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## Unemployment Benefit Information for Railroad Employees

BLE&T Division 375 recommends that if you think you may be furloughed, the first thing you need to do is register on-line & create an account with the Railroad Retirement Board at [http://www.rrb.gov/mep/ben\\_services.asp](http://www.rrb.gov/mep/ben_services.asp) **Do it now, don't wait until you are furloughed.** In the event you are laid off, you can then apply for your benefits on-line, \$61 per day, 5 days per week, \$610 per 14 day period in benefits.

If you are unemployed, you may be eligible to receive unemployment benefits from the Railroad Retirement Board (RRB), the Federal agency responsible for administering the railroad Unemployment Insurance Act (RUIA). In order to receive unemployment benefits, you must file an application for benefits by mail or through the [Railroad Retirement Board's web site, http://www.rrb.gov](http://www.rrb.gov). **To use online services you must have a PIN and Password (PPW) account. The Web site explains how to open a PPW account.**

If you choose to file by mail, you must obtain an application from your employer, local Railroad Retirement Board office or online. The completed application should be mailed to the local Board office as soon as possible and, **in any case, must be filed within 30 days of the date on which you became unemployed or the first day for which you wish to claim benefits. Benefits may be lost if the application is filed late online or via mail.**

To file your application online, you should go to the Board's Web site and click on "[Benefit Online Services](#)" for directions on establishing an RRB Internet Services account. **Once you establish an online account, you will be able to file your application for unemployment benefits, as well as conduct other business with the Board, over the Internet. However, to ensure security, you must first go online to get a Password Request Code, which you will receive by mail within 10 business days. You are encouraged to establish an online account while still employed so the account is ready if you ever need to apply for these benefits or use other Internet services.** Once you establish an online account, you do not need to do so again.

Whether you file by mail or online, the local Board office reviews the completed unemployment application and notifies your current employer, and your base-year railroad employer if different. Your employer has the right to provide information about your benefit application.

Biweekly claim forms are then mailed to you, and are also made available on the Board's Web site, as long as you remain unemployed and eligible for benefits.

Claim forms should be signed and mailed only on or after the last day of the claim. You also have the option of filing these claims over the Internet. The completed claim must be received by a Board office within 15 days of the end of the claim or the date the claim was mailed to you or made available online, whichever is later. You should not file both a paper claim and an online claim for the same period.

The Board must notify your base-year employer each time you file a claim for unemployment benefits and give that employer an opportunity to submit information relevant to the claim before the Board makes an initial determination on it. Any current employer is also notified. The Board also notifies your base-year employer each time benefits are paid to you.

Only one application need be filed during a benefit year even if you become unemployed more than once. However, in that case, you must request a new claim form from a Board office, or online, within 30 days of the first day for which you want to claim benefits. These claims may also be filed by mail or online.

**The normal method of payment for railroad unemployment and sickness benefits is by Direct Deposit.** With Direct Deposit, payments are issued directly to a claimant's bank, savings and loan, credit union or other financial institution. Applicants for unemployment and sickness benefits are asked to provide information needed for Direct Deposit enrollment.

### ***Qualification Requirements***

Only qualified employees can receive benefits under the Railroad Unemployment Insurance Act. A new benefit year begins every July 1. To qualify for benefits in a benefit year, you must have creditable railroad earnings in the preceding calendar year (base year), counting no more than a certain amount in any month. In addition, a new employee must have railroad service in at least 5 months of his or her first year of work in order to be eligible for benefits in the following benefit year.

The amount of earnings needed to qualify for benefits in a benefit year depends on the monthly compensation base in the base year. An employee is required to have base year earnings of not less than 2- 1/2 times the monthly compensation base applicable to months in that base year. As the monthly compensation base increases, the amount of compensation needed to qualify for benefits also increases.

Example: Benefit Year Beginning — July 1, 2005

Earnings Needed in Base Year — \$2,825.00 in 2004 ( $2\frac{1}{2} \times \$1,130.00 = \$2,825.00$ ). If 2004 was your first year of railroad work, you must also have railroad service in 5 months in 2004.

In this example, \$1,130.00 is the monthly compensation base for base year 2004. The monthly compensation base for base year 2005 is \$1,150.00. Contact your local RRB field office if you need information about the monthly compensation base for other years.

