

Calendar No. 540

119TH CONGRESS
2D SESSION**S. 4965**

To amend the Railroad Retirement Act of 1974 to establish a Railroad Retirement Board Administrative Account, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 14, 2026

Mr. CASSIDY (for himself, Mr. SANDERS, Mr. BANKS, and Mr. KAINE) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

AUGUST 4, 2026

Reported by Mr. CASSIDY, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

A BILL

To amend the Railroad Retirement Act of 1974 to establish a Railroad Retirement Board Administrative Account, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Railroad Retirement
5 Board Stability Act of 2026”.

1 **SEC. 2. RAILROAD RETIREMENT BOARD ADMINISTRATIVE**
 2 **ACCOUNT.**

3 (a) IN GENERAL.—Section 15(h) of the Railroad Re-
 4 tirement Act of 1974 (45 U.S.C. 231n(h)) is amended to
 5 read as follows:

6 “(h) RAILROAD RETIREMENT BOARD ADMINISTRA-
 7 TIVE ACCOUNT.—

8 “(1) IN GENERAL.—There is created within the
 9 Treasury an account known as the Railroad Retire-
 10 ment Board Administrative Account (in this sub-
 11 section, referred to as the ‘Account’). All amounts
 12 within the Account are permanently and continu-
 13 ously available to the Board for purposes of admin-
 14 istering this Act and the Railroad Unemployment
 15 Insurance Act (45 U.S.C. 351 et seq.).

16 “(2) TRANSFERS AND LIMITATIONS.—

17 “(A) TRANSFER AUTHORITY.—Subject to
 18 subparagraph (B), the Board may transfer
 19 from the Railroad Retirement Account, the So-
 20 cial Security Equivalent Benefits Account, and
 21 the Railroad Unemployment Insurance Admin-
 22 istration Fund amounts the Board determines
 23 to be necessary for the purposes described in
 24 paragraph (1).

25 “(B) LIMITATIONS ON AMOUNTS.—

1 “(i) FISCAL YEARS 2027 THROUGH
 2 2031.—For fiscal years 2027 through
 3 2031, the Board shall not transfer funds
 4 in a fiscal year to the Account in an
 5 amount that is greater than—

6 “(I) the lesser of—

7 “(aa) 1.25 percent of the
 8 total benefits paid under this Act
 9 and the Railroad Unemployment
 10 Insurance Act (45 U.S.C. 351 et
 11 seq.) during the preceding fiscal
 12 year; or

13 “(bb) 0.75 percent of the
 14 total amounts in the National
 15 Railroad Retirement Investment
 16 Trust as of the close of the pre-
 17 ceding fiscal year; minus

18 “(H) the unobligated amounts in
 19 the Account as of the close of the pre-
 20 vious fiscal year.

21 “(ii) FISCAL YEAR 2032 AND SUBSE-
 22 QUENT FISCAL YEARS.—For fiscal year
 23 2032 and subsequent fiscal years, the
 24 Board shall not transfer funds in a fiscal

year to the Account in an amount that is greater than—

“(I) the lesser of—

“(aa) 1.15 percent of the total benefits paid under this Act and the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.) during the preceding fiscal year; or

“(bb) 0.75 percent of the total amounts in the National Railroad Retirement Investment Trust as of the close of the preceding fiscal year; minus

“(H) the unobligated amounts in the Account as of the close of the previous fiscal year.

“(C) PURPOSE LIMITATIONS.—Amounts transferred to the Account from—

“(i) the Social Security Equivalent Benefits Account may only be used to provide for the administrative expenses of the Board allocable to social security equivalent benefits under section 15A(c)(1); and

1 “(ii) the Railroad Unemployment In-
2 surance Administration Fund—

3 “~~(I)~~ may only be used for the ad-
4 ministrative expenses of the Board al-
5 locable for administering the Railroad
6 Unemployment Insurance Act (45
7 U.S.C. ~~351~~ et seq.); and

8 “~~(II)~~ shall be subject to the same
9 restrictions described in section ~~11(c)~~
10 of such Act (45 U.S.C. ~~361(c)~~).

11 “~~(3)~~ TECHNOLOGY FUND.—

12 “~~(A)~~ IN GENERAL.—Within the Account,
13 there is created a Railroad Retirement Tech-
14 nology Fund (in this subsection, referred to as
15 the ‘Fund’). In addition to amounts otherwise
16 available, the Board shall use amounts in the
17 Fund to complete its modernization of legacy
18 benefit processing systems.

