

RAILROAD UNEMPLOYMENT INSURANCE AMENDMENTS  
ACT OF 1995

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APRIL 18, 1996.—Committed to the Committee of the Whole House on the State of  
the Union and ordered to be printed

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Mr. SHUSTER, from the Committee on Transportation and  
Infrastructure, submitted the following

R E P O R T

[To accompany H.R. 2594]

[Including cost estimate of the Congressional Budget Office]

The Committee on Transportation and Infrastructure, to whom was referred the bill (H.R. 2594) to amend the Railroad Unemployment Insurance Act to reduce the waiting period for benefits payable under that Act, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE AND SUMMARY

H.R. 2594, the Railroad Unemployment Insurance Amendments Act of 1995, is a bipartisan bill that is supported by rail and rail management and rail labor. The bill revises railroad unemployment and sickness benefits; brings such benefits more into line with benefits provided by State unemployment systems; and establishes revised benefit and indexing formulas.

The Railroad Unemployment Insurance (RUI) system currently has a two-week waiting period before benefits begin to accrue, while 39 State unemployment systems have a one-week waiting period and 11 have none. H.R. 2594 reduces the waiting period from two weeks to seven days. It also eliminates a new waiting period required under current law, whenever the continuing unemployment or sickness extends into a new fixed benefit year.

Currently, more than 40 States have higher maximum benefit rates than RUI provides (\$36/day or \$180/week). H.R. 2594 will increase the benefit rate to \$42/day, with indexed increases in future years. Over the period of the next eight years, benefits under this

legislation are expected to run about 15 percent higher than under current law.

As a partial offset to increases in the daily benefit rate and to the reduction in the waiting period, H.R. 2594 limits extended benefits to 65 days (instead of the present 130 days) and introduces an earnings test that disqualifies workers whose partial earnings exceed the applicable base year monthly compensation base in a two-week benefit period.

#### BACKGROUND AND NEED FOR THE LEGISLATION

The Railroad Unemployment Insurance Act provides for a nationally uniform railroad unemployment insurance system, administered by the Railroad Retirement Board. The Act also provides sickness benefits for railroad workers.

Many features of the current Railroad Unemployment Insurance (RUI) system emerged from legislation passed in 1988 (P.L. 100-647). That law was fashioned, in significant part, on the joint recommendations of rail labor and rail management. At that time, the old RUI system was deeply in debt to the Railroad Retirement System because of sharp cutbacks in rail employment in the 1980s. The 1988 legislation imposed a repayment tax on the railroads and introduced experience rating to make individual employers proportionately responsible for the unemployment and sickness benefits paid to their own employees. The legislation also included a lower inflation benefits escalator than typical State plans and a longer waiting period for initial benefits.

Since 1988, the system's financial fortunes have improved markedly. Increased railroad tax payments, limitations on benefit increases, and a decline in railroad unemployment levels have contributed to a RUI system that now enjoys solid financial health. In 1993, more than one year early, it completely paid off the debt it owed to the Railroad Retirement System.

With the improvement in the system's financial health, rail labor and rail management now support benefit changes to bring the system more in line with unemployment benefits provided by State unemployment systems. Because current law provides that RUI employer contributions increase as benefits increase, no revenue changes are required to implement the provisions of H.R. 2594.

#### AGENCY COST ESTIMATE

The Railroad Retirement Board has submitted cost estimates regarding H.R. 2594 based on June 1, 1996 and July 1, 1996 effective dates. (H.R. 2594 would take effect on the date of enactment. For purposes of its estimate, CBO assumed a February 1, 1996 effective date.) According to the Railroad Retirement Board estimates, H.R. 2594 would have the effect of reducing the deficit by \$14.5 million with a June 1, 1996 effective date, and by \$14.6 million with a July 1, 1996 effective date.

#### INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(l)(4) of rule XI of the Rules of the House of Representatives, the Committee notes that the legislation affects the operation of two trust funds, the Railroad Unemployment In-

insurance Account and the Railroad Retirement Account. The bill will increase the unemployment benefits, but also will limit extended benefits to 65 days instead of the present 130 days and will introduce an earnings test that disqualifies workers whose partial earnings exceed the applicable base year monthly compensation base in two-week benefit period. Thus, the Committee believes that enactment of the bill will have any inflationary effect on prices and costs in the operation of the national economy.

#### SECTION-BY-SECTION ANALYSIS

##### *Section 1. Short Title.*

Section 1 of the bill provides that the Act may be cited as the "Railroad Unemployment Insurance Amendments Act of 1995."