### ***Waiting Period***

To satisfy a waiting period requirement, no benefits are payable for your first 7 days of unemployment in your first claim in a period of continuing unemployment, unless you have already served a waiting period in the benefit year. Benefits are payable for each remaining day of unemployment in your first claim. For example, if you claim all 14 days in your first claim, you will be paid benefits for 7 days. If you are eligible and your claims are continuous from one benefit year to another, you generally will serve only one waiting period in your period of continuing unemployment.

A period of continuing unemployment means a period of time for which you file claims for unemployment benefits where (1) each claim has 5 or more valid days of unemployment, and (2) each claim begins within 15 days after the previous claim ends. For example, claims for the 14-day periods beginning June 17 and July 15 are in the same period of continuing unemployment. The second claim starts within 15 days after June 30, the last day of the claim period beginning June 17. So benefits are payable for days over 4 in the claim period beginning July 15. If the second claim began July 16, however, a 7-day waiting period would apply because that claim would start the first period of continuing unemployment in the new benefit year.

If you have at least 5, 6 or 7 days of unemployment in a 14-day period, you should file a claim for benefits. Even though no benefits would be payable if the claim is your first claim in the benefit year, your claim must be filed in order to satisfy the waiting period requirement. After your first claim, benefits will be paid for all days over 4 for other claims in the benefit year.

### ***Normal Benefits***

Normal benefits are paid for up to 130 days (26 weeks) in a benefit year. Benefit rights are exhausted when a benefit year ends (normally June 30) or earlier if benefit payments equal base year creditable earnings. Maximum normal benefits payable in the benefit year beginning July 2008 cannot exceed your railroad earnings in base year 2007, counting monthly earnings of up to \$1,589. In the benefit year beginning July 2009, monthly earnings up to \$1,653 in base year 2008 will be counted.

Example: For purposes of determining maximum normal benefits payable in the general benefit year beginning July 1, 2005, monthly earnings of up to \$1,460.00 are counted for months in base year 2004. For base year 2005, the monthly compensation base for maximum benefits is \$1,485.00.

In order to qualify for normal unemployment benefits, the employee must not have voluntarily quit work without good cause and not have voluntarily retired. However, these restrictions do not apply to normal sickness benefits.

### ***Daily Benefit Rate***

Your daily benefit rate is 60 % of the daily rate of pay for your last job in the base year, but not less than \$12.70 a day nor more than 5% of the monthly compensation base. For example, the monthly compensation base for 2004 is \$1,130.00, which results in a maximum daily benefit rate of \$56.00 for periods beginning after June 30, 2005. The maximum daily benefit rate is subject to increases under indexing rules reflecting the growth in average national wages. Contact your local RRB field office if you need information about the maximum benefit rates for other periods.

Your daily rate of pay is your straight-time rate of pay including any cost-of-living allowances, but not including overtime or other extra pay.

For mileage employees in train and engine service, the straight-time rate is the rate of pay for the number of miles in a basic workday, depending on occupation and class of service. Earnings for miles run over the number of miles in a basic workday do not count.

### ***Number of Days of Unemployment***

After you have satisfied the benefit year waiting period requirement, benefits are generally paid for days of unemployment over 4 in 14-day claim periods.

### ***Eligibility Requirements***

To receive unemployment benefits you must:

- be unemployed and receive no wages, salary, military reservist pay, pay for time lost, vacation pay, holiday pay, guarantee pay, or other remuneration from railroad or non-railroad employment for the days you claim benefits. Under certain conditions, part-time work does not affect entitlement to benefits. However, you must report all full-time and part-time work you perform to the Railroad Retirement Board (RRB) on each claim for benefits you file. The RRB will then determine whether your pay is "subsidiary remuneration" and whether benefits are payable for days on which you worked part-time. Contact your local RRB office for additional guidance on the effects of part-time work.
- be able to work. You must not be sick or injured.
- be ready and willing to work. If you do not have good prospects of returning to work soon, you must be looking for work. You may be called in for an interview and asked where you have looked for work. An RRB representative may also suggest places for you to apply for work. If you are looking for work, use the form on page 11 to record your efforts to find work.
- pass the earnings test for each claim. Your total earnings in the claim period must not exceed the monthly compensation base for the calendar year (base year) that precedes the benefit year (begins July 1). Earnings include pay from railroad, non-railroad, part-time, and self-employment. Earnings also include pay that you would have earned except for your failure to mark up or report for duty on time, or because you missed a turn in pool service or were otherwise not ready or willing to work.

