



May 21, 2024

The Honorable Robert Aderholt
Chair
Subcommittee on Labor, Health and Human
Services, Education, and Related Agencies
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

The Honorable Rosa DeLauro
Ranking Member
Subcommittee on Labor, Health and Human
Services, Education, and Related Agencies
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

The Honorable Tammy Baldwin
Chair
Subcommittee on Labor, Health and Human
Services, Education, and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Shelley Moore Capito
Ranking Member
Subcommittee on Labor, Health and Human
Services, Education, and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Chair Aderholt, Ranking Member DeLauro, Chair Baldwin, and Ranking Member Capito:

On behalf of the American Short Line and Regional Railroad Association (ASLRRA), the Association of American Railroads (AAR), and the Transportation Trades Department, AFL-CIO (TTD), we write to express our strong support for the Railroad Retirement Board's (RRB's) Fiscal Year 2025 (FY25) request for \$172.331 million in the Labor, Health and Human Services, Education, and Related Agencies (Labor-HHS) appropriations bill.

Over the last several years, RRB has faced many challenges, including a severe staffing shortage and an ongoing, complex Information Technology (IT) modernization effort, while navigating the high demand for benefits and assistance during and after the COVID-19 pandemic. These challenges have been exacerbated by the \$2 million cut in funding Congress passed last year in the Fiscal Year 2024 (FY24) Labor-HHS appropriations bill. The impact of these budget cuts is already being seen. For example, 25 percent of RRB's current employees will be eligible for retirement within the next year, but due to limited funding, RRB has been unable to replace those employees. These shortages have led to major backlogs in work and decreases in service to railroad retirees and workers.

We have appreciated Congress' past support for RRB's efforts to modernize IT programs and improve the Board's ability to pay benefits and maintain program integrity. Unfortunately, this dedicated funding will be depleted by the end of FY24, though more work remains.



For these reasons, RRB has requested \$172.331 million in funding for FY25, \$38.331 million above the President's FY25 request. Of that funding, \$28.331 million would be used to hire and retain the 880 full-time employees necessary to sustain operations and meet the Board's core mission of paying the right benefits to the right people in the right amount at the right time. The remaining \$10 million would allow RRB to continue making progress on its IT modernization effort, which Congress has supported in the past to improve program integrity. A more detailed explanation of RRB's request is attached to this letter.

It is important to note that RRB's funding structure is unique in that railroad employer and employee contributions are held in trust funds not only to pay railroad benefits, but also to support RRB operations. Enacted appropriations language simply authorizes the RRB to access their own available funds in the railroad retirement trust fund system for the agency's administrative budget, rather than drawing from the general pot of taxpayer funds. **In effect, rail labor and management are funding the agency's operations.** They pay into the trust so that when their earned benefits are needed, the RRB is there to timely process applications and provide the customer service they deserve. We ask that you allow the agency to receive the funding it requests so that it can fully meet the needs of the railroad community.

We urge you to fund RRB at the requested \$172.331 million to allow the agency to hire and retain the necessary employees and continue essential IT modernization. This funding level will ensure the Board continues to effectively serve the over 560,000 railroad employees and retirees and their families who rely on these benefits.

Sincerely,

Ian Jefferies
President and CEO
Association of American Railroads

Chuck Baker
President
American Short Line and Regional Railroad Association

Greg Regan
President
Transportation Trades Department, AFL-CIO