ONE-PAGER

Senate Committee on
Health Education Labor & Pensions
Senator Bill Cassidy, M.D., Chairman

The Railroad Retirement Board Stability Act

Congress established the Railroad Retirement Board (RRB) in 1935 to operate a distinct benefit system for rail workers. This legislation allows the RRB to better serve those workers by modernizing outdated information technology and bringing the agency's administrative funding in-line with its self-sustaining financing and benefit structure.

THE PROBLEM:

- Railroad workers receive retirement and unemployment benefits funded through dedicated payroll taxes on rail workers and their employers. In 2001, Congress created the National Railroad Retirement Investment Trust with the unique ability to invest in railroad retirement assets in the markets on behalf of the Railroad Retirement Board. Since then, the Trust's assets have continued to grow in surplus, a fact that was highlighted in a 2026 HELP Committee hearing.
- Despite this self-sustaining system, Congressional accounting rules do not classify the RRB's administrative funding differently than programs which receive funding through general revenue. This means the RRB must compete annually for funding with other agencies and programs, despite having a separate funding source.

THE SOLUTION:

- This legislation balances funding flexibility for the agency with guardrails that ensure both predictable spending levels and solvency for the railroad retirement system.
- The legislation directs much-needed IT modernization to better serve the rail workers who fund RRB. As discussed at the HELP Committee's hearing, outdated processing systems have led to a growing backlog of claims, with workers waiting an average of 18 months to receive certain benefits.
- The legislation also preserves annual congressional oversight of the RRB's administration.