



FROM THE DESK OF

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Unemployment and Sickness Benefits for Railroad Employees

The Railroad Retirement Board (RRB) administers the Railroad Unemployment Insurance Act (RUIA), which 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 health conditions related to pregnancy, miscarriage, or childbirth. A new benefit year begins each July 1.

The following questions and answers describe these benefits, their eligibility requirements, and how to claim them. In addition, it details how the Coronavirus Aid, Relief, and Economic Security Act, or CARES Act, affects the RRB's administration of benefits under the RUIA.

1. What are the eligibility requirements for railroad unemployment and sickness benefits in July 2020?

To qualify for **normal** railroad unemployment or sickness benefits, an employee must have had railroad earnings of at least \$4,012.50 in calendar year 2019, counting no more than \$1,605 for any month. Those who were first employed in the rail industry in 2019 must also have at least five months of creditable railroad service in 2019.

Under certain conditions, employees who do not qualify on the basis of their 2019 earnings may still be able to receive benefits in the new benefit year. Employees with at least 10 years of service (120 or more months of service) who received normal benefits in the benefit year ending June 30, 2020, may be eligible for **extended** benefits, and employees with at least 10 years of service (120 or more months of service) might qualify for **accelerated** benefits if they have rail earnings of at least \$4,137.50 in 2020, not counting earnings of more than \$1,655 a month. *(Please see Question 4 for information on provisions for extended unemployment benefits under the CARES Act.)*

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 unemployment or sickness; not have voluntarily retired or, if claiming unemployment benefits, quit work without good cause; and, when claiming sickness benefits, be under age 65.

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2. What if I'm not eligible for railroad unemployment benefits under the criteria listed in Question 1?

You may be eligible for benefits under a new **temporary** Federal program called Pandemic Unemployment Assistance (PUA), which was created under the CARES Act. In general, PUA provides up to 39 weeks of unemployment benefits to individuals **not** eligible for regular unemployment compensation or extended benefits, including those who have exhausted all rights to such benefits. The PUA program is administered by individual states, **not** the RRB. For eligibility information, and to find the application process in each state, please visit [careeronestop.org](https://www.careeronestop.org), and under the Find Local Help tab, select Unemployment Benefits Finder.

3. What is the daily benefit rate payable in the new benefit year beginning July 1, 2020?

Almost all employees will qualify for the maximum daily benefit rate of \$80. Benefits are generally payable for the number of days of unemployment or sickness over four in 14-day claim periods, which yields \$800 for each two full weeks of unemployment or sickness. Sickness benefits payable for the first 6 months after the month the employee last worked are subject to tier I railroad retirement payroll taxes, unless benefits are being paid for an on-the-job injury.

Claimants should be aware that as a result of a sequestration order under the Budget Control Act of 2011, the RRB will reduce unemployment and sickness benefits by 5.9 percent through September 30, 2020. As a result, the total maximum amount payable in a 2-week period covering 10 days of unemployment or sickness will be \$752.80. The maximum amount payable for sickness benefits subject to tier I payroll taxes of 7.65 percent will be \$695.21 over two weeks. It is expected that sequestration will force a 5.7 percent reduction in unemployment and sickness benefits beginning October 1, 2020. Future reductions, should they occur, will be calculated based on applicable law.

In addition, under the CARES Act, the amount of an unemployment benefit is increased by \$1,200 per 2-week period. This increased amount, which is not subject to sequestration, is applied to any 2-week registration periods that began on or after April 1, 2020, through July 31, 2020. (Sequestration is not applied to benefit payments issued under the CARES Act.) The CARES Act includes a separate appropriation of \$425 million to pay for this added "recovery benefit." If this fund is exhausted, the new provision will no longer apply.

4. 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 2019, counting earnings up to \$2,073 per month.

If normal benefits are exhausted, extended benefits are payable for up to 65 days (during 7 consecutive 14-day claim periods) to employees with at least 10 years of service (120 or more cumulative service months).

The CARES Act also authorizes payment of extended unemployment benefits to rail workers who received unemployment benefits from July 1, 2019, to June 30, 2020. Under the legislation, railroad

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workers with less than 10 years of service may be eligible for up to 65 days of extended benefits within 7 consecutive 2-week registration periods. Workers with 10 or more years of railroad service, who were previously eligible for up to 65 days in extended benefits, may now receive benefits for up to 130 days within 13 consecutive 2-week registration periods. No extended benefit period under this provision will begin after December 31, 2020.

