEMPLOYMENT INSURANCE ACT.—Section 11(c) of the Railroad Unemployment Insurance Act (45 U.S.C. 361(c)) is amended—

(A) by striking "Notwithstanding" and inserting "Subject to section 15(h) of the Railroad Retirement Act of 1974 (45 U.S.C. 231(h)) and notwithstanding"; and

(B) by inserting "for transferring to the Railroad Retirement Board Administrative Account established under section 15(h) of the Railroad Retirement Act of 1974 (45 U.S.C. 231(h))" before "for any expenses necessary".

(c) SAVINGS CLAUSE.—Nothing in this section shall be construed as changing any requirement in law for the Railroad Retirement Board to submit any annual budget estimate, request, or other budget information to Congress, the President, the Office of Management and Budget, or any other Federal agency.

SEC. 3. GAO REPORTS ON INFORMATION TECHNOLOGY MODERNIZATION EFFORTS.

(a) INITIAL REPORT.—

(1) IN GENERAL.—Not later 10 months after the date of enactment of this Act, the Comptroller General of the United States (in this section, referred to as the "Comptroller General") shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report with recommendations for legislation and administrative action on ways to modernize the legacy benefit processing systems used by the Railroad Retirement Board (in this section, referred to as the "Board").

(2) CONTENT OF THE REPORT.—In completing the report described in paragraph (1), the Comptroller General shall—

(A) consider—

(i) experience and lessons learned from other Federal agencies' modernization of their information technology systems, focusing on such agencies that have upgraded information technology systems that use the Common Business-Oriented

Language (commonly referred to as "COBOL") programming language; and

(ii) best practices that the Comptroller General identifies for Federal agency information technology modernization efforts; and

(B) identify resources, technical assistance, and other forms of support available from other Federal agencies for the Board to carry out the modernization of the Board's legacy benefit processing systems.

(b) STAKEHOLDERS TO CONSULT.—In carrying out subsection (a), the Comptroller General shall consult the following stakeholders:

(1) Each of the 3 members of the Board.

(2) The Chief Information Officer of the Board.

(3) Representatives of each of the Class I railroads, as defined in section 20102 of title 49, United States Code.

(4) Representatives of not less than 2 Class II or Class III railroads, as defined in such section.

(5) Representatives of each rail union that represents rail workers who are eligible for benefits under the Railroad Retirement Act and Railroad Unemployment Insurance Act.

(6) Retirees and other beneficiaries that currently receive benefits from the Board.

(c) FOLLOW-UP REPORT.—Not later than 6 months after the end of fiscal year 2031, the Comptroller General shall submit a follow-up report to the report described in subsection (a), which shall include information regarding—

(1) to what extent the Board followed the recommendations and best practices of the report described in subsection (a);

(2) how effectively the Board complied with its own internal project plans and milestones for completing the modernization of its legacy benefit processing systems;

(3) areas, if any, where the Board failed to modernize its legacy benefit processing systems; and

(4) the estimated remaining cost for completing the modernization of the Board's legacy benefit processing systems, if any.

SEC. 4. PENSION PAYMENT ACCELERATION.

Notwithstanding section 4007(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1307(a)) and section 4007.11 of title 29, Code of Federal Regulations, for plan years commencing after December 31, 2035, and before January 1, 2037, the premium due date applicable to single employer plans for such plan years shall be the fifteenth day of the ninth calendar month that begins on or after the first day of the premium payment year.