19 “~~(B)~~ TRANSFERS.—Of the amounts trans-
20 ferred to the Account under paragraph (2)(A),
21 the Board shall transfer not less than the fol-
22 lowing amounts to the Fund:

23 “~~(i)~~ For fiscal year 2027,
24 \$10,000,000.

1 “(ii) For each of fiscal years 2028
2 through 2031, \$20,000,000.

3 ~~“(C) AVAILABILITY.—Amounts transferred~~
4 under this paragraph shall remain available to
5 the Board to complete its modernization of leg-
6 acy benefit processing systems through fiscal
7 year 2032. On the last day of fiscal year 2032,
8 the Board shall transfer any unobligated
9 amounts remaining in the Fund to the Account.

10 ~~“(4) ADDITIONAL AMOUNTS.—In addition to~~
11 amounts transferred under paragraph (2)(A) or
12 amounts otherwise available, there is authorized to
13 be appropriated to the Account from the Railroad
14 Retirement Account, the Social Security Equivalent
15 Benefits Account, and the Railroad Unemployment
16 Insurance Administration Fund—

17 ~~“(A) for fiscal year 2027 and subsequent~~
18 fiscal years, for any additional administrative
19 expenses of the Board with respect to unfore-
20 seen needs relating to processing claims for
21 benefits, such sums as are necessary; and

22 ~~“(B) for fiscal year 2033 and subsequent~~
23 fiscal years, for modernization of the Board’s
24 legacy benefit processing systems, such sums as
25 are necessary.”.

1 (b) CONFORMING AMENDMENTS.—

2 (1) RAILROAD RETIREMENT ACT.—The Rail-
3 road Retirement Act of 1974 (45 U.S.C. 231 et
4 seq.) is amended—

5 (A) in section 15(a), by inserting “to
6 transfer to the Railroad Retirement Board Ad-
7 ministrative Account established under sub-
8 section (h)” before “to provide for expenses”;
9 and

10 (B) in section 15A(e), by striking “to pro-
11 vide” and inserting “to transfer to the Railroad
12 Retirement Board Administrative Account es-
13 tablished under section 15(h)”.

14 (2) RAILROAD UNEMPLOYMENT INSURANCE
15 ACT.—Section 11(c) of the Railroad Unemployment
16 Insurance Act (45 U.S.C. 361(c)) is amended—

17 (A) by striking “Notwithstanding” and in-
18 serting “Subject to section 15(h) of the Rail-
19 road Retirement Act of 1974 (45 U.S.C.
20 231(h)) and notwithstanding”; and

21 (B) by inserting “for transferring to the
22 Railroad Retirement Board Administrative Ac-
23 count established under section 15(h) of the
24 Railroad Retirement Act of 1974 (45 U.S.C.
25 231(h))” before “for any expenses necessary”.

1 (c) SAVINGS CLAUSE.—Nothing in this section shall
 2 be construed as changing any requirement in law for the
 3 Railroad Retirement Board to submit any annual budget
 4 estimate, request, or other budget information to Con-
 5 gress, the President, the Office of Management and Budg-
 6 et, or any other Federal agency.

7 **SEC. 3. GAO REPORTS ON INFORMATION TECHNOLOGY**
 8 **MODERNIZATION EFFORTS.**

9 (a) INITIAL REPORT.—

10 (1) IN GENERAL.—Not later 10 months after
 11 the date of enactment of this Act, the Comptroller
 12 General of the United States (in this section, re-
 13 ferred to as the “Comptroller General”) shall submit
 14 to the Committee on Health, Education, Labor, and
 15 Pensions of the Senate and the Committee on
 16 Transportation and Infrastructure of the House of
 17 Representatives a report with recommendations for
 18 legislation and administrative action on ways to
 19 modernize the legacy benefit processing systems
 20 used by the Railroad Retirement Board (in this sec-
 21 tion, referred to as the “Board”).

22 (2) CONTENT OF THE REPORT.—In completing
 23 the report described in paragraph (1), the Comp-
 24 troller General shall—

25 (A) consider—

(i) experience and lessons learned from other Federal agencies' modernization of their information technology systems; focusing on such agencies that have upgraded information technology systems that use the Common Business-Oriented Language (commonly referred to as "COBOL") programming language; and

(ii) best practices that the Comptroller General identifies for Federal agency information technology modernization efforts; and

(B) identify resources, technical assistance, and other forms of support available from other Federal agencies for the Board to carry out the modernization of the Board's legacy benefit processing systems.