##### *Sec. 2. Waiting Period for Unemployment Benefits.*

Section 2 of the bill amends section 2(a)(1)(A) of the Railroad Unemployment Insurance Act, providing terms and conditions for payment of railroad unemployment benefits. Section 2 allows an employee to receive benefits for up to seven days of unemployment. Under current law, an employee's first registration period during a period of continuing unemployment. Under current law, an employee can receive no benefits at all during the first registration period. The change does not apply to employees whose period of unemployment is attributable to a stoppage of work because of a strike.

The bill provides that, after the first registration period, employees may receive up to 10 days of benefits in each succeeding registration period, as under current law.

Section 2 also adds a definition of "period of continuing unemployment." Under this definition, once an employee has satisfied the waiting period requirement, there would not be another waiting period during the same period of continuing unemployment, even if a new benefit year begins during that period of continuing unemployment.

Finally, section 2 precludes the payment of unemployment benefits to an employee during a registration period if the employee had earnings during such registration period in excess of the amount of the monthly compensation base for the applicable base year. The monthly compensation base in 1995 is \$850. Therefore, in the benefit year starting July 1, 1996, any employee who earned in excess of \$850 in a registration period could not receive unemployment benefits for that period. Under current law an employee can receive benefits for a day of unemployment regardless of how much was earned during the remaining days of the registration period. Like the daily benefit rate (see Section 4), the monthly compensation base is automatically indexed and will increase each year.

##### *Sec. 3. Waiting Period for Sickness Benefits.*

Section 3 of the bill amends section 2(a)(1)(B) of the Railroad Unemployment Insurance Act to make the same changes with respect to the waiting period for unemployment benefits as section 2 of the bill makes with respect to the waiting period for unemployment benefits. Under section 3, employees will be able to receive sickness

benefits for up to seven days during the first registration period of continuing sickness. Under current law, the employee can receive no benefits at all in the first registration period. Further, under the bill, there would not be another waiting period during the same period of continuing sickness, even if a new benefit year begins during the period of continuing sickness.

*Sec. 4. Maximum Daily Benefit Rate.*

Section 4 amends section 2(a)(3) of the Railroad Unemployment Insurance Act of change the indexing formula for computing the new maximum daily benefit rate for days of unemployment and sickness each benefit year. Under the new formula, the maximum daily rate for benefits each benefit year will be five percent of the monthly compensation base for the base year, rounded down to the nearest multiple of \$1.00. Thus, for the current benefit year, the maximum daily rate for unemployment and sickness benefits will be \$42. Currently, the maximum daily rate is \$36.

*Sec. 5. Maximum Number of Days for Benefits.*

Section 5 of the bill amends section 2(c) of the Railroad Unemployment Insurance Act to provide extended benefits for a maximum of 65 days of unemployment or 65 days of sickness during a benefit year after regular benefits are exhausted. These extended benefits are payable to employees with 10 or more years of railroad service. Under current law, employees with 15 or more years of railroad service are entitled to 130 days of extended unemployment benefits or 130 days of extended sickness benefits.

Section 5 of the bill also deletes obsolete sections 2(h) and 17 of the Railroad Unemployment Insurance Act, which provided increased benefits during periods of high unemployment.

*Sec. 6. Effective Date.*

Section 6 of the bill provides that the amendments made by the bill will be effective on the date of enactment.

COMMITTEE CONSIDERATION

On November 16, 1995, the Committee on Transportation and Infrastructure met in open session and ordered reported the bill H.R. 2594, by a unanimous voice vote, a quorum being present.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 2(l)(3)(A) of rule XI of the Rules of the House of Representatives, oversight findings and recommendations have been made by the Committee as reflected in this report.

COMMITTEE ON GOVERNMENT OPERATIONS

Pursuant to clause 2(l)(3)(D) of rule XI of the Rules of the House of Representatives, the Committee notes that no oversight findings have been submitted to the Committee by the Committee on Government Operations.

## COMMITTEE COST ESTIMATE

In compliance with clause 7(a) of rule XIII of the Rules of the House of Representatives, the Committee believes that the cost of administering H.R. 2594 would be no more than the amounts described in the estimate provided by the Congressional Budget Office that accompanies this report:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, December 20, 1995.*

Hon. BUD SHUSTER,  
*Chairman, Committee on Transportation and Infrastructure, House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2594, the Railroad Unemployment Insurance Amendments of 1995, as ordered reported by the Committee on Transportation and Infrastructure on November 16, 1995.

