



# Railroad Retirement Information

**U. S. Railroad Retirement Board**

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## **New Benefit Year for Railroad Unemployment and Sickness Benefits**

A new benefit year under the Railroad Unemployment Insurance Act begins July 1, 2008. Administered by the Railroad Retirement Board (RRB), this Act provides two kinds of benefits for qualified railroaders: unemployment benefits for those who become unemployed but are ready, willing and able to work; and sickness benefits for those who are unable to work because of sickness or injury. Sickness benefits are also payable to female rail workers for periods of time when they are unable to work because of pregnancy and childbirth.

The following questions and answers describe these benefits, their eligibility requirements, and how to claim them.

### **1. What is the daily benefit rate payable in the new benefit year beginning July 1, 2008?**

Almost all employees will qualify for the new maximum daily benefit rate of \$61, which increased from \$59 under indexing provisions reflecting the growth in average national wages. Benefits are generally payable for days of unemployment or sickness in excess of four in biweekly claim periods, which yields \$610 for each two full weeks of unemployment or sickness. However, sickness benefits resulting from other than on-the-job injuries are subject to tier I railroad retirement payroll taxes for the first six months after the employee last worked.

### **2. What are the eligibility requirements for railroad unemployment and sickness benefits in the new benefit year?**

To qualify for normal railroad unemployment or sickness benefits, an employee must have had railroad earnings of at least \$3,075 in calendar year 2007, not counting more than \$1,230 for any month. Those who were first employed in the rail industry in 2007 must also have at least five months of creditable railroad service in 2007.

Under certain conditions, employees with 120 or more months of railroad service who do not qualify on the basis of their 2007 earnings may still be able to receive benefits in the new benefit year. Employees with 120 or more months of service who received normal benefits in the benefit year ending June 30, 2008, may be eligible for extended benefits, and employees with 120 or more months of service might qualify for accelerated benefits if they have rail earnings of at least \$3,200 in 2008, not counting earnings of more than \$1,280 a month.

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In order to qualify for extended unemployment benefits, a claimant must not have voluntarily quit work without good cause and not have voluntarily retired. To qualify for extended sickness benefits, a claimant must not have voluntarily retired and must be under age 65.

To be eligible for accelerated benefits, a claimant must have 14 or more consecutive days of either unemployment or sickness; not have voluntarily retired or, if claiming unemployment benefits, quit work without good cause; and be under age 65 when claiming sickness benefits.

### **3. How long are these benefits payable?**

Normal unemployment or sickness benefits are each payable for up to 130 days (26 weeks) in a benefit year. The total amount of each kind of benefit which may be paid in the new benefit year cannot exceed the employee's railroad earnings in calendar year 2007, counting earnings up to \$1,589 per month.

If normal benefits are exhausted, extended benefits are payable for up to 65 days (during 7 consecutive registration periods) to employees with 10 or more years of service.

### **4. What is the waiting-period requirement for unemployment and sickness benefits?**

Benefits are normally paid for the number of days of unemployment or sickness over four in 14-day claim periods. However, during the first 14-day claim period in a benefit year, benefits are only payable for each day of unemployment or sickness in excess of seven which, in effect, provides a one-week waiting period. Separate waiting periods are required for unemployment and sickness benefits. However, only one seven-day waiting period is generally required during any period of continuing unemployment or sickness, even if that period continues into a subsequent benefit year.

Initial sickness claims must also begin with four consecutive days of sickness.

### **5. Are there special waiting-period requirements if unemployment is due to a strike?**

If a worker is unemployed because of a strike conducted in accordance with the Railway Labor Act, benefits are payable for days of unemployment during 14-day claim periods **after** the first claim period, but no benefits are payable for days of unemployment during the first 14 days of the strike.

If a strike is in violation of the Railway Labor Act, unemployment benefits are not payable to employees participating in the strike. However, employees not among those participating in such an illegal strike, but who are unemployed on account of the strike, may receive benefits after the first two weeks of the strike.

While a benefit year waiting period cannot count toward a strike waiting period, the 14-day strike waiting period may count as the benefit year waiting period if a worker subsequently becomes unemployed for reasons other than a strike later in the benefit year.

