

## **Section B -- Retirement and Survivor Benefits**

This section presents data on retirement and survivor benefits provided by the Railroad Retirement Act. Regular retirement annuities are payable to employees with 10 or more years of railroad service, or 5 years if such service was performed after 1995, who qualify on the basis of age or disability. Age annuities may begin as early as age 60 for an employee with 30 or more years of service or at age 62 with 5-29 years of service. Disability annuities are payable at any age if the employee is permanently disabled for any regular employment. Employees with a current connection with the railroad industry may receive annuities based on disability for their regular occupation if they have attained age 60 and have at least 10 years of service, or at any age if they have at least 20 years of service.

Supplemental annuities are payable to employees age 65 or older with 25 or more years of railroad service who have a current connection with the railroad industry, and some service prior to October 1981, and whose regular annuities were awarded after June 30, 1966. Employees retiring after June 1974 with 30 or more years of service are eligible to receive supplemental annuities as early as age 60.

Annuities can be paid to spouses of employees who retired with 30 years of service when the employee attains age 60 and the spouse either attains age 60 or has a child in care. In other cases, the spouse of a retired employee can receive an annuity when the employee attains age 62 and the spouse either attains age 62 or has a child in care. Annuities may be payable to the divorced spouse of a retired employee if their marriage lasted for at least 10 consecutive years, both have attained age 62 for a full month and the divorced spouse is not currently married. Effective August 17, 2007, a divorced spouse can receive an annuity even if the employee has not retired, provided they have been divorced for a period of not less than 2 years, the employee and former spouse are at least age 62, and the employee is fully insured under the Social Security Act using combined railroad and social security earnings.

Survivor annuities are payable to widow(er)s at age 60, or as early as age 50 if they are totally disabled. Under certain conditions, annuities are also payable to surviving children under age 18, ages 18-19 attending school full-time, or age 18 or over who became totally disabled before age 22, to widowed mothers (fathers) with young or disabled children in their care, and to dependent parents. Annuities may also, under certain conditions, be payable to remarried widow(er)s and divorced widow(er)s.

Annuities are calculated under two-tier formulas. The tier I portion of an employee's regular annuity is calculated under a formula similar to the one used for social security benefits. This benefit is based on the combined employee's taxable railroad compensation and social security-covered wages, and is reduced by the amount of any social security benefit received. The tier II portion is based on railroad service only and computed under separate formulas.

Spouse and survivor benefits are also computed according to tiers. A spouse tier I benefit equals one-half of the employee's tier I portion, before reduction for the employee's social security benefit, if any. The spouse's tier I amount is reduced by the amount of any social security benefit the spouse receives. The tier II amount is also based on the employee's tier II amount. In the case of a divorced spouse, only a tier I benefit is payable.

The survivor tier I amount is based on the deceased employee's combined railroad retirement and social security earnings and computed under the social security survivor benefit formulas. December 2001 legislation established an "initial minimum amount" which is based on the two-tier annuity amount that would have been payable to the railroad employee at the time the widow(er)'s annuity is awarded. The initial minimum amount is computed with a widow(er)'s tier II amount equal to 100 percent of the employee's tier II amount. Under prior law, the widow(er)'s tier II amount was equal to 50 percent of the employee's tier II amount; only the tier I amount equaled 100 percent. Widow(er)s' annuities computed on the basis of the new initial minimum amount will not be adjusted for annual cost-of-living increases until the annuity amount is exceeded by the annuity amount the widow(er) would have been paid under prior law, with all interim cost-of-living increases otherwise payable. Each surviving child receives a tier II equal to 15 percent of the deceased employee's tier II, and each surviving parent receives 35 percent. The total tier II amount for a survivor family is subject to a minimum of 35 percent and a maximum of 130 percent of the employee tier II benefit. In the case of remarried widow(er)s, and divorced widow(er)s, only a tier I amount is payable.

In addition to their regular annuities, employees, spouses, and widow(er)s who were eligible for social security benefits and who met certain vesting requirements could have been paid an additional annuity amount referred to as a vested dual benefit payment. This payment protects, in part, dual benefit equities previously established on the basis of credits acquired prior to 1975. Since August 1981, the award of vested dual benefit payments is restricted to vested employees with dual coverage on their own earnings.