The bill would affect direct spending and thus would be subject to pay-as-you-go procedures under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JUNE E. O'NEILL, *Director.*

## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 2594.
2. Bill title: The Railroad Unemployment Insurance Amendments Act of 1995.
3. Bill status: As ordered reported by the House Committee on Transportation and Infrastructure on November 16, 1995.
4. Bill purpose: H.R. 2594 would amend the Railroad Unemployment Insurance Act to reduce the waiting period for benefits payable under the act, limit the amount of benefits paid to unemployment claimants with earnings in excess of the monthly compensation base, increase the daily benefit rate, and decrease the maximum number of days of benefits for employees with 15 or more years of railroad service.
5. Estimated cost to the Federal Government: Enactment of H.R. 2594 would affect direct spending by increasing benefit outlays under the Railroad Unemployment Insurance Act and by increasing revenues. In 1993, 271,000 individuals were employed in the rail industry, but railroad employment has been decreasing over the past several years at a rate of 17,000 annually. Over fiscal years 1996–2002, benefit outlays to unemployment railroad workers would increase by \$82 million under this bill, and revenues would increase by \$64 million. The following table summarizes the estimated budgetary impact of this bill.

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[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002
Direct Spending Under Current Law							
Railroad Unemployment Insurance Benefits:							
Estimated Budget Authority .....	69	68	68	70	70	73	73
Estimated Outlays .....	69	68	68	70	70	73	73
Changes Under H.R. 2594							
Railroad Unemployment Insurance Benefits:							
Waiting Period:							
Estimated Budget Authority .....	4	5	5	5	5	5	5
Estimated Outlays .....	4	5	5	5	5	5	5
Limit on the Amount of Benefits:							
Estimated Budget Authority .....	-1	-1	-1	-1	-1	-1	-1
Estimated Outlays .....	-1	-1	-1	-1	-1	-1	-1
Increase in the Daily Benefit Rate:							
Estimated Budget Authority .....	8	12	12	9	10	9	10
Estimated Outlays .....	8	12	12	9	10	9	10
Maximum Number of Days of Benefits:							
Estimated Budget Authority .....	-2	-2	-2	-2	-2	-2	-2
Estimated Outlays .....	-2	-2	-2	-2	-2	-2	-2
Total Changes Under H.R. 2594:							
Estimated Budget Authority .....	9	13	14	11	12	11	12
Estimated Outlays .....	9	13	14	11	12	11	12
Spending Under H.R. 2594							
Railroad Unemployment Insurance Benefits:							
Estimated Budget Authority .....	78	81	81	82	82	83	83
Estimated Outlays .....	78	81	81	82	82	83	83
Revenues							
Employer Contributions Under Current Law .....	23	35	82	124	107	67	61
Change in Employer Contributions .....	0	17	22	3	-2	6	18
Employer Contributions Under H.R. 2594 .....	23	52	102	127	105	73	79
Net Effect on the Deficit .....	9	-4	-8	8	10	5	-6

Note: Components may not sum to totals due to rounding.

The costs of this bill fall within budget function 600.

6. Basis of estimate: This estimate is based upon an assumed enactment date of February 1, 1996.

**Waiting Period.** Currently, beneficiaries begin to receive unemployment or sickness benefits on the 14th day after filing a claim. The bill would reduce this waiting period from 14 days to 7 days. Thus, this provision would have the effect of paying benefits one week sooner than under current law. Furthermore, under current law, benefits are related to a benefit year that runs from July 1 to June 30. If an individual's spell of unemployment or sickness starts in one benefit year and continues across a second benefit year, then the individual must serve two waiting periods (one for each benefit year). The bill would require only one waiting period for continuing spells of unemployment or sickness that cross benefit years, thereby increasing the amount of benefits paid. CBO estimates these provisions would increase benefit payments by \$34 million over the seven fiscal years 1996–2002.

**Limit on the Amount of Benefits.** Under current law, individuals collecting unemployment or sickness benefits are allowed to receive their full benefit amount even if they are receiving earnings from other work. H.R. 2594 would disqualify an individual from receiving unemployment or sickness benefits if that individual earned in each 14-day period more than the base-year monthly compensation

amount for that same 14-day period. A base year is the calendar year preceding the current benefit year. For example, for the benefit year beginning July 1, 1995, the base year would be calendar year 1994. The monthly compensation amount for that year is \$840. If this provision were enacted, an individual earning more than the monthly compensation amount would be disqualified from receiving benefits. If the individual earned less than that rate, the full benefit amount would be paid. CBO estimates this provision would reduce unemployment and sickness benefits by \$6 million over the 7-year period.

**Increase in the Daily Benefit Rate.** H.R. 2594 would set the daily benefit rate to equal 5 percent of the monthly compensation amount specified in the law for the program. The current formula is somewhat more complicated and does not always increase from year to year. This provision would increase the daily benefit rate. The maximum daily benefit rates under current law and under the proposal are shown in the table below.

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002
Current Law .....	\$36	\$36	\$39	\$39	\$42	\$42	\$44
Proposal .....	42	43	44	45	47	48	50

CBO estimates this provision would increase benefit outlays by \$70 million over the 7-year period.

