



December 3, 2014

The Honorable John Kline
U.S. House of Representatives
Washington, DC 20515

Re: Support Multiemployer Pension Reforms that Prevent Bailout

Dear Representative Kline:

On behalf of the Associated General Contractors of America, I am urging you to support multiemployer pension plan legislation in this session of Congress. Multiemployer pension plans are common in the unionized sector of the construction industry and give employers the opportunity to provide their employees with a defined benefit plan that allows them “portability” to earn continuous benefits as they go from job to job within the same industry. Of the 10 million participants in multiemployer defined benefit plans, more than half are construction industry workers and retirees.

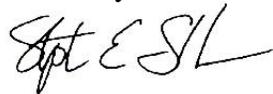
Many multiemployer plans suffered significant losses as a result of the 2008 U.S. financial crisis. While some improvements in investment returns have helped some plans, the current rules, long-term demographics, and market conditions continue to put the viability of the plans and their contributing employers at risk. This is particularly true for the construction industry, which has been affected by the economic recession to a far greater degree than most industries. In short, further legislative reform is needed and, with the Pension Protection Act (PPA) nearing sunset, the further deteriorating financial condition of the Pension Benefit Guaranty Corporation (PBGC) and certain plans means inaction will expose taxpayers to further risk, put employers out of business, and generate loss of jobs for thousands of construction workers.

I urge you to support legislation that follows the “Solutions Not Bailouts” proposal that was a private sector, joint labor-management proposal to solve the multiemployer pension system failures and avoid a federal bailout. The legislation will provide modifications to the PPA that will strengthen plans’ funding positions and ensure long-term retirement security. We urge you to allow new tools for troubled plans by giving bargaining parties and plan trustees broader authority to take timely corrective action to preserve the long-term viability of their plans for current and future participants. This legislation will provide incentives for the creation of hybrid versions of a defined benefit plan that controls employer risk by encouraging conservative funding standards and a long-term approach to actuarial funding.

Opponents to this compromised legislation solution point to a federal bailout as a solution, which is extremely unlikely to occur, and, even if it were to occur, would still fail to formulate the needed systemic changes to the multiemployer system that would make it sustainable for its participating employers, workers and retirees.

Again, please support multiemployer pension reform legislation during the current session of Congress.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen E. Sandherr". The signature is stylized and cursive.

Stephen E. Sandherr

From: Marco Giamberardino, NECA [<mailto:marco.giamberardino@necanet.org>]
Sent: Wednesday, December 03, 2014 3:20 PM
To: Martin, John (Roe)
Subject: NECA Supports Immediate Action to Reform the Multiemployer Pension System



December 3, 2014

Dear Rep. Phil Roe:

The National Electrical Contractors Association (NECA) is in full support of legislation to reform the multiemployer pension system and make permanent the multiemployer provisions of the Pension Protection Act (PPA) of 2006. Passage of this legislation is NECA's number one priority and we urge Congress to act expeditiously before these provisions expire on December 31, 2014.

Nearly three years ago, NECA and more than forty labor and management stakeholders partnered together to create a proposal – known as “Solutions Not Bailouts” – that made several carefully negotiated recommendations to address the many challenges facing multiemployer pension plans. This proposal includes elements key to ensuring the viability of these funds, including fixes that would assist deeply troubled plans heading toward insolvency, technical provisions that will improve the current system, and new flexible plan design options aimed at reducing employers risk and eliminating withdrawal liabilities. It is important to note that the terms of this proposal are not mandatory and would be subject to the collective bargaining process on a case-by-case basis.

For over 60 years, NECA contractors have worked through the collective bargaining process to offer pension plans that would help bring security, dignity, and peace-of-mind to all plan participants, retirees and surviving spouses, as well as its contributing employers.

The need for multiemployer pension reform is real and it is immediate. Failure to act now would exacerbate the current issues, making it more difficult to address these problems later on, and potentially subject these plans to insolvency. Employers need a system that does not place their businesses at risk, and employees and retirees need to know that their retirements are secure. The bottom line is that financial collapse of the system would be detrimental to workers and taxpayers alike.

We urge you to act on multiemployer pension reform legislation before the 113th Congress adjourns. Please do not hesitate to contact me at 301/215-4522 or marco@necanet.org if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Marco A. Giamberardino". The signature is fluid and cursive, with the first name being the most prominent.

Marco A. Giamberardino
Executive Director, Government Affairs



December 4, 2014

John Martin
U.S. House of Representatives
Washington, DC 20515

Re: Support Multiemployer Reform Legislation

Dear John:

On behalf of the undersigned companies that comprise the Association of Food and Dairy Retailers, Wholesalers and Manufacturers, representing over 700,000 associates and members nationwide, we urge you support the bi-partisan multiemployer pension reform legislation being offered by House Committee on Education and the Workforce Chairman John Kline and Ranking Member George Miller.

This legislation protects pensions, retirees, and taxpayers. It is the only reform that accomplishes all of these important objectives.

