



April 24, 2020

Dear Multiemployer Community,

Today, the President signed H.R. 266 which provided additional authority for the Paycheck Protection Program and support for health care providers. This is commonly referred to as the COVID 3.5 stimulus package. In less than eight weeks, the COVID-19 pandemic has put more than 26.4 million Americans out of work and driven Congress and the Federal Reserve to structure more than \$20 trillion in financial market liquidity and direct aid to the economy.

The hard work now begins on a broader, more comprehensive stimulus bill (either "CARES 2" or "COVID 4.0") which addresses the areas that have been left out of the previous relief packages. Congress must now include multiemployer pension relief and federal support for COBRA premiums in CARES 2/COVID 4.0. As engaged participating members of the multiemployer community, we all know how important it is to get Congress to act on these two critical priorities.

The crisis in a limited number of systemically important multiemployer pension plans has been deeply exacerbated by the COVID-19 pandemic, the related market collapse, and the government mandated shutdown of the U.S. economy. The shutdown of the economy has resulted in millions of unemployed workers and significantly reduced contributions to multiemployer pension and health plans. While the full impact of the health and economic crisis will not be known for some time, there is no doubt that the impact on participants, employers, plans and the PBGC will be severe.

We call on each of you to reach out personally to your Senators and Representatives to impress upon them the urgency of multiemployer pension legislation and COBRA premium support in the next COVID bill.

To assist you, we are attaching the [contact information](#) for particularly important Congressional leaders and their staff (the first tab is a priority ranking, the second tab is sorted by state). Below (and attached) are [talking points](#) that you may consider using in your outreach.

Please reach out to us if we can provide you with any information or support. If you have the opportunity, please let us know which offices you have contacted.

Regards,
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Congressional Talking Points for Multiemployer Pension and Health Needs in COVID 4

More than 20 million active and retired American workers and their families rely on multiemployer pension and health and welfare plans to provide for their retirement security and their health plan coverage.

The crisis in a limited number of systemically important multiemployer pension plans has been deeply exacerbated by the COVID-19 pandemic, the related market collapse, and the government mandated shutdown of the U.S. economy. The shutdown of the economy has resulted in 26.4 million workers being unemployed, and significantly reduced contributions to multiemployer pension and health plans. While the full impact of the health and economic crisis will not be known for some time, there is no doubt that the impact on participants, employers, plans and the PBGC will be severe.

Congress must act now to secure these retirement and health benefits for hard working Americans in this unprecedented time, and to stop the additional downward pressure on the economy as retirees face the loss of income and unemployed workers lose their employer provided healthcare coverage.

Pension Solution

1. **Special partition program at the PBGC to for deeply troubled plans.** The special partition program would move liabilities from failing plans to the PBGC, ensuring that participants receive full benefits while providing plans with the path to long-term solvency. As part of that program, the PBGC must be provided with enough annual funding by the U.S. Government to carry out its mission.
2. **Relief for all multiemployer plans.** Congress should include provisions similar to the Worker, Retiree, and Employer Recovery Act of 2008, to allow plans to freeze their zone status for the current year, and the Pension Relief Act of 2010, to allow plans to smooth investment and contribution base unit ("CBU") losses in the funding standard account, and investment losses in the development of the actuarial value of assets.

Healthcare Solution

1. **Federal support for COBRA premiums.** There is an absolute necessity and urgency during this uncontrolled pandemic to ensure that workers do not lose access to their healthcare because they are laid off or due to reduced hours. Congress must pass full premium support for those workers relying on COBRA due to layoffs or reduction in hours.