**Maximum Number of Days of Benefits.** Currently, eligible individuals receive up to 130 days of unemployment benefits and up to 130 days of sickness benefits within a benefit year. Unemployed railroad workers with 10 to 15 years of service are eligible to receive an additional 65 days of either unemployment or sickness benefits, depending on which normal benefits they exhausted. Workers with more than 15 years of service are eligible for an additional 130 days of benefits. This bill would eliminate the 65 additional days of benefits for those with more than 15 years of service. CBO estimates that this provision would save \$16 million over the 7-year period.

**Revenues.** Because the bill would increase the total amount of unemployment and sickness benefits, the amount employers are required to contribute to the unemployment fund would increase as well. The Railroad Unemployment Insurance program is experience-rated, and employer tax rates increase automatically when benefit payments increase. CBO estimates employer contributions would increase by \$64 million over the 7-year period.

**7. Pay-as-you-go-considerations:** Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts through 1998. The bill would have the following pay-as-you-go effects:

[By fiscal year, in millions of dollars]

	1996	1997	1998
Change in Outlays .....	9	13	14
Change in Receipts .....	0	17	22

8. Estimated cost to state and local governments: The revenue estimate includes additional costs that would be incurred by state and local commuter authorities as a result of enacting H.R. 2594. CBO estimates that these costs would total about \$5 million for fiscal years 1996–2002, as approximately 8–10 percent of railroad employment is directly related to these authorities.

9. Estimate comparison: On December 1, 1995, the Railroad Retirement Board forwarded its estimate of H.R. 2594 to Chairwoman Molinari of the Subcommittee on Railroads of the Committee on Transportation and Infrastructure. The Railroad Retirement Board's estimate assumed an effective date of January 1, 1996. Therefore, their benefit outlay increases are slightly higher than CBO's estimated increases, which assume enactment on February 1, 1996. Additionally, the Railroad Retirement Board's estimate of the increase in revenues is higher than CBO's.

10. Previous CBO estimate: CBO provided an estimate for H.R. 4868 of the 103rd Congress on August 9, 1994. H.R. 4868 and H.R. 2594 are identical. CBO's estimates of the two bills are similar.

11. Estimate prepared by: Christi Hawley, Peter Ricoy, and Marc Nicole.

12. Estimate approved by: Paul N. Van de Water, Assistant Director for Budget Analysis.

#### CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

#### **RAILROAD UNEMPLOYMENT INSURANCE ACT**

\* \* \* \* \*

#### BENEFITS

SEC. 2. (a)(1) [(A)(i) Except as otherwise provided in this subparagraph, benefits shall be payable to any qualified employee for each day of unemployment in excess of 4 during any registration period.

[(ii) No benefits shall be payable for days of unemployment during the first registration period within a benefit year in which the employee has more than 4 days of unemployment.

[(iii) In any case in which the Board finds that an employee's unemployment was due to a stoppage of work because of a strike in the establishment, premises, or enterprise at which such employee was last employed, no benefits shall be payable for the first 14 days of unemployment due to such stoppage of work. However, for subsequent days of unemployment due to such stoppage of work, benefits shall be payable to days in excess of 4 during any registration period.

[(B)(i) Except as otherwise provided in this subparagraph, benefits shall be payable to any qualified employee for each day of sickness after the 4th consecutive day of sickness in a period of continuing sickness but excluding 4 days of sickness in any registration period.

[(ii) No benefits shall be payable for days of sickness in the first registration period within a benefit year in which the employee has both 4 consecutive days of sickness and more than 4 days of sickness.]

[(iii) For the purposes of this subparagraph, a period of continuing sickness means (I) a period of consecutive days of sickness, whether from one or more causes, or (II) a period of successive days of sickness due to a single cause without interruption of more than 90 consecutive days which are not days of sickness.]

(A) *PAYMENT OF UNEMPLOYMENT BENEFITS.*—

(i) *GENERALLY.*—*Except as otherwise provided in this subparagraph, benefits shall be payable to any qualified employee for each day of unemployment in excess of 4 during any registration period within a period of continuing unemployment.*

(ii) *WAITING PERIOD FOR FIRST REGISTRATION PERIOD.*—*Benefits shall be payable to any qualified employee for each day of unemployment in excess of 7 during that employee's first registration period of continuing unemployment if—*

*(I) such registration period includes more than 4 days of unemployment; and*

*(II) such period of continuing unemployment is the employee's initial period of continuing unemployment in the benefit year.*

