

November 8, 2017

The Honorable Paul D. Ryan
Speaker of the House
H-232, The Capitol
Washington, D.C. 20515

The Honorable Mitch McConnell
Senate Majority Leader
S-230, The Capitol
Washington, D.C. 20510

The Honorable Nancy Pelosi
House Minority Leader
H-204, The Capitol
Washington, D.C. 20515

The Honorable Charles E. Schumer
Senate Minority Leader
S-221, The Capitol
Washington, D.C. 20510

Dear Speaker Ryan, Leader McConnell, Leader Pelosi and Leader Schumer,

The undersigned, representing a cross-section of employers, employee organizations, retiree groups, and other stakeholders, write today to urge you to enact legislation that will address the looming multiemployer pension crisis.

Multiemployer pension plans make it possible for workers to accrue benefits in industries so critical to our economy – such as trucking, food services, hospitality, construction and entertainment. Historically, multiemployer plans have been stable pension vehicles for hardworking Americans. The multiemployer pension system covers 10 million Americans, and millions of retirement benefits depend (at least in part) on one or more multiemployer pension plans. In 2015, multiemployer plan participants (actives and retirees) were paid approximately \$241 billion in wages and pension payments. Those participants also paid approximately \$35 billion in federal and \$8.4 billion in state and local taxes.

The multiemployer pension system currently stands on the brink of collapse. This crisis has been caused by tectonic shifts in many of the industries that utilize multiemployer pension plans, and amplified by the 2000 to 2002 and, more importantly, the 2008 market crash and great recession that followed.

Several multiemployer pension funds are projected to be insolvent within the next several years. These troubled plans have already used the tools available under current law, to no avail. That is why Congressional attention and action is needed now -- to provide these plans with other options for recovery. If a solution for multiemployer pension plans is not reached by this Congress before year end, it may be too late to save these systemically important, troubled plans. If these plans become insolvent, the economic responsibility falls to the Pension Benefit Guaranty Corporation (PBGC). The PBGC lacks the resources to address the funding crisis – the PBGC's most recent report projected a \$59 billion deficit in the multiemployer insurance fund (in FY 2016, the most recent year for which data is available) and an estimated insolvency of the PBGC multiemployer fund by the end of 2025.

Compounding the problem, the insolvency of one multiemployer pension plan forces the contributing employers to that plan to record significant liabilities, which may cause many of the smaller businesses (that make up the majority of the contributing employers in many plans) to go out of business. The

associated loss of jobs will result in dwindling contributions to, and the more rapid deterioration of, other multiemployer plans.

The failure of the multiemployer system will jeopardize the immediate retirement benefits of hundreds of thousands of retirees, while simultaneously driving many employers out of business. Active workers in these plans stand to lose not only their retirement savings, but their jobs, their income and their insurance. The cascading effect of a failed plan also will affect third-party suppliers and service providers.

The resulting “domino effect” could lead to the start of another recession. This is not a “retiree” issue or a “multiemployer issue”. This is a national economy issue. It is an issue that must be addressed now -- before it is too late.

We implore you to help us, and help the country, by focusing on this issue and working intently with your colleagues to provide a comprehensive solution before the end of the year.

Sincerely,

ABF Freight Systems, Inc.

Amit Hasak, President, Fulton Market Cold Storage Co LLC DBA Hasak Cold Storage, Lyons, IL

Anthony J. Cancila, President, Marty Cancila Dodge Chrysler Jeep Ram, Florissant, MO

Aramark, Philadelphia, PA

Associated Wholesale Grocers, Inc., Kansas City, KS

Bimbo Bakeries USA, Inc., Horsham, PA

Bob Brockland Buick GMC, Columbia, IL

Brian O. Ahearn, President and Business Manager, Teamsters Local 577, Amarillo, TX