Earnings do not include payments you receive during the claim period that are for days outside the claim period. All earnings for a work shift are attributable to the day the shift begins. The earnings test amount increases with each benefit year.

Example A: An employee works 6 days in the period December 13 through 26, 2005 and receives holiday pay for December 25. The gross earnings and holiday pay total \$1,150.00. Because \$1,150.00 exceeds the 2004 monthly compensation base of \$1,130.00, no benefits are payable for the claim period.

Example B: An employee has total gross earnings of \$850 from 4 days of work and 2 days of vacation pay in the period October 1 through 14, 2005. During the period, the employee also missed a turn in pool service for which \$300 would have been earned. No benefits are payable for the claim period because the actual earnings of \$850 plus the earnings that would have come from the missed turn in pool service total \$1,150.00. This is more than the 2004 monthly compensation base of \$1,130.00.

- obtain an application for unemployment benefits from your employer, the RRB, or complete online at [www.rrb.gov](http://www.rrb.gov).
- complete and file the application for unemployment benefits during your first 30 days of unemployment. You may lose benefits if you file late. An application is considered filed on the day it is received by the RRB. If you claimed benefits earlier in the benefit year, stopped claiming, and now want to claim benefits again, you must request a claim form from your local RRB office within 30 days. Only one application is required in each benefit year.
- file online at [www.rrb.gov](http://www.rrb.gov) or mail the completed application to the RRB district office serving your area. After your application is processed, your first unemployment claim will be mailed to you for completion.

### ***Special Rules for Train and Engine Service and Passenger Service***

For employees in train and engine service and passenger service, benefits are **not payable for:**

- Standby and Layover--Days on which you are standing by for or laying over between regular assigned trips. For example, if an engineer has a regular assignment which runs every third day, the days between the regular runs do not count as days of unemployment.
- Work Restrictions--Any day on which you do not work because of a mileage limitation or other similar work restriction. For example, a brakeman does not work in January after the 20th day of the month because he has worked the maximum mileage for the month. In his case, the days January 21 through January 31 do not count as days of unemployment.
- Pool Service--Any day on which you do not work because you miss a turn in pool service.
- Full Time Work--Any day in a registration period in which you have the equivalent of full-time work.
- If you work in train and engine service or passenger service, you must report on your unemployment claim the number of miles or hours credit earned in each claim period. You must also report days on which you did not work because of a layover or standby rule, mileage restriction, or because you missed a turn in pool service.

### ***Taxability of Unemployment Benefits***

Unemployment benefits paid under the Railroad Unemployment Insurance Act (RUIA) are considered income for Federal income tax purposes. Each year, the Railroad Retirement Board (RRB) sends railroad employees Form 1099-G showing the total amount of unemployment benefits paid during the preceding calendar year. You must report that amount on your Federal income tax return.

You may file Form W-4v with the nearest RRB office if you want the RRB to withhold Federal income tax from your benefits. To end withholding you must file another Form W-4v with the RRB. Form W-4v is available upon request from the Internal Revenue Service. The RUIA specifically exempts railroad unemployment benefits from State income taxes.

### ***Base Year - Benefit Year***

A new benefit year for unemployment and sickness benefits begins every July 1. **To qualify in the benefit year beginning July 1, 2008, you must have base year earnings of \$3,075 in calendar year 2007, counting no more than \$1,230 per month. To qualify in the benefit year beginning July 1, 2009, you must have base year earnings of \$3,200 in calendar year 2008, counting no more than \$1,280 per month.** If the base year was your first year of railroad service, you must also have worked in 5 months of that year.

If you do not meet these requirements but have at least 10 years of service, you might still be able to qualify under the [conditions for extended and accelerated benefits](#).

### ***Biweekly Benefits***

**The maximum daily benefit rate payable in the benefit year beginning July 2008 is \$61 and, for biweekly claims, maximum benefits can total \$610. The daily benefit rate will increase to \$64 in July 2009 and may increase at the beginning of each future benefit year depending on the growth in average national wages.**

Registration and waiting period.-- Benefits are normally paid for the number of days of unemployment or sickness over 4 in 14-day registration periods. Initial sickness claims must also begin with 4 consecutive days of sickness. However, during the first 14-day claim period in a benefit year, benefits are only payable for each day of unemployment or sickness in excess of 7 which, in effect, provides a 1-week waiting period. Separate waiting periods are required for unemployment and sickness benefits. However, only one 7-day waiting period is required during any period of continuing unemployment or sickness, even if that period continues into a subsequent benefit year.