5. What is the waiting period requirement for unemployment and sickness benefits?

There is a 7-day waiting period requirement, prior to any benefits becoming payable under the RUIA. During the first 14-day claim period, benefits are payable for every day claimed in excess of seven days. Subsequent claims are paid for the number of days of unemployment or sickness over four in each 14-day registration period. Initial sickness claims must also begin with four consecutive days of sickness. If an employee has at least five days of unemployment or five days of sickness in a 14-day period, he or she should still file for benefits in order to satisfy the waiting period for the current benefit year. 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.

Under the CARES Act, the 7-day waiting period required before railroad workers can receive unemployment or sickness benefits is **temporarily** eliminated. This applies to any 14-day registration period that began on or after March 28, 2020, and ends on or before December 31, 2020. (Please note that this is the **only** provision of the CARES Act that applies to both unemployment and sickness benefits.) Employees who previously submitted claims during this time and were charged with the 7-day waiting period will receive retroactive payments of these additional monies once our systems are ready to pay them. The legislation provides \$50 million to cover the cost of eliminating the waiting period, and, as with the recovery benefit paid under the CARES Act, if this fund is exhausted, the new provision will no longer apply.

6. 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 not payable for days of unemployment during the first 14 days of the strike, but benefits are payable during subsequent 14-day periods.

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.

7. 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.

8. 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.

9. 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, paid leave, or other leave in a 14-day registration period are more than a certain indexed amount, no benefits are payable for **any** days of unemployment in that period. That registration period, however, can be used to satisfy the waiting period.

Earnings include pay from railroad and non-railroad work, as well as part-time work and self-employment. Earnings also include pay that an employee would have earned except for 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 2020, the amount is \$1,605, which corresponds to the base year monthly compensation amount used in determining eligibility for benefits in each year. Also, even if an earnings test applies on the first claim in a benefit year, this will not prevent the first claim from satisfying the waiting period in a benefit year.

Earnings of \$15 or less per day from work which is substantially less than full-time and not inconsistent with the holding of normal full-time employment may be considered subsidiary remuneration and may not prevent payment of any days in a claim. However, a claimant must report all full and part-time work on each claim, regardless of the amount of earnings, so the RRB can determine if the work affects benefits.

10. How does a person apply for and claim unemployment benefits?

Employees can apply for and claim unemployment benefits online or by mail. Individuals who have established an account through **myRRB** at **RRB.gov** can log in and file their applications and their biweekly claims online. Employees are encouraged to establish their accounts while still working to expedite the filing process for future unemployment benefits, and for access to other online services.

To apply by mail, claimants must obtain an *Application for Unemployment Benefits* (Form UI-1) from RRB.gov, or their labor organization or railroad employer. 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 from the date 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. Claimants who know in advance that they will be filing an unemployment application or claim late should include a signed statement explaining why they are unable to meet the required time frame.

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Persons can find the address of the RRB office serving their area by visiting RRB.gov and clicking on **Field Office Locator**, or by calling the agency toll-free at 1-877-772-5772 and selecting the appropriate option from the automated menu.

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

After processing the application, biweekly claim forms are made available on the RRB's website, or are mailed to the claimant, as long as he or she remains unemployed and eligible for benefits. Claim forms should be signed and sent on or after the last day of the claim. This can be done online or by mail. The completed claim must be received by the RRB within 15 days of the end of the claim period, or within 15 days of the date the claim form was made available online or mailed to the claimant, whichever is later. Claimants **must not** file both an online and a paper claim form for the same period(s). Once an individual submits a claim online, all subsequent claim forms will be made available online only, and will no longer be mailed.

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 the RRB within 30 days of the first day for which he or she wants to resume claiming benefits. These claims may then be filed online or by mail.

11. How does a person apply for and claim sickness benefits?

An *Application for Sickness Benefits* (SI-1a) can be obtained from **RRB.gov**, a railroad labor organization, or a railroad employer. Applications for sickness benefits **must** be submitted to the agency by mail, or by fax at 312-751-7185. Subsequent claims may be completed online by those with **myRRB** accounts.

