



RRB News

U.S. Railroad Retirement Board

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New Benefit Year Begins July 1 for Railroad Unemployment and Sickness Benefits

A new benefit year under the Railroad Unemployment Insurance Act begins July 1, 2013. The maximum daily benefit rate payable for claims under this Act increases to \$68 in the new benefit year. Benefits are normally paid for the number of days of unemployment or sickness over four in 14-day registration periods, so maximum benefits for biweekly claims would total \$680.

However, as a result of a sequestration order under the Budget Control Act of 2011, the U.S. Railroad Retirement Board (RRB) reduced unemployment and sickness benefits by 9.2 percent effective March 1, 2013. The reduction amount was based, in part, on projected claims and benefit payments for the remainder of the 2013 fiscal year.

For this reason, the maximum daily benefit rate will be \$61.74 at the start of the new benefit year, or a maximum of \$617.44 in a two-week period. Certain sickness benefits are reduced for regular tier I payroll taxes of 7.65 percent. Coupled with the 9.2-percent reduction, the maximum daily benefit rate on these sickness benefits will initially be \$57.02 or a maximum of \$570.21 over two weeks.

The total sequestration amount is spread out over a nine-year period, with the initial impact in the period ending September 30, 2013. Congress will determine the amount of any reductions in the fiscal year beginning October 1, 2013, and subsequent years.

During the first 14-day claim period in a benefit year, benefits are payable for each day of unemployment or sickness in excess of seven, rather than four, which, in effect, provides a one-week waiting period. Initial sickness claims must also begin with four consecutive days of sickness. However, only one waiting period is required during any period of continuing unemployment or sickness, even if that period continues into a subsequent benefit year. Claimants already on the rolls will, therefore, normally not be required to serve another waiting period because of the onset of the new benefit year.

To qualify for normal railroad unemployment or sickness benefits in the benefit year beginning July 1, 2013, an employee must have had railroad earnings of at least \$3,412.50 in calendar year 2012,

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counting no more than \$1,365 for any month. Those who were first employed in the rail industry in 2012 must also have at least five months of creditable railroad service in that year.

Under certain conditions, employees with at least 10 years of service who do not qualify in the new benefit year on the basis of their 2012 earnings may still be able to receive benefits after June 30, 2013. For example, such employees who received normal benefits in the benefit year ending June 30, 2013, might still be eligible for extended benefits. In addition, ten-year employees may be eligible for accelerated benefits if they have rail earnings of at least \$3,512.50 in 2013, not counting earnings of more than \$1,405 a month.

Application forms for unemployment and sickness benefits may be obtained from railroad employers, railroad labor organizations, any RRB office, or the agency's website at **www.rrb.gov**. As an alternative to applying for unemployment benefits through the mail, rail workers can file applications and subsequent claims for unemployment benefits online. Similarly, they can file claims for sickness benefits online, although the original application must still be submitted by mail. Employees can also access information about their individual railroad unemployment insurance account statements online. These account statements provide a summary of the unemployment and sickness benefits paid under the Railroad Unemployment Insurance Act to rail employees.

To access these online services, employees 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 regular mail in about 10 business days. To do this, employees should click on the link for requesting a Password Request Code (PRC) in the Benefit Online Services Login section of the **www.rrb.gov** home page. Once employees 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 initiate an online account while still employed so the account is established if they ever need to use these or other select RRB Internet services. Employees who have already established online accounts do not need to do so again.

Claimants with questions about unemployment or sickness benefits should contact an RRB office by calling toll free at 1-877-772-5772. Claimants can also find the address of the RRB office servicing their area and get information about their claims and benefit payments by calling this toll-free number. 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. Field office locations can also be found online at **www.rrb.gov**.