### **6. Can employees in train and engine service receive unemployment benefits for days when they are standing by or laying over between scheduled runs?**

No, not if they are standing by or laying over between regularly assigned trips or they missed a turn in pool service.

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**7. Can extra-board employees receive unemployment benefits between jobs?**

Yes, but only if the miles and/or hours they actually worked were less than the equivalent of normal full-time work in their class of service during the 14-day claim period. Entitlement to benefits would also depend on the employee's earnings.

**8. How would an employee's earnings in a claim period affect his or her eligibility for unemployment benefits?**

If a claimant's earnings for days worked, and/or days of vacation or paid leave, in a 14-day claim period are more than a certain indexed amount, no benefits are payable for any days of unemployment in that period. That claim, however, can be used to satisfy the waiting period.

Earnings include pay from railroad and nonrailroad work, as well as part-time work and self-employment. Earnings also include pay that an employee would have earned except for a failure to mark up or report for duty on time, or because he or she missed a turn in pool service or was otherwise not ready or willing to work. For the benefit year that begins July 2008 the indexed amount is \$1,230, which corresponds to the base year monthly compensation amount used in determining eligibility for benefits in the new benefit year.

**9. How does a person apply for, as well as claim, unemployment benefits?**

Claimants can file their applications for unemployment benefits, as well as their subsequent biweekly claims, by mail or online.

To apply by mail, claimants must obtain an application from their labor organization, employer, local RRB office or the agency's Web site at [www.rrb.gov](http://www.rrb.gov). The completed application should be mailed to the local RRB office as soon as possible and, in any case, must be filed within 30 days of the date on which the claimant became unemployed or the first day for which he or she wishes to claim benefits. Benefits may be lost if the application is filed late.

To file their applications -- or their biweekly claims -- online, claimants must first establish an RRB Internet Services account. For security purposes, first time users must apply for a Password Request Code, which they will receive by mail in about 10 business days. To do this, they should click on "Benefit Online Services" and select "request a PRC." Once they establish their online accounts, they will be able to file their applications and biweekly claims for unemployment benefits as well as conduct other business with the RRB over the Internet. Employees are encouraged to establish online accounts while still employed so the account is ready if they ever need to apply for these benefits or use other select RRB Internet services. Employees who have already established online accounts do not need to do so again.

The local RRB office reviews the completed application, whether it was submitted by mail or online, and notifies the claimant's current railroad employer, and base-year employer if different. The employer has the opportunity to provide information about the benefit application.

After the RRB office processes the application, biweekly claim forms are mailed to the claimant, and are also made available on the RRB's Web site, as long as he or she remains unemployed and

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eligible for benefits. The time for filing a claim is 15 days from the last day of the claim period or 15 days from the date the claim form is mailed to the claimant or made available online, whichever is later. Claimants should **not** file both a paper claim and an online claim for the same period.

Only one application needs to be filed during a benefit year, even if a claimant becomes unemployed more than once. However, a claimant must, in such a case, request a claim form from an RRB field office within 30 days of the first day for which he or she wants to resume claiming benefits. These claims may also be filed by mail or online.

#### **10. How does a person apply for sickness benefits?**

An application for sickness benefits can be obtained from railroad labor organizations, railroad employers, any RRB office or the agency's Web site. An application and a doctor's statement of sickness are required at the beginning of each period of continuing sickness for which benefits are claimed. Claimants should make a special effort to have the doctor's statement of sickness completed promptly since no claims can be paid without it.

The RRB suggests that employees keep an application on hand for use in claiming sickness benefits, and that family members know where the form is kept and how to use it. If an employee becomes unable to work because of sickness or injury, the employee should complete the application and then have his or her doctor complete the statement of sickness. If the employee is too sick to complete the application, someone else may do so. In such cases, a family member should also complete the "Statement of Authority to Act for Employee," which accompanies the statement of sickness.

