



OFFICE OF THE LABOR MEMBER

U.S. RAILROAD RETIREMENT BOARD

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**STATEMENT OF
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During this past week, news articles have focused on the occupational disability provisions of the Railroad Retirement Act. Specifically, these reports have drawn attention to the apparent high percentage of Long Island Rail Road employees filing for and receiving occupational disability annuities from the Railroad Retirement System, while also receiving an industry negotiated retirement benefit from the Long Island Rail Road. I fully support the Railroad Retirement Board's Inspector General's current investigation into this matter. While I share the concern that an anomaly may exist with the Long Island Rail Road situation, I am equally concerned by the misconceptions these articles have propagated with regard to how the occupational disability provisions of the Railroad Retirement Act are administered by our agency. Clearly, any implication that there is a systemic problem with the occupational disability provisions and their corresponding financing provisions is incorrect.

In addition to providing disability benefits for employees who are totally and permanently disabled for all regular employment, the Railroad Retirement Act was amended by Congress in 1946 to provide for the payment of an annuity to an employee who is no longer able to perform his or her regular railroad job. *In accordance with the provisions of the Railroad Retirement Act the Board has adopted, with the cooperation of railroad labor and management, standards for adjudicating applications for occupational disability annuities.* All Board decisions regarding an applicant's eligibility for an occupational disability under current law are based on whether the medical evidence submitted meets the standards adopted by the Board. The actual determination of disability is the responsibility of Railroad Retirement Board staff specially trained in the field of disability determinations.

The funding for the occupational disability program comes entirely from the Railroad Retirement Trust Fund, which receives its funding from taxes imposed on all railroad employees and railroad companies. This includes all annuities paid and all costs related to the administration of this program.

V. M. Speakman, Jr.