Bruce L. Stoddard, President & CEO, Parke Warehouses, Decatur IL

Buteyn-Peterson Construction Company Inc., Sheboygan, Wisconsin

Carl Carenbauer, President, Carenbauer Distributing Corp., Wheeling, WV

Chris Gulbrandson, President, Apple Ford Shakopee. Shakopee, MN

Chris Tongay, Secretary-Treasurer, Teamsters Local 688, St. Louis, MO

Christian Chappell, President, Chappell Zimmerman Inc., Salem, OH

Columbian Distribution Services, Inc., Grand Rapids, MI

Compass Group, Charlotte, NC

Corp. Sec. Keith Wallis Jr., Prestressed Casting Co., Springfield, MO

Craig D. Roberts, President, Commerce Paper, Toledo, OH

Craig Rivard, President, North Electric Supply Co., Auburn Hills, MI

Crowley Maritime Corporation, Jacksonville, FL

Dairy Farmers of America, Kansas City, KS

Daniel W. Avelyn, Secretary-Treasurer/Principal Officer, Teamsters Local 554, Omaha, NE

Dave Laxen, Secretary Treasurer/Principal Officer, Teamsters Local 471, Minneapolis, MN

Dave Stark, Stark Excavating, Inc., Bloomington, IL

Dave Trierweiler, President, Trierweiler Construction & Supply Co., Inc., Marshfield, WI

David Kern, Vice President, The Shelly Company, Thornville, OH

David Kieleszewski, President, Sabiston Builders Supply, Warren, MI
David Mashek, Director of Labor Relations & Insurance Risk North America, Votorantim Cimentos, Bridgeview, IL
Dean Foods Company, Dallas, TX
Dennis Cook, President, Sun Prairie Concrete Co Inc.
Dennis Schneider, President, Transervice Logistics Inc.
DHL, Plantation, FL
Diana Strickland, SPHR, VP-HR, Mfg. & Labor and Employee Relations, Tempur Sealy International, Inc., Lexington, KY
Dominic Riggio, President, Riggio Distribution Co., Detroit, MI
Donald F. Brown, President, Don Brown Chevrolet, Inc., St. Louis, MO
Ferguson Block Co., Inc., Davison, MI
Feutz Contractors, Inc., Paris, IL
Frank J. Murnane, Jr., President, Murnane Packaging Corporation, Northlake, IL
Frederick L. Blume, President/Owner, A&B Freight Line, Inc.. Rockford, IL
Garage Maintenance, Machine Warehousemen, Repairmen, Inside Men and Helpers and Plastic Employees, Local Union No. 974, Minneapolis, MN
General Teamsters Local Union No. 200, Milwaukee, WI
Heding Truck Service, Inc., Union Center, WI
Hoyt, Brumm & Link Inc.
Indiana Constructors, Inc.
International Warehouse Logistics Association
Irina Becker, General Counsel, Becker Iron & Metal, LLC, Venice, IL
Jack Cooper Transport Co., Kansas City, MO
James Baumhardt, President, Baumhardt Sand & Gravel, Inc., Eden, WI
James E. Rossel, President, Haier Plumbing and Heating, Inc., Okawville, IL
James McGrath, Executive Vice President, General Counsel, The New York Blower Company, Willowbrook, IL
James Peterson Sons Inc., Medford, WI
Janet M. Kolb, President, Kolb Grading, LLC, St. Charles, MO
Jeff Palmer, President, Palmer Moving
Jeff Spahr, President, Superior Materials Holdings, LLC., Farmington Hills, MI
Jennifer Matthews, Esq., President, Royal Air Freight, Inc., Indianapolis, IN
Joe Popolo, Jr., CEO, The Freeman Company, Dallas, TX
Joe White, President, Edward J. White, Inc., South Bend, IN
John A. Evans, Evans Distributions Systems, Melvindale, MI
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John M. Hall, President, John Hall Lumber Co., Washington, MO
John S. Reihl PE, President, StresCore Inc., South Bend, IN
John Wilson, General Counsel, Quality Carriers, Inc., Tampa, FL
Joseph L. Carson, President, United Dairy, Inc., Martins Ferry, OH
Karen Haug, Chief Executive Officer, Advance Shoring Company, Saint Paul, MN
Karen Z. Taff, Madison Sand and Gravel Company, Deforest, WI