Annuity amounts are subject to various types of reductions. Regular annuities to employees, spouses and widow(er)s are reduced if they begin before the normal retirement age, except for those payable to disabled employees, to certain employees with 30 years of service and their spouses, or to spouses or widow(er)s with children in their care. Other miscellaneous reductions in annuities include reductions for receipt of social security benefits and deductions caused by earnings in excess of the annual exempt amount.

Lump-sum death benefits are payable to certain survivors of employees with at least 10 years of total railroad service, or at least 5 years of service after 1995, and a current connection with the railroad industry. A lump-sum death benefit is payable at the time of an employee's death only if there are no survivors immediately eligible for monthly benefits. Otherwise, a deferred lump-sum benefit can be paid 12 months later if the total of monthly benefits paid the survivor during the year is less than the full lump-sum amount would have been.

Another lump-sum survivor benefit, the residual payment, can be made if no other benefits based at least in part on a deceased employee's railroad service will be payable in the future. The residual lump-sum payment is reduced by the amount of all retirement benefits which the employee received based on his or her railroad work.

The Pension Protection Act of 2006 was signed into law August 17, 2006. The Act, effective August 17, 2007, provided divorced spouses a tier I railroad retirement annuity independent of the employee's actual entitlement, and continued the court-ordered partitioned portion of tier II benefit payments to former spouses after the death of the employee. Legislation modifying partition payments enacted into law on December 23, 2008, added the partitioned portion of the vested dual benefit and supplemental benefit to those components of a court-ordered partition award which remain payable after the employee's death. It also allowed for payment of court-ordered partitioned payments where the employee is not entitled to an annuity if (1) the employee has 120 months of railroad service or 60 months of service after 1995, and (2) both the employee and spouse or divorced spouse are age 62 for a full month, or, if the employee is deceased, the employee would be age 62 for a full month.

All current-payment status tables and award tables are based on universe data. In tables containing rounded figures, percentages are uniformly computed from unrounded figures; also, detailed figures may not add to totals shown because of rounding.

Note: Only the following B tables and figures were updated for this year's publication: B1, B2, and B27.

Some of the more important terms used above and in the tables are discussed below:

1. An employee with 12 months of railroad service in the 30 months preceding retirement or death generally has a current connection. An employee whose last 12 months of railroad service occurred prior to the 30 months before retirement or death may maintain a current connection if the employee did not perform any regular employment between the end of the 30-month period containing the last 12 months of railroad service and the month of retirement or death. A current connection may, in certain circumstances, be deemed for supplemental and survivor annuity purposes, if an employee had 25 years of service and was involuntarily terminated from rail service without fault on or after October 1, 1975.
2. Under the special minimum guaranty, monthly benefits under the Railroad Retirement Act are equal to at least the amount the social security system would pay on the basis of combined railroad and social security credits, less amounts actually paid by the social security system. Retirement annuities computed under the special minimum guaranty may include allowances for family members who could not receive benefits directly under the Railroad Retirement Act.
3. Immediate retirements refer to employee annuities which began in the calendar year in which the employee last worked for a railroad or in the following year. All others are classified as deferred.
4. Full retirement age gradually increases, from age 65 to 67, for those born between 1937 and 1960. It is age 67 for those born after 1959 and age 65 for those born before 1938.
5. The average age of beneficiaries is computed as of the end of the fiscal year for those in current-payment status on that date and as of the annuity beginning date for those awarded annuities during the year.

Annuitants full retirement age and over originally awarded a disability annuity are included in the employee age and service counts because a disability annuity converts to an age and service annuity when the annuitant attains full retirement age.

**Table B1.--Number and average amount of retirement and survivor annuities in current-payment status at end of year,  
by type of annuitant and fiscal year, 2014-2023**

