

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

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

December 9, 2014

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

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. ph I. Honsen International President

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