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## *Multiemployer Plans*

### **Teamsters Local Pension Seeks Benefit Cuts, Third Multiemployer Plan to Request Approval**

**A** New Jersey-based Teamsters local pension fund has become the third multiemployer pension plan known to apply for Treasury Department approval of benefit suspensions.

In separate notices issued Jan. 26, Treasury indicated that the Teamsters Local 469 Pension Plan in Hazlet, N.J., has joined the Iron Workers Local 17 Pension Fund in Cleveland and the Central States, Southeast and Southwest Areas Pension Fund in seeking to use provisions of a 2014 federal law designed to help financially troubled multiemployer plans avert future insolvency by suspending the accrued benefits of plan participants.

Thirty-nine employers were part of the Teamsters Local 469 plan in 2014, and it included 1,781 total participants, only 128 of which were active, the plan said in its 2014 Form 5500 filing. Current assets were \$122.6 million and liabilities were \$279.9 million, the local reported.

The Teamsters fund filed its petition Dec. 28, five days after the Iron Workers filed theirs, though the latter application wasn't received by Treasury until Dec. 28, the department said.

Treasury has 225 days in which to approve or reject each application.

The massive Central States fund became the first multiemployer plan to file for a rescue under the Multiemployer Pension Reform Act, also known as the Kline-Miller Act, when it filed its application with Treasury in September (42 BPR 1760, 10/6/15).

Karen Friedman, executive vice president of the Pension Rights Center in Washington, told Bloomberg BNA that although she hasn't yet seen the filing by the Teamsters fund, "this goes to show that plan after plan is now going to cut their retirees' benefits to balance their books." She said "this is completely unfair" and that there needs to be a "better solution to address underfunded multiemployer plans."

Friedman added that "Congress will rue the day" that it supported the MPRA.

The Teamsters fund's business manager declined to comment to Bloomberg BNA on the filing.

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*A copy of the notice on the Teamsters Local 469 Pension Plan filing is at <http://src.bna.com/cdJ>. A copy of the notice on the Iron Workers Local 17 Pension Plan filing is at <http://src.bna.com/cdK>.*