(iii) *STRIKES.*—

*(I) INITIAL 14-DAY WAITING PERIOD.*—*If the Board finds that a qualified employee has a period of continuing unemployment that includes days of unemployment due to a stoppage of work because of a strike in the establishment, premises, or enterprise at which such employee was last employed, no benefits shall be payable for such employee's first 14 days of unemployment due to such stoppage of work.*

*(II) SUBSEQUENT DAYS OF UNEMPLOYMENT.*—*For subsequent days of unemployment due to the same stoppage of work, benefits shall be payable as provided in clause (i) of this subparagraph.*

*(III) SUBSEQUENT PERIODS OF CONTINUING UNEMPLOYMENT.*—*If such period of continuing unemployment ends by reason of clause (v) but the stoppage of work continues, the waiting period established in clause (ii) shall apply to the employee's first registration period in a new period of continuing unemployment based upon the same stoppage of work.*

(iv) *DEFINITION OF PERIOD OF CONTINUING UNEMPLOYMENT.*—*Except as limited by clause (v), for the purposes of this subparagraph, the term "period of continuing unemployment" means—*

*(I) a single registration period that includes more than 4 days of unemployment;*

*(II) a series of consecutive registration periods, each of which includes more than 4 days of unemployment; or*

*(III) a series of successive registration periods, each of which includes more than 4 days of unemployment, if each succeeding registration period begins within 15 days after*

*the last day of the immediately preceding registration period.*

*(v) SPECIAL RULE REGARDING END OF PERIOD.—For purposes of applying clause (ii), a period of continuing unemployment ends when an employee exhausts rights to unemployment benefits under subsection (c) of this section.*

*(vi) LIMIT ON AMOUNT OF BENEFITS.—No benefits shall be payable to an otherwise eligible employee for any day of unemployment in a registration period where the total amount of the remuneration (as defined in section 1(j)) payable or accruing to him for days within such registration period exceeds the amount of the base year monthly compensation base. For purposes of the preceding sentence, an employee's remuneration shall be deemed to include the gross amount of any remuneration that would have become payable to that employee but did not become payable because that employee was not ready or willing to perform suitable work available to that employee on any day within such registration period.*

*(B) PAYMENT OF SICKNESS BENEFITS.—*

*(i) GENERALLY.—Except as otherwise provided in this subparagraph, benefits shall be payable to any qualified employee for each day of sickness after the 4th consecutive day of sickness in a period of continuing sickness but excluding 4 days of sickness in any registration period in such period of continuing sickness.*

*(ii) WAITING PERIOD FOR FIRST REGISTRATION PERIOD.—Benefits shall be payable to any qualified employee for each day of sickness in excess of 7 during that employee's first registration period in a period of continuing sickness if such registration period begins with 4 consecutive days of sickness and includes more than 4 days of sickness, except that the waiting period established in this clause shall not apply to the first registration period in any subsequent period of continuing sickness that begins in the same benefit year.*

*(iii) DEFINITION OF PERIOD OF CONTINUING SICKNESS.—For the purposes of this subparagraph, a period of continuing sickness means—*

*(I) a period of consecutive days of sickness, whether from 1 or more causes; or*

*(II) a period of successive days of sickness due to a single cause without interruption of more than 90 consecutive days which are not days of sickness.*

*(iv) SPECIAL RULE REGARDING END OF PERIOD.—For purposes of applying clause (ii), a period of continuing sickness ends when an employee exhausts rights to sickness benefits under subsection (c) of this section.*

\* \* \* \* \*

**[(3)(A) The maximum daily benefit rate which the Board is required to compute under section 12(r)(2) shall be the amount computed pursuant to the following formula, but shall be not less than \$30:**

$$\text{[BR=25} \left( 1 + \frac{\text{A}-600}{900} \right)$$

[(B) For purposes of such formula—

[(i) “BR” represents the maximum daily benefit rate; and

[(ii) “A” represents the amount obtained by dividing the amount of the “applicable base” with respect to tier 1 taxes as determined under section 3231(e)(2) of the Internal Revenue Code of 1986 for the calendar year in which the benefit year begins by 60, with this quotient being rounded down to the nearest multiple of \$100.

[(C) If the maximum daily benefit rate computed under such formula is not a multiple of \$1, it shall be rounded to the nearest multiple of \$1, with such rounding being upward in the event the amount computed is equidistant between two multiples of \$1.]

