S. 4965, Railroad Retirement Stability Act of 2026

Section 1. Short Title.
This section designates the Act as the "Railroad Retirement Stability Act of 2026."

Section 2. Railroad Retirement Administrative Account.
Paragraph (1) of subsection (a) would amend section 15(h) of the Railroad Retirement Act (45 U.S.C. 231n(h)) to create the "Railroad Retirement Board Administrative Account" (the Account) in the Treasury. This administrative account would serve as the single source of funding for the Railroad Retirement Board for use on administering railroad retirement and unemployment benefits. The Account functions similarly to the RRB's current Limitation on Administration appropriation, which similarly serves as a single source for amounts used to administer the Railroad Retirement Act and Railroad Unemployment Insurance Act.
Paragraph (2) would authorize the RRB to transfer funds from its three trust funds to the Account. These trust funds are financed through dedicated payroll taxes on rail employers and workers, and current administrative funding draws from these trusts. Transfers to the Account would be limited annually to an amount equal to the lesser of either a percentage of benefits paid under the Railroad Retirement Act during the previous fiscal year, or a percentage of assets in the National Railroad Retirement Investment Trust as of the previous fiscal year.
The RRB would retain discretion to transfer varying amounts from each of the funds based on costs associated with each of its benefit programs. Existing restrictions on the use of funds for specific purposes for the Social Security Equivalent Benefit and Railroad Unemployment Insurance programs would continue.
Paragraph (3) would also create a subaccount within the Account known as the Railroad Retirement Technology Modernization Fund (the Fund) to address the RRB's outdated IT systems. This section would require the RRB to transfer set amounts from the Account into the Fund over 5 years and amounts in the Fund could only be spent on the technology modernization project. The RRB would have 6 years to use in the Fund to complete the modernization project before any remaining amounts are transferred back to the Account.
Paragraph (4) would also authorize any further appropriations necessary for addressing any additional costs on the technology modernization project or for general administration. These supplemental appropriations enable Congress to address any temporary, unforeseen circumstances without further amending the statute.
Subsection (b) of this section would make necessary conforming amendments to the Railroad Retirement Act and the Railroad Unemployment Insurance Act to establish the RRB's transfer authority into the Account.
Subsection (c) would affirm that the RRB would continue to submit the annual reports and budget estimates required under current law.

Section 3. GAO Reports on Information Technology Modernization Efforts.

This section would instruct the Government Accountability Office (GOA) to submit two reports on the RRB's technology modernization project to the House, Senate, and the RRB. The first report would compile best practices and learnings from other agencies which transitioned off the Common Business Oriented Language (COBOL) system.

GAO would release a second report after the RRB's dedicated technology funding has expired. This report would assess the completeness of the RRB's modernization project and identify additional costs and timelines to completion, if any. GAO's efforts would completement ongoing oversight into the technology modernization from the RRB's Inspector General.