



**INTERNATIONAL
BROTHERHOOD
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WORKERS®**

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LONNIE R. STEPHENSON
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KENNETH W. COOPER
International
Secretary-Treasurer

August 12, 2020

VIA EMAIL

To: All Members of the United States House of Representatives

Re: Lowenthal Pension Security Letter

Dear Member of Congress:

On behalf of the over 775,000 active and retired members of the International Brotherhood of Electrical Workers (IBEW), I strongly urge you to sign onto an important letter led by Representative Alan Lowenthal to Speaker Nancy Pelosi opposing the inclusion of the GROW Act in any coronavirus relief legislation.

IBEW members are serving on the frontlines of the coronavirus pandemic in communities throughout the United States, ensuring safe and reliable electric power, gas, water, and internet broadband services are available for families, businesses, and health care providers. At this moment, IBEW members are busy restoring electrical power to communities along the East Coast that were impacted by Tropical Storm Isaias.

IBEW members are appreciative of many of the provisions included in the HEROES Act (H.R. 6800) that are intended to help essential workers and unemployed Americans during this difficult period, including the inclusion of the Emergency Pension Plan Relief Act, that would create a special partition program for distressed multiemployer pension plans.

The IBEW continues to be deeply troubled by the inclusion of the GROW Act in the HEROES Act. The GROW Act would allow multiemployer plan trustees to divert money away from healthy plans in order to start a new composite pension plan. This weakens the existing plans and leaves neither plan, the existing plan or the composite plan, with enough money to pay earned benefits. If Congress had already passed the GROW Act and it was law now, workers in a previously healthy multiemployer pension plan that converted to a composite plan would face draconian benefit cuts.

The GROW Act exacerbates the current solvency crisis within the multiemployer pension system by exempting new composite plans from paying premiums to the Pension Benefit Guaranty Corporation (PBGC). As a result, workers' pension benefits in composite plans would not be insured by the PBGC. Additionally, composite plans shift all the investment risk onto workers and retirees with none of the protections found in current defined benefit multiemployer plans nor potential upside found in defined contribution 401(k) plans.





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In addition, if the GROW Act becomes law, it will become an issue in countless union negotiations, and union members will have to give up wages and other benefits to maintain their current pension plans.

The GROW Act has not been introduced in the 116th Congress nor received a congressional hearing. For legislation of this magnitude, it is paramount that the GROW Act be considered through regular order in the committees of jurisdiction before passing both chambers and being signed into law.

For all these reasons, the IBEW urges you to sign onto Congressman Lowenthal's important letter opposing inclusion of the GROW Act in any coronavirus relief legislation. To sign on, please contact Chris Gorud at Chris.Gorud@mail.house.gov or Tim Hysom at Tim.Hysom@mail.house.gov in Representative Lowenthal's office.

Sincerely yours,

A handwritten signature in black ink that reads "Lonnie R. Stephenson".

Lonnie R. Stephenson
International President

LRS:nl
Attachment

