



MTA Press Releases

Press Release

October 2, 2008

LIRR

IMMEDIATE

LIRR President Outlines Actions to Curb Abuse of U.S. Railroad Disability System

--STEPS INCLUDE NEW LIRR COMPLIANCE UNIT, ETHICS TRAINING, ABUSE HOTLINE AND CALL ON CONGRESS FOR REFORM MEASURES
 MTA Long Island Rail Road President Helena Williams today announced a series of reform measures aimed at making sure only those retirees who deserve a federal disability pension receive one.

The U.S. Railroad Retirement Board, a federal agency, currently approves nearly 98 percent of all applications it receives nationwide from railway industry employees seeking occupational disability pensions, costing the taxpayers and LIRR customers millions each year. LIRR employees have applied for the disability pensions at an alarmingly high rate in recent years, even though the LIRR's workplace safety record has shown dramatic improvement, with steadily dropping accident and injury rates.

While the LIRR has not been involved in approving the federal occupational disability applications, Williams said she is taking steps now – in coordination with Gov. David A. Paterson's administration and MTA Executive Director and Chief Executive Officer Elliot Sander - to improve how the LIRR polices its own workforce with regard to the disability issue.

"The apparently rampant abuse of the U.S. Railroad disability system by former LIRR employees comes at a direct cost to taxpayers, at a time when we are fighting every day to lower state and federal spending," said Governor David A. Paterson. "I applaud Long Island Rail Road President Helena Williams for taking swift action and await further information and action from the MTA Inspector General, the Attorney General and the federal government."

"Gov. Paterson has made it clear that it cannot be business as usual at the LIRR with regard to the disability issue," said Williams. "The time for reform is now."

We are today announcing the creation of an internal compliance unit at the LIRR to work more closely with the federal government; additional ethics training for managers and union employees; and we are seeking help from Congress in the form of reform legislation so that only those who deserve a disability pension receive one," Williams said.

"The taxpayers subsidize the LIRR, providing more than 50 percent of our operating funds. Part of my job is to safeguard the taxpayer and our customers' funds. I want to assure the public that is exactly what I intend to do. The steps we take today are designed to make sure that we are doing everything at the LIRR that we should be doing to combat abuse of the federal disability pension system," she added.

The LIRR actions include:

TRAINING – All management and represented employees – some 6,800 workers - will receive additional ethics training that is geared specifically toward stressing the obligation of all LIRR employees as public servants to safeguard public funds and to comply with both the letter and spirit of the law regarding the eligibility requirements for federal disability pensions.

ENFORCEMENT– The LIRR will establish a new compliance unit that will act as a watchdog on this issue for the LIRR. This unit will be assigned to review all correspondence from the U.S. Railroad Retirement Board concerning applications for occupational disability pensions to ensure that all potentially relevant information is before the Board when it reviews the applications.

LEGISLATION – Currently, the LIRR has no direct role in approving occupational disability applications filed with the U.S. Railroad Retirement Board. These applications are processed and approved by the Railroad Retirement Board, using standards that are clearly outdated and inadequate. The MTA and LIRR will seek new legislation in Washington that would require a comprehensive review of the existing statutory and regulatory framework covering the awarding of occupational disability pensions by the U.S. Railroad Retirement Board. Reform of the U.S. Railroad Retirement Board's rules and regulations is needed to put into place more stringent standards that would enable the Railroad Retirement Board to weed out frivolous claims; require the Railroad Retirement Board to seek independent, outside medical evaluation of disability claims; and require additional input from carriers on individual occupational disability applications. (See attached letter to Members of Congress.)

HOTLINE – The LIRR is reminding all employees and our customers to be alert to possible fraud, waste and abuse and of our joint obligations to report allegations of possible wrongdoing to the MTA Inspector General, using the IG's toll free number – 1-800-MTA-IG4U (1-800-682-4448).