(3) *The maximum daily benefit rate computed by the Board under section 12(r)(2) shall be the product of the monthly compensation base, as computed under section 1(i)(2) for the base year immediately preceding the beginning of the benefit year, multiplied by 5 percent. If the maximum daily benefit rate so computed is not a multiple of \$1, it shall be rounded down to the nearest multiple of \$1.*

\* \* \* \* \*

[(c) The maximum number of days of unemployment within a benefit year for which benefits may be paid to an employee shall be one hundred and thirty, and the maximum number of days of sickness within a benefit year for which benefits may be paid to an employee shall be one hundred and thirty: *Provided, however,* That the total amount of benefits which may be paid to an employee for days of unemployment within a benefit year shall in no case exceed the employee’s compensation in the base year; and the total amount of benefits which may be paid to an employee for days of sickness within a benefit year shall in no case exceed the employee’s compensation in the base year except that notwithstanding the provisions of section 1(i) of this Act, in determining the employee’s compensation in the base year for purposes of this proviso and the second proviso of this subsection, any money remuneration paid to the employee for services rendered as an employee shall be taken into account that is not in excess of \$775 in any month before 1989 and, in any month in a base year after 1988, is not in excess of an amount that bears the same ratio to \$775 as the monthly compensation base for that year as computed under section 1(i) of this Act bears to \$600: *Provided further,* That, with respect to an employee who has less than ten years of service as defined in section 1(f) of the Railroad Retirement Act of 1974, who did not voluntarily retire and did not voluntarily leave work without good cause, and who had current rights to normal benefits for days of unemployment in a benefit year but has exhausted such rights, the maximum number of days of, and amount of payment for, unemployment within such benefit year (as extended by the provisions of subsection (h) of this section) for which benefits may be paid shall be enlarged, but not by more than sixty-five days, to include all compensable days of unemployment within an extended benefit pe-

riod determined pursuant to the provisions of subsection (h) of this section, but the total amount of benefits which may be paid to an employee for days of unemployment within such extended benefit period shall in no case exceed 50 per centum of the employee's compensation in the base year: *And provided further*, That, with respect to an employee who has ten or more years of service as defined in section 1(f) of the Railroad Retirement Act of 1974, who did not voluntarily retire and (in a case involving exhaustion of rights to benefits for days of unemployment) did not voluntarily leave work without good cause, and who had current rights to normal benefits for days of unemployment or days of sickness in a benefit year but has exhausted such rights, the benefit year in which such rights are exhausted shall be deemed not to be ended until the last day of the extended benefit period determined under the following schedule, and the maximum number of days of, and amount of payment for, unemployment or sickness (depending on the type of benefit rights exhausted) within such benefit year for which benefits may be paid to the employee shall be enlarged to include all compensable days of unemployment or days of sickness, as the case may be, within such extended benefit period:

If the employee's "years of service" total—

The extended benefit period shall begin on the first day of unemployment or sickness, as the case may be, following the day on which the employee exhausted his then current rights to normal benefits of days of unemployment or days of sickness and shall continue for successive fourteen-day periods (each of which periods shall constitute a registration period) until the number of such fourteen-day periods totals—

10 and less than 15 .....	7 (but not more than 65 days)
15 and over .....	13

but no such extended benefit period shall extend beyond the beginning of the first registration period in a benefit year in which the employee is again qualified for benefits in accordance with section 3 of this Act on the basis of compensation earned after the first of such successive fourteen-day periods has begun. For an employee who has ten or more years of service, who did not voluntarily retire and (in a case involving unemployment) did not voluntarily leave work without good cause, who has fourteen or more consecutive days of sickness, and who is not a "qualified employee" for the general benefit year current when such unemployment or sickness commences but is or becomes a "qualified employee" for the next succeeding general benefit year, such succeeding benefit year shall, in his case, begin on the first day of the month in which such unemployment or sickness commences. Notwithstanding the other provisions of this subsection, an extended benefit period for sickness benefits shall terminate on the day next preceding the date on which the employee attains age 65, except that it may continue for the purpose of the payment of unemployment benefits; and, in the case of a succeeding benefit year beginning in accordance with the next preceding sentence by reason of sickness, such sentence shall not operate to permit the payment of benefits in the period provided for in such sentence for any day of sickness beginning with the day on which age 65 is attained, and continuing through the day preceding the first day of the next succeeding general benefit year. For purposes of this subsection, the Board may rely on evi-

dence of age available in its records and files at the time determinations of age are made.】

(c) *MAXIMUM NUMBER OF DAYS FOR BENEFITS.*—

(1) *NORMAL BENEFITS.*—

(A) *GENERALLY.*—*The maximum number of days of unemployment within a benefit year for which benefits may be paid to an employee shall be 130, and the maximum number of days of sickness within a benefit year for which benefits may be paid to an employee shall be 130.*

(B) *LIMITATION.*—*The total amount of benefits that may be paid to an employee for days of unemployment within a benefit year shall in no case exceed the employee's compensation in the base year; and the total amount of benefits that may be paid to an employee for days of sickness within a benefit year shall in no case exceed the employee's compensation in the base year, except that notwithstanding section 1(i), in determining the employee's compensation in the base year for the purpose of this sentence, any money remuneration paid to the employee for services rendered as an employee shall be taken into account that—*