(b) ~~STAKEHOLDERS TO CONSULT.~~—In carrying out subsection (a), the Comptroller General shall consult the following stakeholders:

~~(1) Each of the 3 members of the Board.~~

~~(2) The Chief Information Officer of the Board.~~

~~(3) Representatives of each of the Class I railroads, as defined in section 20102 of title 49, United States Code.~~

1 (4) Representatives of not less than 2 Class II
2 or Class III railroads, as defined in such section.

3 (5) Representatives of each rail union that rep-
4 resents rail workers who are eligible for benefits
5 under the Railroad Retirement Act and Railroad
6 Unemployment Insurance Act.

7 (6) Retirees and other beneficiaries that cur-
8 rently receive benefits from the Board.

9 (c) FOLLOW-UP REPORT.—Not later than 6 months
10 after the end of fiscal year 2031, the Comptroller General
11 shall submit a follow-up report to the report described in
12 subsection (a), which shall include information regard-
13 ing—

14 (1) to what extent the Board followed the rec-
15 ommendations and best practices of the report de-
16 scribed in subsection (a);

17 (2) how effectively the Board complied with its
18 own internal project plans and milestones for com-
19 pleting the modernization of its legacy benefit proc-
20 essing systems;

21 (3) areas, if any, where the Board failed to
22 modernize its legacy benefit processing systems; and

23 (4) the estimated remaining cost for completing
24 the modernization of the Board's legacy benefit
25 processing systems, if any.

1 **SECTION 1. SHORT TITLE.**

2 *This Act may be cited as the “Railroad Retirement*
 3 *Board Stability Act”.*

4 **SEC. 2. RAILROAD RETIREMENT BOARD ADMINISTRATIVE**
 5 **ACCOUNT.**

6 *(a) IN GENERAL.—Section 15(h) of the Railroad Re-*
 7 *tirement Act of 1974 (45 U.S.C. 231n(h)) is amended to*
 8 *read as follows:*

9 *“(h) RAILROAD RETIREMENT BOARD ADMINISTRATIVE*
 10 *ACCOUNT.—*

11 *“(1) IN GENERAL.—There is created within the*
 12 *Treasury an account known as the Railroad Retire-*
 13 *ment Board Administrative Account (in this sub-*
 14 *section, referred to as the ‘Account’). All amounts*
 15 *within the Account are permanently and continuously*
 16 *available to the Board for purposes of administering*
 17 *this Act and the Railroad Unemployment Insurance*
 18 *Act (45 U.S.C. 351 et seq.).*

19 *“(2) TRANSFERS AND LIMITATIONS.—*

20 *“(A) TRANSFER AUTHORITY.—Subject to*
 21 *subparagraph (B), the Board may transfer from*
 22 *the Railroad Retirement Account, the Social Se-*
 23 *curity Equivalent Benefits Account, and the*
 24 *Railroad Unemployment Insurance Administra-*
 25 *tion Fund amounts the Board determines to be*

1 *necessary for the purposes described in para-*
 2 *graph (1).*

3 “(B) *LIMITATIONS ON AMOUNTS.—*

4 “(i) *FISCAL YEARS 2027 THROUGH*
 5 *2031.—For fiscal years 2027 through 2031,*
 6 *the Board shall not transfer funds in a fis-*
 7 *cal year to the Account in an amount that*
 8 *is greater than—*

9 “(I) *the lesser of—*

10 “(aa) *1.25 percent of the*
 11 *total benefits paid under this Act*
 12 *and the Railroad Unemployment*
 13 *Insurance Act (45 U.S.C. 351 et*
 14 *seq.) during the preceding fiscal*
 15 *year; or*

16 “(bb) *0.75 percent of the total*
 17 *amounts in the National Railroad*
 18 *Retirement Investment Trust as of*
 19 *the close of the preceding fiscal*
 20 *year; minus*

21 “(II) *the unobligated amounts in*
 22 *the Account as of the close of the pre-*
 23 *vious fiscal year.*

24 “(ii) *FISCAL YEAR 2032 AND SUBSE-*
 25 *QUENT FISCAL YEARS.—For fiscal year*

1 *2032 and subsequent fiscal years, the Board*
 2 *shall not transfer funds in a fiscal year to*
 3 *the Account in an amount that is greater*
 4 *than—*

5 *“(I) the lesser of—*

6 *“(aa) 1.15 percent of the*
 7 *total benefits paid under this Act*
 8 *and the Railroad Unemployment*
 9 *Insurance Act (45 U.S.C. 351 et*
 10 *seq.) during the preceding fiscal*
 11 *year; or*

12 *“(bb) 0.75 percent of the total*
 13 *amounts in the National Railroad*
 14 *Retirement Investment Trust as of*
 15 *the close of the preceding fiscal*
 16 *year; minus*

