

July 19, 2019

Dear Representative:

The Pension Rights Center, a 43-year-old national consumer organization committed to the protection of retirement security for workers and retirees, is writing to urge you to vote in favor of H.R. 397, the “Rehabilitation of Multiemployer Pensions Act” (also known as the Butch Lewis Act), when the bill goes to the House floor next week.

For the past five years, we have worked with tens of thousands of employees and retirees across the country who have advocated for the repeal of provisions of the Multiemployer Pension Reform Act of 2014 (MPRA), which eviscerated fundamental provisions of the Employee Retirement Income Security Act of 1974. MPRA, without precedent, allows trustees of multiemployer plans to cut retirees’ earned benefits as a misguided way to improve the funding of these plans. Since its passage, MPRA has already led to pension reductions—sometimes in excess of 60 percent—for tens of thousands of retired ironworkers, truck drivers, clerical workers and their spouses and widows in 14 pension plans. And without a comprehensive alternative solution to save the multiemployer system, about 130 additional plans covering approximately 1.5 million workers and retirees and their spouses will also face drastic reductions in their benefits. This would devastate families across the country as well as businesses in their communities that rely on retirees with pension income to buy their goods and services.

H.R. 397 provides a sensible, common sense way of shoring up funding in critical and declining multiemployer plans. The bill would provide loans and other assistance to these severely underfunded plans to enable them to protect retirees’ earned benefits, while providing plans with ample time to recover their losses and repay their loans. We especially commend the bill for ensuring that those plans that have already received approval from the Treasury to cut retirees’ benefits must apply for financial support and restoration of previously suspended benefits.

Please vote in favor of H.R. 397, the Butch Lewis Act, to address the multiemployer crisis, and save the pensions of more than a million workers and retirees.

Sincerely,



Karen Friedman
Executive Vice President



Norman Stein
Senior Policy Advisor