A number of multiemployer plans stand on the brink of financial collapse, notwithstanding that these deeply troubled plans have exhausted all remedies available under current law. Without additional options, these plans will face insolvency in the near future.

In an attempt to avert this crisis, labor and management from numerous industries worked together for almost two years to analyze all possible solutions and develop a consensus position. The joint labor-management effort led to a report last year from the National Coordinating Committee of Multiemployer Pension Plans titled "Solutions Not Bailouts." These recommendations offered a measured, fair and viable solution to the difficult but necessary task of rescuing deeply troubled plans.

The reform legislation being offered by Chairman Kline and Ranking Member Miller draws from the recommendations found in "Solutions Not Bailouts." Chairman Kline and Ranking Member Miller have worked on this effort for over two years and have held numerous hearings highlighting the crisis. Working with business and labor, they have developed a package that will stabilize and protect the pensions of millions of multiemployer plan participants – without resorting to Federal financial assistance.

Opponents to this legislation would prefer that the Pension Benefit Guaranty Corporation (PBGC) assume the obligations of retiree "orphans." The unfortunate reality is that the PBGC already faces a very significant funding shortfall, and any further shifting of pension obligations to the PBGC will hasten its insolvency and accelerate the need for Federal financial assistance.

The bi-partisan legislation offered by Chairman Kline and Ranking Member Miller offers the most logical and least painful way of saving the multiemployer pension system. We urge you to support this legislation.

Respectfully submitted,

Aramark
AWG
Bimbo Bakeries USA
ConAgra Foods
Dairy Farmers of America
Dean Foods
Kellogg's
Kroger Co.

Land O'Lakes
Nestlé USA
Penske
Prairie Farms Dairy
Schnucks
Spangler Candy
SpartanNash
SUPERVALU





December 9, 2014

The Honorable Nancy Pelosi
U.S. House of Representatives
Washington DC 20515

The Honorable John Boehner
U.S. House of Representatives
Washington DC 20515

The Honorable Harry Reid
U.S. Senate
Washington DC 20510

The Honorable Mitch McConnell
U.S. Senate
Washington DC 20510

Dear Members of Congress:

On behalf of the 1.3 million members of the United Food and Commercial Workers International Union (UFCW), I am writing to urge you to include the pension reform compromise reached by House Education and the Workforce Committee Chairman John Kline (R-MN) and Ranking Member George Miller (D-CA) in the omnibus spending bill.

It is absolutely critical that Congress takes action to fix the looming multiemployer pension crisis. The future retirement security of our members is at stake.

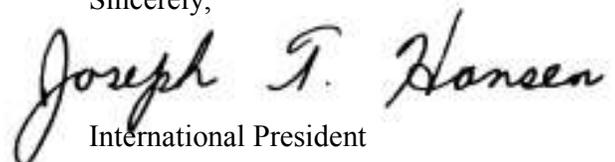
As you know, declining participation and factors like the Great Recession have created a new reality for Taft-Hartley multiemployer plans wherein many of them are substantially underfunded. The Kline-Miller compromise, which is modeled after recommendations by the National Coordinating Committee for Multiemployer Plans (NCCMP), is the best way forward.

The simple fact is that in order to save some of the most vulnerable pension plans trustees must be given the ability to slightly reduce benefits. This is the only realistic way to avoid insolvency and preserve as much of the promised pension benefits as possible. The NCCMP recommendations carefully limit this option allowing for the necessary flexibility to salvage these plans while protecting the most vulnerable population and ensuring that benefits are preserved to the maximum extent possible.

The Pension Protection Act of 2006 is set to expire in a matter of weeks. Without action by Congress, one very large multiemployer pension fund will become insolvent and will seriously jeopardize the benefits of approximately 340,000 current retirees and 70,000 future retirees. Other plans face similar challenges.

Our seniors are looking to Congress for common sense, bipartisan pension reform that protects as many multiemployer plans as possible. The Kline-Miller compromise, while not perfect, achieves that goal. The UFCW strongly urges you to include these reforms in the year-end spending bill without further delay.

Sincerely,


International President



December 9, 2014

United States House of Representatives
Washington, DC 20515

RE: Support for Multiemployer Pension Reforms

Dear Representative:

On behalf of North America's Building Trades Unions, I urge your support for critical and bi-partisan reforms to the multi-employer pension system that have been proposed by the Education and Workforce Committee before this session of Congress expires.

The longer we wait to fix this problem, the harder it will be to fix. And the longer we wait, the more we risk increasing the severity of the impact on retirees and workers, particularly those retirees whose benefits accrue from those plans that are in the worst financial shape.

Further delay will also increase the burden on employers struggling to fund and extend these pension plans. The mere prospect of waiting to take action weakens the system and threatens the economic and retirement security of workers and families nationwide.