Fiscal year	Total <sup>1</sup>	Retired employees				Supple- mental <sup>3</sup>	Spouses and divorced spouses	Aged widow(er)s <sup>4</sup>	Disabled widow(er)s <sup>5</sup>	Widowed mothers (fathers) <sup>4</sup>	Children	Remarried widow(er)s	Divorced widow(er)s <sup>4</sup>
		Awarded age annuity	Disability converted to age <sup>2</sup>	Disability									
<b>NUMBER AT END OF YEAR</b>													
2014 .....	661,069	190,224	41,554	37,891	122,086	142,626	98,435	3,868	688	9,164	3,506	9,747	
2015 .....	656,847	190,114	43,141	34,514	123,037	143,920	94,279	3,741	665	8,978	3,344	9,704	
2016 .....	654,127	190,835	44,744	31,308	122,966	145,891	90,919	3,660	652	8,695	3,187	9,709	
2017 .....	648,277	190,301	46,180	27,990	122,050	146,850	87,817	3,528	623	8,478	3,037	9,708	
2018 .....	641,470	189,571	47,436	25,059	120,222	147,708	84,710	3,378	604	8,232	2,903	9,760	
2019 .....	633,742	188,372	48,475	22,552	117,831	148,163	81,959	3,277	576	7,957	2,743	9,764	
2020 .....	622,932	186,357	49,278	19,996	114,444	147,412	79,406	3,176	570	7,726	2,566	9,746	
2021 .....	606,960	182,672	48,572	18,554	109,827	144,389	77,214	3,043	586	7,469	2,413	9,773	
2022 .....	591,464	179,295	47,765	17,110	105,171	141,566	75,064	2,892	587	7,306	2,303	9,749	
2023 .....	576,571	176,138	47,122	15,753	100,761	138,722	72,994	2,741	567	6,974	2,183	9,747	
<b>AVERAGE AMOUNT</b>													
2014 .....	.....	\$2,536	\$2,252	\$2,613	\$42	\$946	\$1,525	\$1,250	\$1,798	\$1,027	\$1,005	\$1,005	
2015 .....	.....	2,625	2,322	2,663	42	975	1,576	1,285	1,835	1,055	1,036	1,040	
2016 .....	.....	2,675	2,358	2,675	42	991	1,618	1,307	1,883	1,066	1,050	1,055	
2017 .....	.....	2,731	2,401	2,691	42	1,008	1,664	1,326	1,878	1,078	1,071	1,078	
2018 .....	.....	2,817	2,474	2,746	42	1,035	1,721	1,367	1,902	1,110	1,114	1,118	
2019 .....	.....	2,912	2,564	2,822	42	1,065	1,780	1,401	1,942	1,157	1,152	1,168	
2020 .....	.....	2,985	2,625	2,871	42	1,088	1,840	1,437	1,992	1,195	1,192	1,203	
2021 .....	.....	3,047	2,678	2,926	42	1,108	1,904	1,472	2,049	1,236	1,223	1,237	
2022 .....	.....	3,211	2,832	3,094	41	1,160	1,987	1,532	2,129	1,331	1,314	1,337	
2023 .....	.....	3,448	3,058	3,349	41	1,233	2,102	1,636	2,245	1,448	1,442	1,472	

<sup>1</sup> Includes annuities to parents and, beginning in fiscal year 2008, partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity. On September 30, 2023, there were 8 parents' annuities in current-payment status averaging \$1,229 and 2,861 partition payments averaging \$344.

<sup>2</sup> A disability annuity ends when the retiree attains full retirement age, at which time the annuity converts to an age and service annuity. Consequently, these annuitants are receiving age and service annuities. Full retirement age gradually increases, from age 65 to 67, for those born between 1937 and 1960. It is age 67 for those born after 1959 and age 65 for those born before 1938.

<sup>3</sup> Excludes partition payments to spouses and divorced spouses where the employee is deceased. Averages are after court-ordered partitions.

<sup>4</sup> Numbers include annuities temporarily being paid at spouse annuity rates, pending final adjudication of survivor annuities.

<sup>5</sup> Includes annuities to disabled widow(er)s age 60 and over now payable as aged widow(er)s' annuities.

**Table B2.--Number and average amount of retirement and survivor annuities awarded during year, by type of annuitant and fiscal year, 2014-2023**