An application including a doctor's statement of sickness is 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 claims cannot be paid without it.

The RRB suggests that employees keep an application for sickness benefits on hand, 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* (SI-1b). If a claimant receives sickness benefits for an injury or illness for which he or she is paid damages, it is important to be aware that the RRB is entitled to reimbursement of either the amount of the benefits paid for the injury or illness, or the net amount of the settlement, after deducting the claimant's gross medical, hospital, and legal expenses, whichever is less.

If the employee is too sick to complete the application, someone else may do so. In such cases, a family member should also complete a *Statement of Authority to Act for Employee* (Form SI-10), which accompanies the statement of sickness.

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After completion, the forms should be mailed to the RRB's headquarters in Chicago within 10 days from when the employee became sick or injured. 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. Upon receipt, the RRB will process the application and determine if the employee is eligible for sickness benefits.

After processing the application, the RRB provides biweekly claims to the qualified employee as long as he or she is eligible for benefits and remains unable to work due to illness or injury. Biweekly claims are made available for completion online (by those with an account at myRRB) or mailed to the claimant. Completed 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 made available online or mailed to the claimant, whichever is later. Benefits may be lost if an application or claim is filed late. Claimants who know in advance that they will be filing a sickness application or claim late should include a signed statement explaining why they are unable to meet the required time frame.

As with claims for unemployment benefits, once a claim for sickness benefits is submitted online, all subsequent claims will be made available online only, and will no longer be mailed.

Claimants are reminded that while claim forms for sickness benefits can be submitted online, applications must be mailed to the RRB. Statements of sickness may be mailed with the sickness application or faxed directly from the doctor's office to the RRB at 312-751-7185. Faxes must include a cover sheet from the doctor's office.

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

The RUIA requires the RRB to notify the claimant's base-year employer each time a claim for benefits is filed. That employer has the right to submit information relevant to the claim before the RRB makes an initial determination on the claim. Benefits may not be paid at this time but the employee will receive a notice and have the right to appeal. In addition, if a claimant's base-year employer is not his or her current employer, 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 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 ultimately successful. The employer also has the right to appeal an unfavorable decision to the RRB's Bureau of Hearings and Appeals.

The RRB also conducts 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.

13. 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, the RRB will release a claim form or a denial letter within 10 days of receiving his or her application. If a claim for subsequent biweekly unemployment or sickness benefits is filed, the RRB will certify a payment or release a denial letter within 10 days of the date the RRB receives the

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claim form. If the claimant is entitled to benefits, his or her benefits will generally be paid within one week of that decision.

If a claimant does not receive a decision notice or payment within the specified time period, he or she may expect an explanation for the delay and an estimate of the time required to make a 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, or under special circumstances such as the current pandemic.

Regarding the payments authorized under the CARES Act, after making necessary programming changes to claims processing systems, the RRB started paying extended unemployment benefits and unemployment recovery payments on May 11, and May 28, respectively. As for payment of the additional monies related to the elimination of the 7-day waiting period, the agency hopes to complete the needed programming changes for this provision in the near future. The RRB will initially make retroactive payments to individuals eligible for the payments listed above who had previously submitted unemployment claims before moving on to processing new claims.

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.

14. 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.

15. How can claimants get more information on their railroad unemployment or sickness claims?

Claimants with online **myRRB** accounts can log in to view their individual railroad unemployment insurance account statement. This statement displays the type and amount of the claimant's last five benefit payments, the claim period for which the payments were made, and the dates that the payments were approved. Individuals can also confirm the RRB's receipt of applications and claims.

In addition, claimants can call the agency toll-free at 1-877-772-5772 to access information about the status of unemployment and sickness claims or payments 24 hours a day, 7 days a week. Individuals with questions about unemployment or sickness benefits, or who need information about their specific claims and benefit payments, can send a secure e-mail to their local office by accessing **Field Office Locator** at RRB.gov and clicking on the link at the bottom of their local office's page. If a customer absolutely needs to talk to an RRB employee, they can call the agency's toll-free number (1-877-772-5772). However, customers are asked to be patient because of the increase in call volume due to the closure to the public of RRB offices during the COVID-19 pandemic.