After completion, the forms should be mailed to the RRB's headquarters in Chicago by the seventh day of the illness or injury for which benefits are claimed. However, applications received after 10 days but within 30 days of the first day for which an employee wishes to claim benefits are generally considered timely filed if there is a good reason for the delay. After the RRB receives the application and statement of sickness and determines eligibility, biweekly claim forms are mailed to the claimant for completion and return to an RRB field office for processing. The claim forms must be received at the RRB within 30 days of the last day of the claim period, or within 30 days of the date the claim form was mailed to the claimant, whichever is later. Benefits may be lost if an application or claim is filed late.

Although claimants cannot currently file applications or biweekly claims for railroad sickness benefits over the Internet, the RRB is planning to add the online filing of sickness claims in the future.

#### **11. Is a claimant's employer notified each time a biweekly claim for unemployment or sickness benefits is filed?**

The Railroad Unemployment Insurance Act requires the RRB to notify the claimant's base-year employer each time a claim for benefits is filed, and to give that employer an opportunity to submit information relevant to the claim before the RRB makes an initial determination on the claim. In addition, the claimant's current employer is also notified. The RRB must also notify the claimant's base-year employer each time benefits are paid to a claimant. The base-year employer may protest the

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decision to pay benefits. Such a protest does not prevent the timely payment of benefits. However, a claimant may be required to repay benefits if the employer's protest is successful.

The RRB also checks with other Federal agencies and all 50 States, as well as the District of Columbia and Puerto Rico, to detect fraudulent benefit claims and it checks with physicians to verify the accuracy of medical statements supporting sickness benefit claims.

## **12. How long does it take to receive payment?**

Under the RRB's Customer Service Plan, if a claimant files an application for unemployment or sickness benefits, a decision will be made within 10 days of the date the application was filed. If a claim for subsequent biweekly unemployment or sickness benefits is filed, a decision will be made within 10 days of the date the RRB received the claim form. If the claimant is entitled to benefits, benefits will generally be paid within one week of that decision.

However, some claims for benefits may take longer to handle than others if they are more complex, or if an RRB office has to get information from other people or organizations. If this happens, claimants may expect an explanation and an estimate of the time required to make a decision.

Claimants who think an RRB office made the wrong decision about their benefits have the right to ask for review and to appeal. They will be notified of these rights each time an unfavorable decision is made on their claims.

## **13. How are payments made?**

Railroad unemployment and sickness insurance benefits are paid by Direct Deposit. With Direct Deposit, benefit payments are made electronically to an employee's bank, savings and loan, credit union or other financial institution. New applicants for unemployment and sickness benefits will be asked to provide information needed for Direct Deposit enrollment. Waivers are available to individuals who determine that Direct Deposit would cause a hardship, and to individuals without bank accounts.

## **14. Can claimants access information online about their railroad unemployment and sickness benefit payments?**

Claimants can access information about their individual railroad unemployment insurance account statements via the Internet. These account statements provide a summary of the unemployment and sickness benefits paid under the Railroad Unemployment Insurance Act to rail employees.

This online service, called "RUIA Account Statement," displays the type and amount of a claimant's last five benefit payments, the claim period for which the payments were made, and the dates that the payments were approved. Claimants can also confirm the RRB's receipt of their latest application or claim for unemployment or sickness benefits, along with the receipt of any supplemental doctor's statement required to continue the payment of sickness benefits. In addition, the service allows claimants to view the address currently on record for them and, if applicable, their direct deposit information.

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To use this service, claimants must establish an Internet Services account, as described in the answer to question 9.

**15. How can claimants receive more information on railroad unemployment or sickness benefits?**

Claimants with questions about unemployment or sickness benefits should contact the nearest RRB office. Most RRB offices are open to the public from 9:00 a.m. to 3:30 p.m., Monday through Friday, except on Federal holidays. Claimants can find the address and phone number of the RRB office serving their area, and also get information about their claims and benefit payments, by calling the toll-free RRB Help Line at 1-800-808-0772. The RRB Help Line is an automated telephone service available 24 hours a day, 7 days a week. Information about unemployment or sickness claims and benefit payments is available on the Help Line for those who have a Personal Identification Number (PIN), which is printed on the back of each claim form mailed to the claimant.

In addition, most of the toll-free Help Line services are available through the RRB's Web site, which also includes publications that may be downloaded.

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