Fiscal year	Total <sup>1</sup>	Retired employees			Spouses and divorced spouses	Aged widow(er)s	Disabled widow(er)s	Widowed mothers (fathers)	Children	Remarried widow(er)s	Divorced widow(er)s
		Age	Disability	Supplemental <sup>2</sup>							
<b>NUMBER AWARDED</b>											
2014.....	37,294	10,210	1,800	6,673	11,495	5,582	133	111	398	144	745
2015 <sup>3</sup> .....	36,316	10,059	1,686	6,194	11,300	5,546	120	99	462	151	696
2016.....	35,950	10,236	1,682	5,910	11,373	5,319	123	94	380	116	715
2017.....	33,540	9,121	1,562	5,178	10,758	5,484	86	86	390	127	746
2018.....	31,795	8,665	1,662	4,155	10,459	5,411	78	94	379	123	766
2019.....	28,997	7,663	1,767	3,294	9,799	5,036	100	88	394	107	748
2020.....	26,493	7,203	1,713	2,386	8,748	5,153	87	90	379	79	655
2021.....	24,619	6,244	1,756	1,721	7,591	5,752	92	117	471	92	781
2022.....	22,791	5,947	1,425	1,102	7,293	5,504	43	130	466	94	787
2023.....	19,347	5,059	1,271	598	6,295	4,868	37	76	342	81	720
<b>Cumulative 1937-2023</b>	<b>5,424,644</b>	<b>1,572,981</b>	<b>538,167</b>	<b>540,987</b>	<b>1,282,406</b>	<b>1,088,645</b>	<b>19,571</b>	<b>86,190</b>	<b>242,002</b>	<b>16,799</b>	<b>33,336</b>
<b>AVERAGE AMOUNT</b>											
2014.....	.....	\$3,041	\$2,624	\$41	\$1,024	\$1,985	\$1,615	\$1,874	\$1,294	\$1,151	\$1,095
2015.....	.....	3,114	2,611	41	1,055	2,031	1,685	1,728	1,302	1,153	1,175
2016.....	.....	3,124	2,667	41	1,062	2,096	1,677	2,034	1,371	1,166	1,174
2017.....	.....	3,159	2,723	41	1,047	2,113	1,752	1,806	1,368	1,189	1,209
2018.....	.....	3,188	2,775	41	1,054	2,188	1,864	1,864	1,386	1,270	1,222
2019.....	.....	3,173	2,880	41	1,057	2,299	1,563	1,940	1,487	1,249	1,271
2020.....	.....	3,256	2,937	41	1,105	2,349	1,681	2,053	1,549	1,334	1,297
2021.....	.....	3,221	3,128	40	1,090	2,429	1,874	2,090	1,588	1,418	1,393
2022.....	.....	3,233	3,315	39	1,114	2,527	1,892	2,257	1,719	1,378	1,456
2023.....	.....	3,417	3,611	39	1,148	2,734	1,844	1,977	1,796	1,617	1,625

<sup>1</sup> Excludes partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity. Includes annuities to parents. Fiscal year 2023 total includes no annuities to parents. Cumulative total includes 3,560 annuities to parents.

<sup>2</sup> Excludes partition payments to spouses and divorced spouses where the employee is deceased. Averages are after court-ordered partitions.

<sup>3</sup> Supplemental annuity awards exclude more than 1,000 restorations due to Legal Opinion 2014-2, Reductions to Supplemental Annuities for 401(k) Distributions.

NOTE.--Cumulative figures reflect adjustments not made in yearly data, but average amounts for each year include effects of changes in rates made by the end of the year.

Table B27.--Retirement and survivor benefits in current-payment status on September 30, 2023, by class and state (Amounts in thousands)

State <sup>3</sup>	Total <sup>1</sup>		Retirement benefits <sup>2</sup>		Survivor benefits	
	Number	Monthly amount	Number	Monthly amount	Number	Monthly amount
Alabama.....	10,400	\$20,810	8,400	\$16,978	1,900	\$3,824
Alaska.....	200	350	200	291	(4)	60
Arizona.....	11,200	22,867	9,200	19,051	1,900	3,786
Arkansas.....	11,200	21,837	9,200	18,219	1,800	3,588
California.....	26,600	51,113	21,900	42,522	4,600	8,551
Colorado.....	9,700	20,115	8,400	17,510	1,300	2,588
Connecticut.....	2,900	7,266	2,400	6,234	500	1,029
Delaware.....	3,100	6,612	2,700	5,868	400	741
Washington DC.....	400	733	300	685	(4)	48
Florida.....	33,200	67,494	27,800	57,447	5,300	9,999
Georgia.....	19,300	39,232	16,000	32,872	3,200	6,339
Hawaii.....	200	361	200	307	(4)	53
Idaho.....	5,200	10,586	4,400	8,965	800	1,607
Illinois.....	34,400	68,617	28,600	57,537	5,600	11,006
Indiana.....	16,700	33,270	13,700	27,502	2,900	5,732
Iowa.....	10,000	19,965	8,400	16,787	1,500	3,147
Kansas.....	15,000	31,048	12,700	26,214	2,300	4,815
Kentucky.....	14,900	28,759	12,200	23,329	2,700	5,410
Louisiana.....	8,100	16,146	6,700	13,386	1,400	2,748
Maine.....	2,400	4,320	1,900	3,518	400	800
Maryland.....	9,400	18,748	8,000	16,210	1,400	2,529
Massachusetts.....	4,300	8,904	3,700	7,785	600	1,116
Michigan.....	13,400	26,213	10,900	21,431	2,400	4,747
Minnesota.....	14,200	27,967	11,900	23,593	2,300	4,350
Mississippi.....	5,900	11,482	4,800	9,283	1,100	2,193
Missouri.....	21,200	42,075	17,900	35,649	3,200	6,386
Montana.....	7,000	14,362	6,000	12,370	1,000	1,981
Nebraska.....	18,400	40,578	16,200	35,915	2,100	4,626
Nevada.....	3,500	6,877	2,900	5,820	500	1,048
New Hampshire.....	1,000	2,079	800	1,734	200	342
New Jersey.....	9,700	22,562	8,100	19,492	1,600	3,064
New Mexico.....	4,400	8,916	3,600	7,378	700	1,528
New York.....	22,000	48,990	18,400	42,147	3,600	6,823
North Carolina.....	11,100	21,305	8,900	17,514	2,100	3,777
North Dakota.....	3,700	7,726	3,100	6,474	600	1,247