*(i) is not in excess of \$775 in any month before 1989; and*

*(ii) in any month in a base year after 1988, is not in excess of an amount that bears the same ratio to \$775 as the monthly compensation base for that year as computed under section 1(i) bears to \$600.*

(2) *EXTENDED BENEFITS.*—

(A) *GENERALLY.*—*With respect to an employee who has 10 or more years of service as defined in section 1(f) of the Railroad Retirement Act of 1974, who did not voluntarily retire and (in a case involving exhaustion of rights to normal benefits for days of unemployment) did not voluntarily leave work without good cause, and who had current rights to normal benefits for days of unemployment or days of sickness in a benefit year but has exhausted such rights, the benefit year in which such rights are exhausted shall be deemed not to be ended until the last day of the extended benefit period determined under this paragraph, and extended unemployment benefits or extended sickness benefits (depending on the type of normal benefit rights exhausted) may be paid for not more than 65 days of unemployment or 65 days of sickness within such extended benefit period.*

(B) *BEGINNING DATE.*—*An employee's extended benefit period shall begin on the employee's first day of unemployment or first day of sickness, as the case may be, following the day on which the employee exhausts the employee's then current rights to normal benefits for days of unemployment or days of sickness and shall continue for 7 consecutive 14-day periods, each of which shall constitute a registration period, but no such extended benefit period shall extend beyond the beginning of the first registration period in a benefit year in which the employee is again qualified for benefits in accordance with section 3 on the basis of compensa-*

tion earned after the first of such consecutive 14-day periods has begun.

(C) *TERMINATION WHEN EMPLOYEE REACHES AGE OF 65.*—Notwithstanding any other provision of this paragraph, an extended benefit period for sickness benefits shall terminate on the day next preceding the date on which the employee attains age 65, except that it may continue for the purpose of paying benefits for days of unemployment.

(3) *ACCELERATED BENEFITS.*—

(A) *GENERAL RULE.*—With respect to an employee who has 10 or more years of service as defined in section 1(f) of the Railroad Retirement Act of 1974, who did not voluntarily retire, and (in a case involving unemployment benefits) did not voluntarily leave work without good cause, who has 14 or more consecutive days of unemployment, or 14 or more consecutive days of sickness, and who is not a qualified employee with respect to the general benefit year current when such unemployment or sickness commences but is or becomes a qualified employee for the next succeeding general benefit year, such succeeding general benefit year shall, in that employee's case, begin on the first day of the month in which such unemployment or sickness commences.

(B) *EXCEPTION.*—In the case of a succeeding benefit year beginning in accordance with subparagraph (A) by reason of sickness, such sentence shall not operate to permit the payment of benefits in the period provided for in such sentence for any day of sickness beginning with the date on which the employee attains age 65, and continuing through the day preceding the first day of the next succeeding general benefit year.

(C) *DETERMINATION OF AGE.*—For the purpose of this subsection, the Board may rely on evidence of age available in its records and files at the time determinations of age are made.

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[(h)(1) For purposes of the second proviso of subsection (c) of this section, an extended benefit period, with respect to an employee, shall begin on the first day of unemployment within a period of high unemployment following the day on which the employee exhausted his then current rights to normal benefits for unemployment and shall continue for seven successive fourteen-day periods (each of which periods shall constitute a registration period). If the general benefit year in which an employee's extended benefit period began ends within such extended benefit period, such benefit year shall, in the case of such employee, be deemed not to be ended until the last day of the extended benefit period. If an employee unemployed within a period of high unemployment is not a "qualified employee" for the general benefit year then current but was a "qualified employee" for the preceding general benefit year, such preceding general benefit year shall, for purposes of the second proviso of subsection (c) of this section, in the case of such employee, be deemed not to be ended until the last day of such employee's ex-

tended benefit period determined pursuant to the provisions of this subsection.

[(2) For purposes of subdivision (1) of this subsection, a “period of high employment” shall begin with the twentieth day after whichever of the following first occurs: (A) there is a national “on” indicator as defined in section 203(d) of Public Law 91–373, as amended, or (B) a period of three consecutive calendar months in which, for each month included in such period, the rate of railroad unemployment (seasonally adjusted) equalled or exceeded the lowest applicable unemployment rate specified for the national “on” indicator in section 203(d) of Public Law 91–373, as amended, and shall end with the twentieth day after both of the following occur: (A) there is a national “off” indicator as defined in section 203(d) of Public Law 91–373, as amended, and (B) a period of three consecutive calendar months, in which, for each month included in such period, the rate of railroad unemployment (seasonally adjusted) was less than the lowest applicable unemployment rate specified for the national “off” indicator in section 203(d) of Public Law 91–373, as amended.]

