



VIA EMAIL

January 25, 2018

The Honorable Sherrod Brown
United States Senate
713 Hart Senate Office Building
Washington DC 20510

The Honorable Richard Neal
United States House of Representatives
341 Cannon House Office Building
Washington DC 20515

Dear Senator Brown and Congressman Neal:

On behalf of the 1.3 million members of the United Food and Commercial Workers International Union (UFCW), I am pleased to endorse the Butch Lewis Act (S. 2147) and the Rehabilitation for Multiemployer Pensions Act (H.R. 4444) which would provide low cost loans to eligible multiemployer pension plans to enable them to continue to pay earned pensions to retirees and fund their long-term pension commitments.

The Butch Lewis Act is a common-sense way to shore up the multiemployer plans while protecting the earned pensions of retirees and active workers. An estimated ten million workers and retirees are in about 1,400 multiemployer pension plans (<https://www.pbqc.gov/about/factsheets/page/pbqc-facts>). Many of these plans have funding problems as a result of the impact of the financial crises of 2000-2002 and 2008-2009 caused by the irresponsibility of Wall Street banks and the financial sector, all of which were financially supported during the crisis by the federal government. The failure of pension plans would hurt not only individual retirees, but also their local communities, the plans' contributing employers and the future of the multiemployer retirement system overall.

This matter is important to 1.5 million active members, retirees and other beneficiaries who participate in 60 UFCW multiemployer pension plans in the United States.

The Butch Lewis Act provides a path to fixing the country's growing pension crisis by providing the financial support the plans need to avoid insolvency. If nothing is done to these plans, they will fail and retirees will face massive cuts to the benefits they earned over decades of work. If the plans are allowed to fail, not only will they no longer

- 2 -

be able to pay promised benefits, but taxpayers would be at risk of having to pay billions because the Pension Benefit Guarantee Corporation (PBGC) would be on the hook for billions of dollars it cannot pay.

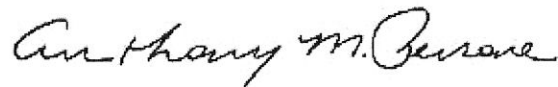
The Butch Lewis Act would create a Pension Rehabilitation Administration, within the Treasury Department, to provide low-cost loans to qualified underfunded multiemployer pension plans. Plans would have up to 30 years to pay earned retiree benefits, prudently invest the loan proceeds and employer contributions, and repay the loan. During the loan period, employers may not reduce contributions and the plan may not increase promised benefits. The plan must demonstrate that receipt of the loan will enable the plan to avoid insolvency, pay benefits and loan interest, and accumulate sufficient funds to repay the loan principal when due.

The Butch Lewis Act will ensure that millions of people in multiemployer plans can depend on their pension promises.

We thank you for your leadership in championing this issue. We hope your colleagues will follow your lead and work in earnest to address the growing multiemployer pension crisis.

If you have any questions, please feel free to contact me, or have your staff contact UFCW Legislative and Political Action Department Senior Legislative Representative Rachel Lyons at 202-466-1504 or by email at rlyons@ufcw.org.

Sincerely,

Handwritten signature of Anthony M. Perrone in cursive script.

International President