17 *“(II) the unobligated amounts in*
 18 *the Account as of the close of the pre-*
 19 *vious fiscal year.*

20 *“(C) PURPOSE LIMITATIONS.—Amounts*
 21 *transferred to the Account from—*

22 *“(i) the Social Security Equivalent*
 23 *Benefits Account may only be used to pro-*
 24 *vide for the administrative expenses of the*

1 *Board allocable to social security equivalent*
 2 *benefits under section 15A(c)(1); and*

3 “(ii) *the Railroad Unemployment In-*
 4 *surance Administration Fund—*

5 “(I) *may only be used for the ad-*
 6 *ministrative expenses of the Board al-*
 7 *locable for administering the Railroad*
 8 *Unemployment Insurance Act (45*
 9 *U.S.C. 351 et seq.); and*

10 “(II) *shall be subject to the same*
 11 *restrictions described in section 11(c)*
 12 *of such Act (45 U.S.C. 361(c)).*

13 “(3) *TECHNOLOGY FUND.—*

14 “(A) *IN GENERAL.—Within the Account,*
 15 *there is created a Railroad Retirement Tech-*
 16 *nology Fund (in this subsection, referred to as*
 17 *the ‘Fund’). In addition to amounts otherwise*
 18 *available, the Board shall use amounts in the*
 19 *Fund to complete its modernization of legacy*
 20 *benefit processing systems.*

21 “(B) *TRANSFERS.—Of the amounts trans-*
 22 *ferred to the Account under paragraph (2)(A),*
 23 *the Board shall transfer not less than the fol-*
 24 *lowing amounts to the Fund:*

25 “(i) *For fiscal year 2027, \$10,000,000.*

1 “(ii) *For each of fiscal years 2028*
2 *through 2031, \$20,000,000.*

3 “(C) *AVAILABILITY.—Amounts transferred*
4 *under this paragraph shall remain available to*
5 *the Board to complete its modernization of leg-*
6 *acy benefit processing systems through fiscal*
7 *year 2032. On the last day of fiscal year 2032,*
8 *the Board shall transfer any unobligated*
9 *amounts remaining in the Fund to the Account.*

10 “(4) *ADDITIONAL AMOUNTS.—In addition to*
11 *amounts transferred under paragraph (2)(A) or*
12 *amounts otherwise available, there is authorized to be*
13 *appropriated to the Account from the Railroad Re-*
14 *tirement Account, the Social Security Equivalent*
15 *Benefits Account, and the Railroad Unemployment*
16 *Insurance Administration Fund—*

17 “(A) *for fiscal year 2027 and subsequent*
18 *fiscal years, for any additional administrative*
19 *expenses of the Board with respect to unforeseen*
20 *needs relating to processing claims for benefits,*
21 *such sums as are necessary; and*

22 “(B) *for fiscal year 2033 and subsequent*
23 *fiscal years, for modernization of the Board’s leg-*
24 *acy benefit processing systems, such sums as are*
25 *necessary.”.*

1 (b) *CONFORMING AMENDMENTS.*—

2 (1) *RAILROAD RETIREMENT ACT.*—*The Railroad*
 3 *Retirement Act of 1974 (45 U.S.C. 231 et seq.) is*
 4 *amended—*

5 (A) *in section 15(a), by inserting “to trans-*
 6 *fer to the Railroad Retirement Board Adminis-*
 7 *trative Account established under subsection (h)”*
 8 *before “to provide for expenses”; and*

9 (B) *in section 15A(c), by striking “to pro-*
 10 *vide” and inserting “to transfer to the Railroad*
 11 *Retirement Board Administrative Account estab-*
 12 *lished under section 15(h)”.*

13 (2) *RAILROAD UNEMPLOYMENT INSURANCE*
 14 *ACT.*—*Section 11(c) of the Railroad Unemployment*
 15 *Insurance Act (45 U.S.C. 361(c)) is amended—*

16 (A) *by striking “Notwithstanding” and in-*
 17 *serting “Subject to section 15(h) of the Railroad*
 18 *Retirement Act of 1974 (45 U.S.C. 231(h)) and*
 19 *notwithstanding”; and*

20 (B) *by inserting “for transferring to the*
 21 *Railroad Retirement Board Administrative Ac-*
 22 *count established under section 15(h) of the Rail-*
 23 *road Retirement Act of 1974 (45 U.S.C. 231(h))”*
 24 *before “for any expenses necessary”.*