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Kranz, Inc.
Kurt S. Brandstatter, President, Central Paving, Inc., Logansport, IN
Land O' Lakes Inc., Arden Hills, MN
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Lee Miller, President, Miller Transporters, Jackson, MS
Leicht Transfer & Storage Co., Green Bay, WI
Linda Brzenk, Barry Trucking Inc., Oak Creek, WI
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Luther Automotive Group, Minneapolis, MN
Marathon Petroleum Corporation, Findlay, OH
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Mathie Supply, Inc., North Canton, OH
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McDowell Tire Company, Kansas City, MO
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Mike Moon, VP, Wagner Industries, Inc., North Kansas City, MO
Minnesota Auto Dealers Association
National Beer Wholesalers Association
Nestlé Purina PetCare, St. Louis, MO
Nestlé USA, Inc., Arlington, VA
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Paul Murphy, Jr., Owner, ChemMasters Inc., Madison, OH
Paul Murphy, Jr., Owner, JTM Products Inc., Solon, OH
Paul S. Crow, President/CEO, Tuttle Construction, Inc., Lima, OH
Penske Truck Leasing Co., L.P., Reading, PA
Peoples Cartage, Inc., Canton, OH
Peoria Disposal Company, Peoria, IL
Philip Brooks, CEO, H. Brooks and Company, LLC, New Brighton, MN
Piggly Wiggly Midwest, LLC, Sheboygan, WI
Prairie Farms Dairy, Edwardsville, IL
Ralph Stubbs, Teamsters Local 41, Kansas City, MO
Randal C. Hyde MBA, SPHR, Director of Human Resources and Labor Relations, Hiland Dairy Foods Co. LLC, Springfield, MO
Reymond Products International, Inc., New Philadelphia, OH

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Richard Murphy Jr., President/CEO, Murphy Warehouse Company, Minneapolis, MN
Richard S. Mergel, President, C. J Link Lumber Company, Warren, MI
Rob Jones, President, Helmkamp Construction Co., East Alton, IL
Russell King, President, LaKing Trucking Inc., Lima, OH
Ryan Daniel, Chief Executive Officer, St. Cloud Metropolitan Transit Commission, St. Cloud, MN
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Shelley Roth, President, Royal Ice Cream Company, Cleveland, OH
Spangler Candy Company, Bryan OH
SpartanNash, Byron Center, MI
Sterling Boiler & Mechanical, LLC, Evansville, IN
Steve Fidler, President, Kuert Concrete, Inc., South Bend, IN
Susan J. Happ, President, Mertel Gravel Company, Inc., Peru, IL
Susan Polito, M&M Truck Parts Sales Inc., Menominee, MI
Susan Polito, Stang Sales & Service, Menominee, MI
Teamsters Local 114, Cincinnati, OH
Teamsters Local 1145, Blaine, MN
Teamsters Local 120, Blaine, MN
Teamsters Local 160, Rochester, MN
Teamsters Local 215, Evansville, IN
Teamsters Local 238, Cedar Rapids, IA
Teamsters Local 26, Champaign, IL
Teamsters Local 289, Minneapolis, MN
Teamsters Local 320, Minneapolis, MN
Teamsters Local 346, Duluth MN
Teamsters Local 600, Maryland Heights, MO
Teamsters Local 604, St. Louis, MO
Teamsters Local 618, St. Louis, MO
Teamsters Local 638, Minneapolis, MN
Teamsters Local 662, Mosinee, WI
Teamsters Local 682, St. Louis, MO
Teamsters Local 695, Madison WI
Teamsters Local 696, Topeka, KS
Teamsters Local 722, La Salle, IL
Teamsters Local 792, Minneapolis, MN
Teamsters Local 90, Des Moines, IA
Teamsters Local 955, Kansas City, MO
Teamsters Local 970, Minneapolis, MN
Teamsters Local 997, Fort Worth, TX
The American Benefit Council, Washington, DC
The Associated General Contractors of Illinois
The Kroger Co., Cincinnati, OH

The Ohio Contractors Association
The Southern Illinois Builders Association
Thomas E. Youngblood, Chairman, Youngblood Lumber Co., Minneapolis, MN
Thomas J. Kraemer, President, U.S.M.M., Inc., dba U.S. Machinery Movers, Skokie, IL
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Tim Odum, Vice President, Odum Concrete Products, Inc., Marion IL
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William J. Goodman, Wallboard, Inc., Butler, WI
William L. Kinney, President, Kinney Contractors, Inc., Raymond, IL
William M. Frisky, Secretary-Treasurer, Teamsters Local Union No. 964, Brook Park, OH
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