

Actors Equity Association
American Benefits Council
American Federation of Musicians
American Federation of Musicians and
Employers Pension Fund
American Federation of Television and
Radio Artists
American Trucking Associations
Associated General Contractors of
America
The Associated Maintenance
Contractors
The Association of Union Constructors
(TAUC)
Bakery and Confectionery Union &
Industry International Pension
Fund
Bechtel Construction Company
Bituminous Coal Operators Assoc.
The Building and Construction Trades
Department, AFL-CIO and Each
of Its 13 Affiliated Unions
Building Service 32BJ Pension Fund
Carhaul
The 7 Affiliated Unions of Change to
Win
Construction Employers Assoc.,
Syracuse, NY
D'Agostino Supermarkets, Inc.
Food Marketing Institute
The Financial Services Roundtable
Finishing Contractors Association
International Association of Machinists
International Council of Employers of
Bricklayers & Allied Craftworkers
International Union of Operating
Engineers
The Joint Labor-Management
Committee of the Retail Food
Industry
The Kroger Co.
Mechanical Contractors Association of
America
Motion Picture Association of America
Motor Freight Carriers
National Association of Construction
Boilermaker Employers
National Electrical Contractors Assoc.
National Coordinating Committee for
Multiemployer Plans
National Grocers Association
National Roofing Contractors Assoc.
The Newspaper Association of
America
Office and Professional Employees
International Union
Pathmark Stores, Inc.
Printing Industries of America
Recording Industry Association of
America
Safeway
Schnuck Markets, Inc.
Sheet Metal & Air Conditioning
Contractors' National Assoc.
The Stop & Shop Supermarket
Company LLC/Giant Food LLC
SUPERVALU INC.
UPS
US Chamber of Commerce
Washington International Group
YRC Worldwide

November 19, 2008

The Honorable Charles B. Rangel
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

The Honorable Jim McCrery
Ranking Member
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Gentlemen:

The Multiemployer Pension Plan Coalition (the "Coalition") is a diverse group of over 50 unions, employer associations, large employers, trade associations, advocates and other stakeholders, all of whom have an interest in the preservation of the 1,530 multiemployer defined benefit pension plans, and the well-being of their participants and sponsoring organizations. We are writing to express our deep concerns over the worldwide financial crisis that has resulted in an unprecedented and precipitous drop in the plans' invested assets and to ask your support in combating the negative impact of these developments on the retirement security of the 10 million active and retired workers who are covered by our plans. Specifically we are concerned about the systemic risk to the economy that will arise from the projected need for exponential contribution increases that would jeopardize the financial viability of contributing employers, and/or require correspondingly deep cuts in the benefits for covered employees, to meet the ambitious funding requirements of the Pension Protection Act of 2006 (PPA).

In the early part of this decade, this Coalition was formed around a common concern: to address the serious funding challenges that arose as a result of the contraction of the investment markets that occurred from 2000 to 2002 which similarly threatened both the plans and their contributing employers. After months of intense deliberations and negotiations, the Coalition produced a consensus agreement that contained a framework for securing the retirement income of participants through reforming ERISA's funding rules by re-engaging those most intimately familiar with the economic conditions necessary to balance the needs of all of the stakeholders. The joint efforts of labor and management in promoting a common objective were recognized as an important factor in the development and ultimate passage of the multiemployer provisions of the PPA. As a Coalition, we remain committed to the fundamental goals of that Act to ensure that plans are sufficiently funded to pay all promised benefits when they are due, but due to the exigencies of the global economy, must request your assistance in making the rules more responsive to the current crisis.

Once again, we have worked together as a community to develop a short list of emergency measures that will prevent the kinds of irreversible and unsustainable actions that would be required if the PPA is not amended, and to provide a temporary bridge to solvency as the economy struggles to regain its footing. Our proposal provides modest, short term relief based on providing additional time to plans to gauge the severity of the market contraction and lessen its adverse impact on employment and benefit security in the short-run. We appreciate the hard work and frank discussions with House and Senate staff who have worked tirelessly to reach agreement on the best available compromise under the extreme time pressures involved in moving legislation in the current lame duck session.

Our appeal to you is simple: please support the effort to pass during the current lame-duck session the much needed relief for defined benefit pension plans that has been advocated by this Coalition. For many of the stakeholders, delaying action may push the ability to weather this economic storm beyond the point of no return. We are at your disposal to answer your questions and address any concerns you may have regarding this request, and ask that you and your colleagues recognize the urgency of the problem facing pension plans and attack it with the same vigor shown in confronting the global financial contraction experienced by the financial services and banking community. Thank you for your support.

Sincerely,

Multiemployer Pension Plan Coalition