1 (c) *SAVINGS CLAUSE.*—*Nothing in this section shall be*
 2 *construed as changing any requirement in law for the Rail-*
 3 *road Retirement Board to submit any annual budget esti-*
 4 *mate, request, or other budget information to Congress, the*
 5 *President, the Office of Management and Budget, or any*
 6 *other Federal agency.*

7 **SEC. 3. GAO REPORTS ON INFORMATION TECHNOLOGY**
 8 **MODERNIZATION EFFORTS.**

9 (a) *INITIAL REPORT.*—

10 (1) *IN GENERAL.*—*Not later 10 months after the*
 11 *date of enactment of this Act, the Comptroller General*
 12 *of the United States (in this section, referred to as the*
 13 *“Comptroller General”)* *shall submit to the Committee*
 14 *on Health, Education, Labor, and Pensions of the*
 15 *Senate and the Committee on Transportation and In-*
 16 *frastructure of the House of Representatives a report*
 17 *with recommendations for legislation and administra-*
 18 *tive action on ways to modernize the legacy benefit*
 19 *processing systems used by the Railroad Retirement*
 20 *Board (in this section, referred to as the “Board”).*

21 (2) *CONTENT OF THE REPORT.*—*In completing*
 22 *the report described in paragraph (1), the Comptroller*
 23 *General shall—*

24 (A) *consider—*

1 (i) *experience and lessons learned from*
 2 *other Federal agencies’ modernization of*
 3 *their information technology systems, focus-*
 4 *ing on such agencies that have upgraded in-*
 5 *formation technology systems that use the*
 6 *Common Business-Oriented Language (com-*
 7 *monly referred to as “COBOL”) program-*
 8 *ming language; and*

9 (ii) *best practices that the Comptroller*
 10 *General identifies for Federal agency infor-*
 11 *mation technology modernization efforts;*
 12 *and*

13 (B) *identify resources, technical assistance,*
 14 *and other forms of support available from other*
 15 *Federal agencies for the Board to carry out the*
 16 *modernization of the Board’s legacy benefit proc-*
 17 *essing systems.*

18 (b) *STAKEHOLDERS TO CONSULT.—In carrying out*
 19 *subsection (a), the Comptroller General shall consult the fol-*
 20 *lowing stakeholders:*

- 21 (1) *Each of the 3 members of the Board.*
 22 (2) *The Chief Information Officer of the Board.*
 23 (3) *Representatives of each of the Class I rail-*
 24 *roads, as defined in section 20102 of title 49, United*
 25 *States Code.*

1 (4) *Representatives of not less than 2 Class II or*
 2 *Class III railroads, as defined in such section.*

3 (5) *Representatives of each rail union that rep-*
 4 *resents rail workers who are eligible for benefits under*
 5 *the Railroad Retirement Act and Railroad Unem-*
 6 *ployment Insurance Act.*

7 (6) *Retirees and other beneficiaries that cur-*
 8 *rently receive benefits from the Board.*

9 (c) *FOLLOW-UP REPORT.*—*Not later than 6 months*
 10 *after the end of fiscal year 2031, the Comptroller General*
 11 *shall submit a follow-up report to the report described in*
 12 *subsection (a), which shall include information regarding—*

13 (1) *to what extent the Board followed the rec-*
 14 *ommendations and best practices of the report de-*
 15 *scribed in subsection (a);*

16 (2) *how effectively the Board complied with its*
 17 *own internal project plans and milestones for com-*
 18 *pleting the modernization of its legacy benefit proc-*
 19 *essing systems;*

20 (3) *areas, if any, where the Board failed to mod-*
 21 *ernize its legacy benefit processing systems; and*

22 (4) *the estimated remaining cost for completing*
 23 *the modernization of the Board's legacy benefit proc-*
 24 *essing systems, if any.*

1 **SEC. 4. PENSION PAYMENT ACCELERATION.**

2 *Notwithstanding section 4007(a) of the Employee Re-*
3 *tirement Income Security Act of 1974 (29 U.S.C. 1307(a))*
4 *and section 4007.11 of title 29, Code of Federal Regulations,*
5 *for plan years commencing after December 31, 2035, and*
6 *before January 1, 2037, the premium due date applicable*
7 *to single employer plans for such plan years shall be the*
8 *fifteenth day of the ninth calendar month that begins on*
9 *or after the first day of the premium payment year.*

Calendar No. 540

119TH CONGRESS
2^D Session
S. 4965

A BILL

To amend the Railroad Retirement Act of 1974 to establish a Railroad Retirement Board Administrative Account, and for other purposes.

AUGUST 4, 2026
Reported with an amendment