[(3) For purposes of subdivision (2) of this subsection, the term “rate of railroad unemployment” for a month means the percentage arrived at by dividing: (A) the average weekly number of individuals who filed bona fide claims for benefits for days of unemployment in such month, excluding from such number those individuals whose unemployment was due to a stoppage of work because of a strike, lockout, or other labor dispute, by (B) the average midmonth count of employees of class I railroads and class I switching and terminal companies, as reported to the Interstate Commerce Commission, adjusted, as determined by the Board, to include all employees covered by this Act of the twelve months ending with the second calendar quarter preceding such month.]

[(4) Determinations under this subsection shall be made by the Board in accordance with regulations prescribed by it. When a determination has been made that a “period of high unemployment” is beginning or ending, the Board shall cause notice of such determination to be published in the Federal Register. The Board shall also cause to be published in the Federal Register the formula which it uses to adjust the mid-month count of employees of class I railroads and class I switching and terminal companies to include all employees covered by this Act, and the formula it uses to make seasonal adjustments in the rate of railroad unemployment.]

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#### 【SUPPLEMENT BENEFITS

【SEC. 17. (a) An employee as defined in section 1(d) of this Act shall be entitled to supplemental unemployment benefit in accordance with the provisions of this section for each day of unemployment in excess of four during any registration period in such employee’s period of eligibility if such employee—

[(1) has less than ten years of service as defined in section 1(f) of the Railroad Retirement Act of 1974, did not voluntarily retire, and did not voluntarily leave work without good cause;

[(2) has with respect to the benefit year beginning July 1, 1982, or the benefit year beginning July 1, 1983, exhausted all rights to unemployment benefits under this Act other than supplemental unemployment benefits payable by reason of this section;

[(3) has no rights to unemployment benefits under any State unemployment compensation law or any other Federal law; and

[(4) is not receiving unemployment compensation with respect to such day under the unemployment compensation law of Canada.

[(b) For purpose of this section, an employee shall be deemed to have exhausted his rights to unemployment benefits under this Act when no unemployment benefits (other than supplemental unemployment benefits payable by reason of this section) can be paid to the employee because he has received the maximum unemployment benefits available to him under this Act, other than this section.

[(c) The amount of supplemental unemployment benefits payable to an employee under this section for any day of unemployment shall be equal to the amount that would be payable to him for such day under section 2(a) of this Act if he were entitled to receive benefits under such section.

[(d) The maximum number of days of unemployment for which supplemental unemployment benefits may be paid to an employee by reason of this section shall be fifty.

[(e) No supplemental unemployment benefits shall be payable by reason of this section for any day before March 10, 1983, or for any day in any registration period beginning after June 30, 1984.

[(f)(1) For purposes of this section the term "period of eligibility" means, with respect to any employee for the benefit year beginning July 1, 1982, the period beginning with the later of—

[(A) the first day of unemployment following the day on which he exhausted his rights to unemployment benefits (as determined under subsection (b)) in such benefit year; or

[(B) March 10, 1983,

and consisting of five consecutive registration periods (without regard to benefit year); except that for purposes of this paragraph and any registration period beginning after June 30, 1983, and before the date of the enactment of the Supplemental Appropriations Act, 1984, shall not be taken into account for purposes of payment of benefits, or in determining the consecutiveness of registration periods.

[(2) For purposes of this section the term "period of eligibility" means, with respect to any employee for the benefit year beginning July 1, 1983, the period beginning with the later of—

[(A) the first day of unemployment following the day on which he exhausted his rights to unemployment benefits (as determined under subsection (b)) in such benefit year; or

[(B) the date of the enactment of the Supplemental Appropriations Act, 1984,

and consisting of five consecutive registration periods; except that no such period of eligibility shall include any registration period beginning after June 30, 1984.

[(g) The terms and conditions of this Act that apply to claims for unemployment benefits and the payment or recovery thereof shall apply to claims for supplemental unemployment benefits and payment thereof, except where inconsistent with the provisions of this section.

[(h)(1) There are authorized to be appropriated from the general fund in the Treasury to the railroad unemployment insurance account in the Unemployment Trust Fund, without fiscal year limitation, such sums as may be necessary to pay supplemental unemployment benefits payable by reason of this section. Such amounts shall not be required to be repaid.

[(2) There are authorized to be appropriated from the general fund in the Treasury to the railroad unemployment insurance administration account in the Unemployment Trust Fund, without fiscal year limitation, such sums as may be necessary to meet the costs of administering the program of supplemental unemployment benefits established by this section. Such amounts shall not be required to be repaid.]

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