



November 16, 2017

The Honorable Tom Cole
Chairman, Subcmte on Labor, Health and Human Services, Education, and Related Agencies
Committee on Appropriations
United States House of Representatives, Washington, DC 20515

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

Dear Chairman Cole and Ranking Member DeLauro:

The Railroad Retirement Board (RRB) is a self-funded, independent federal agency that administers retirement-survivor benefits as well as unemployment and sickness insurance to over 500,000 active and retired railroad employees across the country, in every congressional district.

On behalf of the OneRail Coalition, I am writing to urge you to support \$16.2 million in additional funding for the Railroad Retirement Board (RRB) above the President's proposed levels in the FY18 Labor, Health and Human Services, Education and Related Agencies appropriations bill.

These funds would be dedicated to modernizing and upgrading the RRB's current 40-year-old legacy mainframe to protect it from increasing cyber threats, meet Presidential security requirements, and bring service to beneficiaries up to basic modern standards, saving the Board money and staff in the long term.

As you may be aware, all activities of the RRB are entirely self-funded from its own trusts that are paid into by rail employees and employers. None of the funds for the RRB come from the general treasury. However, in order to access those funds the agency requires an appropriation from Congress. Due to budgetary cap restrictions, the RRB's authorized funding levels have been nearly flat for the past four years, and the agency's security and services are at risk as a result.

Detail of Funding \$16.2 million Request:

- **\$7.28 million – Modernize and maintain RRB's IT infrastructure.** This allotment would allow the Board to continue to advance the replacement of their current 40-year-old legacy mainframe. The proposed improvements would include systems that will more easily (and inexpensively) adopt future technology advancements. Once the upgrade is complete, the new system and reduced workload will allow the Board to realize cost-savings equal to 26 full time positions.

- **\$3.2 million – Migrating mainframe services & operations to NITC.** The National Information Technology Center (NITC) will house remote operations and services for the RRB and provide a critical backup for data and services in the event of a disaster. This would bring the Board in compliance with FEMA requirements.
- **\$350,000 – Transitioning to new GSA contract vehicle.** The GSA is transitioning to a new contract vehicle provided by Networx, which will manage the acquisition and deployment of hardware and services for the next 15 years. However, the contract engagement deadline expires in 2020, so if the RRB is not transitioned they will lose out on the large efficiencies provided by the lower GSA-negotiated rate, and instead have to seek more expensive services on the commercial market.
- **\$175,000 – Continue moving retirement/survivor services online** – The RRB has already been moving many of their functions and processes online. This will ensure they get there.
- **\$5.2m – Staffing levels** – RRB staffing levels have fallen from a high of approximately 1,800 to the present level of 825 FTE's, with no reduction in workload. While this represents a model of government efficiency long before there were calls for an overhaul of the federal workforce, the Agency continues to lose staff through attrition. The 825 FTE'S are below the minimum staffing level necessary for the RRB to achieve its mission. Flat funding for the last several years and increased operating costs have reduced the Agency's capacity to hire staff and maintain the workforce at a level that supports critical operations. A \$5.2 million increase in appropriations would enable the Agency to provide a high level of service to railroaders and their families.

Why Increased Funding Is Critical

The additional \$16.2 million appropriation above the President's FY18 request would allow the RRB to modernize its outdated IT systems. The RRB's current IT infrastructure runs on a *40-year-old legacy mainframe*. This has prevented the Board from keeping up with basic modern service standards and, as time progresses, increases its vulnerability to cyber threats.

Increased Threat of Cyber Attack

By nature of their age, legacy systems are inherently vulnerable to cyber-attack. Part of the funding increase (\$3.2 million) will be used to migrate services to the National Information Technology Center (NITC) – a division of the USDA that provides primary computing operations, hosting, cloud, and backup systems for various federal agencies including DOJ, DHS, the Air Force, and others. This modern IT solutions service provides advanced protections that are already in compliance with President Trump's E.O. 13800, "Strengthening the Cybersecurity of Federal Networks and Critical Infrastructure."

Unfortunately, without additional funding, RRB's current mainframe is unable to migrate to the NITC. In addition, continuing to use these older systems costs the Board more to maintain and replace due to both the scarcity of older hardware and the manpower required to run them. This ironically results in delayed/decreased/flat funding costing the Board more in the long run.

Deteriorating Services

Today, beneficiaries cannot create or submit online retirement-survivor applications, nor can they update their own personal records. To change his/her password, a beneficiary must go on the website and request a new password and wait at least a week for it to be delivered in the mail. The RRB lacks the ability to host a "virtual library" to provide beneficiaries easy access to important forms and letters.

All of this is done manually by RRB staff, which takes unnecessary time and resources to perform basic processes.

We understand your many constraints in the appropriations process, and that many federal agencies feel squeezed. However, we believe the Railroad Retirement Board (RRB) deserves strong consideration for a relatively modest increase, and for which the funds will be used on a “shovel-ready” project that will save money and improve operations in the long-run. And to reiterate once again: please note that the increased funding would not require additional general tax revenue funds, only the authority to use additional funds from its own trusts.

The OneRail Coalition thanks you for considering our views on this matter. We would be pleased to discuss any further questions you may have.

Sincerely,

Anne Canby
Director, OneRail

About the OneRail Coalition:

OneRail is a diverse group of rail stakeholders who have come together to educate America about the benefits of a strong freight and passenger rail system. Our members include the American Association of Private Railroad Car Owners (**AAPRCO**), American Public Transportation Association (**APTA**), American Short Line and Regional Railroad Association (**ASLRRRA**), **Amtrak**, Association of American Railroads (**AAR**), Brotherhood of Locomotive Engineers and Trainmen (**BLET**), Brotherhood of Maintenance of Way Employees (**BMWE**), Brotherhood of Railroad Signalmen (**BRS**), International Association of Sheet Metal, Air, Rail, and Transportation Workers – United Transportation Union (**SMART-UTU**), National Association of Railroad Passengers (**NARP**), National Railroad Construction and Maintenance Association (**NRC**), Railway Supply Institute (**RSI**), States for Passenger Rail Coalition (**S4PRC**), Surface Transportation Policy Partnership (**STPP**), Sheet Metal Workers International Association (**SMWIA**), and the Transportation Communications International Union/International Association of Machinists (**TCU/IAM**).

Our Associate Supporters include **AECOM**, **Alstom**, **Caterpillar**, **General Electric**, **HNTB**, **Parsons**, and **WSP USA**. These global companies represent the engineering and manufacturing sectors that are an essential component of private sector job creation in the transportation industry in the United States.