### ***General Requirements***

To be eligible for unemployment benefits, you must be ready, willing and able to work and be available for work. A “day of unemployment” is a day on which you meet these conditions and do not receive any pay, are not disqualified, and have properly registered for unemployment benefits. If you are in train and engine service, any calendar day on which you do not work solely because of a mileage limitation or work-restriction agreement or solely because you are between regularly assigned trips or tours of duty, or because you missed a turn in pool service, is not considered a day of unemployment.

If you are an extra-board employee, you can receive unemployment benefits between jobs if the miles and/or hours you actually worked were less than the equivalent of normal full-time work in your class of service during the 14-day claim period. Entitlement to benefits would also depend on your earnings.

To be eligible for sickness benefits, you must be unable to work because of illness or injury. A “day of sickness” is a day on which you meet this condition and for which you do not receive any pay and have filed an application for sickness benefits and a statement of sickness signed by your doctor or other authorized individual. This statement provides evidence of your medical condition and its expected duration.

You may not receive benefits for any day for which you receive pay. This includes railroad and nonrailroad wages, salary, pay for time lost, pay while sick, dismissal allowances, most wage guaranty payments, vacation pay, holiday pay, military reservist pay, earnings from self-employment, or remuneration other than subsidiary remuneration.

However, payments received under a Railroad Retirement Board-approved nongovernmental supplemental unemployment or sickness insurance plan, your own health or accident insurance policy or a group insurance policy will not affect entitlement to unemployment or sickness benefits and should not be reported on your claims.

Also, an earnings test is applied to unemployment claims. If a claimant’s earnings for days worked, and/or days of vacation or paid 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. Earnings include pay from self-employment and railroad, nonrailroad, and part-time work. Earnings also include pay that you would have earned except for your failure to mark up or report for duty on time, or because you missed a turn in pool service or were otherwise not ready or willing to work.

For the benefit year beginning July 2008, the earnings test is \$1,230; and for the benefit year that begins July 2009 the test will be \$1,280. These amounts correspond to the base year monthly compensation amounts used in determining eligibility for benefits in each year. But, 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 that benefit year.

For complete information visit & search the [Railroad Retirement Board’s Website at http://www.rrb.gov](http://www.rrb.gov) or contact the local RRB office nearest you: Charlotte, NC office: 704-344-6118

# Healthcare & Welfare Information for Furloughed Employees



The following applies if you are covered under the NRC/UTU Health & Welfare Plan or the Railroad Employees' National Health & Welfare Plan:

- \* If you are furloughed in December, your employee and dependent health-care coverage will continue through April 2009 -- for **four months following the furlough.**
- \* Generally, the plan provides continued coverage through the fourth month following the month in which you last provided compensated service, or received vacation pay (provided the vacation pay was received **prior** to the date of your furlough). Thus, **if you are furloughed in January, coverage would continue through May.**
- \* Some general committees may have local contract language that differs, and it is essential that you discuss your layoff with your local and/or general chairperson to make that determination.
- \* Also, if you are not covered by the NRC/UTU Health & Welfare Plan, or the Railroad Employees' National Health & Welfare Plan, or are not sure if you are, you should also contact your local chairperson for more information.

More information may be found in the Summary Plan Description (SPD) books for these plans under the heading, "Eligibility and Coverage." If you do not have a copy of the SPD, you may obtain one by calling the insurance company that administers your benefits (Aetna, Highmark BCBS or United HealthCare) at the toll-free phone number on your health-care ID card. Also, information is available on the internet (including SPD books) at <http://www.nrlc.ws>

Also provided in that section on "Eligibility and Coverage" is information on extended coverage (beyond four months) under the so-called COBRA option. This law permits you to purchase the same group coverage for the individuals in your family desiring such additional coverage. The payment rates are determined on a per-person basis (adult/children) and are subject to increase March 1, 2009. To obtain information on the payment rates, contact United HealthCare at (888) 445-4379.

Additionally, if you work 7 days in a calendar month, (those 7 days do not have to be consecutive days,) this will "reset" the 4 month window concerning your healthcare benefits & coverage. Coverage terminates at the end of the fourth month in which you last rendered compensated service or received vacation pay. For a furloughed employee, vacation pay must be received prior to furlough.