



June 25, 2019

The Honorable Charles E. Grassley
Chairman
Senate Finance Committee
United States Senate
Washington, DC 20515

The Honorable Ron Wyden
Ranking Member
Senate Finance Committee
United States Senate
Washington, DC 20515

The Honorable Lamar Alexander
Chairman
Senate Health, Education,
Labor and Pensions Committee
United States Senate
Washington, DC 20515

The Honorable Patty Murray
Ranking Member
Senate Health, Education,
Labor and Pensions Committee
United States Senate
Washington, DC 20515

The Honorable Richard E. Neal
Chairman
Committee on Ways and Means
United States House of Representatives
Washington, DC 20515

The Honorable Kevin Brady
Ranking Member
Committee on Ways and Means
United States House of Representatives
Washington, DC 20515

The Honorable Bobby Scott
Chairman
Committee on Education and Labor
United States House of Representatives
Washington, DC 20515

The Honorable Virginia Foxx
Ranking Member
Committee on Education and Labor
United States House of Representatives
Washington, DC 20515

Subject: Latest analysis of the impact of the multiemployer pension plan funding crisis on active participants in plans over time

Dear Chairmen and Ranking Members:

Attached is the latest multiemployer pension plan analysis performed by Horizon Actuarial Services for the United Association of Plumbers and Pipefitters (UA) and the Mechanical Contractors Association of America (MCAA). This study, report, and analysis clearly demonstrates that the current multiemployer plan funding crisis has placed a heavy

retirement security deficit on current active participants in pension plans as compared with similar groups of plan participants going back to the 1970s.

We offer this analysis to Congressional policy makers who are in the midst of a very challenging and crucial task of reforming the Nation's multiemployer pension systems for the benefit of plan participants and their families and contributing employers. The UA and MCAA and their members across the country sponsor some 144 of the Nation's 770 construction industry multiemployer plans - more than any other single union and employer group. (*Horizon/MCAA Inventory of Construction Industry Plans*, Fifth Edition.)

As the attached report and analysis concludes, Congressional reforms must include judicious consideration and equitable balancing of the burden of reform on all stakeholders in the system, including current active participants, vested/inactives, retirees and their beneficiaries, and contributing employers so as to bolster the sustainability of the system going forward.

The UA and MCAA fully subscribe to the National Coordinating Committee for Multiemployer Plans' (NCCMP) *Common Sense Principles for Multiemployer Reform*. Together, the UA and MCAA urge lawmakers on both sides of the aisle to step up this year to enact balanced reforms that are in sight to achieve sustainability in the multiemployer system for the benefit of workers and their families and contributing employers, and their communities, as well as for the benefit of industry competitiveness and the domestic economy.

Sincerely,



Mark McManus
General President
United Association of
Plumbers and Pipefitters



Brian Helm
President
Mechanical Contractors Association
of America

Attachments:

UA/MCAA/Horizon, Multiemployer Pension Plan Reform Policy Issues, June 2019
NCCMP Common Sense Principles for Multiemployer Reform, NCCMP Board May 2019