



**INTERNATIONAL
BROTHERHOOD
OF ELECTRICAL
WORKERS®**

900 Seventh Street, NW
Washington, DC 20001
202.833.7000
www.ibew.org

LONNIE R. STEPHENSON
International President

KENNETH W. COOPER
International
Secretary-Treasurer

July 23, 2019

VIA EMAIL

To: All Members of the U.S. House of Representatives

Re: The Rehabilitation for Multiemployer Pensions Act

Dear Member of Congress:

On behalf of the 550,000 active members, retirees, and survivors who participate in the International Brotherhood of Electrical Workers (IBEW) multiemployer pension plans, I urge all Members of the U.S. House of Representatives to vote in support of H.R. 397, the Rehabilitation for Multiemployer Pensions Act, which is scheduled for a floor vote later this week.

More commonly known as the “Butch Lewis Act,” this bipartisan legislation would create the Pension Rehabilitation Administration and provide authority to offer a small percentage of multiemployer pension plans that are in danger of becoming insolvent in the coming years with low-interest, 30-year loans to protect retiree benefits and allow trustees time to improve a pension’s financial stability.

Retirement security has always been a priority for labor unions and pensions have figured prominently in the collective bargaining process for decades. Multiemployer pensions, administered by joint labor management committees, funded in part by negotiated employer contributions, form the backbone of the IBEW’s retirement safety net.

While over 99 percent of the IBEW’s multiemployer pension participants are in plans that are financially sound, we are very concerned about the systemic risks to the multiemployer pension system posed by troubled plans that will fail over the next decade without assistance. The cost of inaction, and allowing troubled multiemployer pension plans to fail, will have a significant impact beyond the over one million American households who are in danger of losing their pensions, earned over a lifetime of work. Private sector multiemployer pension plans paid nearly \$42 billion in benefits to 3.5 million Americans in 2016, resulting in \$89 billion in total economic output. The loss of these pensions would be felt in every community, but most acutely in communities with a large percentage of retired union households.

There would also be a significant impact to the federal government through the loss of tax revenue and increased safety net spending for retired households that lose their pensions. The National Coordinating Committee for Multiemployer Plans (NCCMP) estimated earlier this year that the U.S. government would lose



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between \$32 and \$103 billion in tax revenue over the next 10 years if there is no change to current law. In addition, the NCCMP found federal spending, including housing assistance, food stamps, and Medicaid, would increase by \$264 billion by 2028 if no action is taken.

For IBEW members, a pension is more than just dollars and cents. It's a promise. In exchange for a lifetime of hard work and personal financial contributions, a worker and his or her family can count on a secure and respectable retirement. On behalf of the IBEW, I urge our elected representatives to uphold that promise and vote in support of the Rehabilitation for Multiemployer Pensions Act.

Sincerely yours,

A handwritten signature in black ink that reads "Lonnie R. Stephenson". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Lonnie R. Stephenson
International President

LRS:lgd