That is why a strong majority of North America's Building Trades Unions endorsed the joint labor and business proposal known as **Solutions Not Bailouts** (www.solutionsnotbailouts.com). Today, we urge you to support the bi-partisan legislation developed by the Education and Workforce Committee that follows this model because it will strengthen the multiemployer pension system for the long-term and provide hard-earned security for our members.

That said, we are concerned with the PBGC premium increase contained in the final legislative language and would urge lawmakers to take a serious look at PBGC structure and funding next year. Furthermore, our Solutions Not Bailouts proposal treated all employers and plans equally. We would have preferred that this principle be included in the legislation. Despite the inclusion of single company provisions, however, we believe that the pension protections afforded to 10 million multi-employer plan participants make this bill worthy of support.

Beginning in 2008, with the implosion of financial markets followed by what can accurately be described as a 'depression' in the construction industry in the United States, we stood witness to construction unemployment rates that exceeded 40, 50 and even 60 percent. As you can well imagine, such an economic disaster placed many multi-employer plans in the construction industry on shaky financial footing.

The bi-partisan proposal developed by the Education and Workforce Committee will modify the expiring Pension Protection Act (PPA) and give plan trustees the tools they need to strengthen their plans. This proposal helps troubled plans avoid insolvency, puts the plans recovering from the economic downturn on firmer ground, and helps those plans – and retirees – that are most in trouble avoid losing everything.

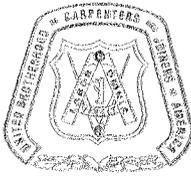
Importantly, this proposal also protects taxpayers by avoiding a massive taxpayer-funded bailout that could cost billions. Further, it is important to note that the measures contained in the **Solutions Not Bailouts** proposal are voluntary. All plan decisions will require buy-in from both labor and management, and no decisions can be made without both sides agreeing that they are in the best interest of plan participants.

We strongly urge you to support legislation and take action on this issue before it is too late – and before this Congressional session ends.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean McGarvey". The signature is fluid and cursive, with the first name "Sean" and last name "McGarvey" clearly distinguishable.

Sean McGarvey
President



UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA

Douglas J. McCarron

General President

December 8th, 2014

RE: Support for Multiemployer Pension Reforms

Dear:

On behalf of the International Brotherhood of Carpenters and Joiners of America, I urge you to support critical reforms to the multiemployer pension system before this session of Congress expires. The UBC is providing solutions to meet a changing world, with highly skilled-workers delivering unmatched value for contractors and business-owners alike. Thousands of workers and their families across the country count on multiemployer pensions for their retirement security. In turn, communities nationwide depend on the hundreds of millions of dollars in economic activity that comes from both retirees and active workers.

As you know, the multiemployer pension system is in real trouble. The longer we wait to fix it, the harder fixing it becomes. The longer we wait, the more severe the impact on retirees and workers will be, especially those who are part of plans in the worst financial shape. Delays will also increase the burden on employers struggling to fund and extend these pension plans. The mere prospect of waiting to take action weakens the system and threatens the economic and retirement security of workers and families nationwide.

That's why we back the joint labor and business proposal known as Solutions Not Bailouts. We urge you to support legislation that follows this model because it will strengthen the multiemployer pension system for the long-term and provide hard-earned security for our workers. This proposal will modify the expiring Pension Protection Act (PPA) and give plan trustees the tools they need to strengthen their plans. Following the economic downturn of 2008, many plans found themselves on shaky financial footing. This proposal helps troubled plans avoid insolvency, puts the plans recovering from the economic downturn on firmer ground and helps those plans – and retirees – in trouble avoid losing everything.

Importantly, this proposal also protects taxpayers by avoiding a massive taxpayer funded bailout that could cost billions. Those who stand in the way of this proposal believe – wrongly – that burying their heads in the sand and banking on a bailout is a solution. We all know that a bailout would be not only costly, but also extremely unlikely. That's why we joined employers and other unions to help craft Solutions Not Bailouts – to avoid a bailout and also fix the flaws currently in the system.

Further, the measures in the Solutions Not Bailouts proposal are voluntary, and since all plan decisions require buy-in from both labor and management, no decisions can be made without both sides agreeing that they are in the best interest of plan participants.

Workers and their employers have used and exhausted all the tools at their disposal to strengthen their plans on their own. Some have even increased worker and employer contributions and accepted reduced benefits to preserve these pensions. We aren't asking for taxpayer funds, nor are we asking Congress to weigh in on the challenges facing these plans. We are simply asking Congress to give multiemployer pension plans the tools they need to modernize, continue to provide benefits, and in some cases, avoid insolvency.

We believe that our workers are the best investment that contractors will ever make, and that workers who join the Carpenters Union will never find a more financially satisfying or personally rewarding career path. For this to remain the case, we need to strengthen the multiemployer pension system. Workers depend on these pensions. We urge you to support legislation and take action on this issue before it is too late – and before this Congressional session ends.

Sincerely,



GENERAL PRESIDENT

DJM/tf/jb