See footnotes at end of table.

Table B27.--Retirement and survivor benefits in current-payment status on September 30, 2023, by class and state (Amounts in thousands) - Continued

State <sup>3</sup>	Total <sup>1</sup>		Retirement benefits <sup>2</sup>		Survivor benefits	
	Number	Monthly amount	Number	Monthly amount	Number	Monthly amount
Ohio.....	23,300	\$44,723	18,600	\$35,740	4,600	\$8,951
Oklahoma.....	5,400	10,743	4,300	8,704	1,000	2,027
Oregon.....	8,000	15,502	6,600	12,727	1,400	2,753
Pennsylvania.....	31,600	64,011	26,000	53,344	5,500	10,641
Rhode Island.....	700	1,591	600	1,402	100	188
South Carolina.....	8,300	16,791	6,800	14,082	1,400	2,698
South Dakota.....	2,200	4,461	1,900	3,908	300	549
Tennessee.....	13,500	26,866	11,100	22,317	2,300	4,528
Texas.....	39,600	83,424	32,800	70,150	6,400	13,160
Utah.....	5,400	11,323	4,500	9,494	900	1,817
Vermont.....	700	1,206	500	999	100	207
Virginia.....	16,900	34,504	13,900	28,989	2,900	5,496
Washington.....	11,300	22,696	9,300	18,858	1,900	3,814
West Virginia.....	8,100	16,363	6,500	13,306	1,500	3,044
Wisconsin.....	10,400	20,245	8,800	17,041	1,600	3,187
Wyoming.....	4,700	10,433	4,100	9,173	500	1,247
<b>Outside United States:</b>						
Canada.....	1,600	1,160	1,200	653	500	507
Mexico.....	100	148	( <sup>4</sup> )	47	100	101
Other.....	500	765	300	500	200	264
<b>Total<sup>5</sup>.....</b>	<b>576,600</b>	<b>\$1,167,257</b>	<b>478,500</b>	<b>\$979,461</b>	<b>95,200</b>	<b>\$186,811</b>

<sup>1</sup> Includes 2,861 partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity.

<sup>2</sup> Includes 100,800 supplemental annuities to employees receiving regular annuities. In a relatively small number of cases, employees were also receiving spouse or widow(er) benefits.

<sup>3</sup> State of residence of beneficiary on September 30, 2023.

<sup>4</sup> Less than 50.

<sup>5</sup> Includes beneficiaries whose state of residence was unknown.

NOTE.--Retirement benefits include regular and supplemental employee annuities, spouse annuities and divorced spouse annuities. Survivor benefits include annuities to aged and disabled widow(er)s, widowed mothers and fathers, remarried and divorced widow(er)s, children, parents, and widow(er)s annuities temporarily being paid at spouse annuity rates pending final adjudication of survivor annuities. Benefit amounts exclude social security payments to dual beneficiaries.



**Figure B27 -- Number of RR Act Beneficiaries in Current-Payment Status by State on September 30, 2023**

