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Multiemployer Plans**Treasury Official Leaves Post Overseeing Pension Rescues**

By David B. Brandolph

Kenneth R. Feinberg stepped down as the Treasury Department's special master overseeing the implementation of a controversial law permitting pension cuts.

Feinberg resigned from his role the week of Feb. 27 because his work was "largely complete and there was no reason" to "remain, having helped establish the precedents for reviewing private multiemployer pension plans pursuant to the new law,"

Feinberg told Bloomberg BNA March 9.

That law is the Multiemployer Pension Reform Act of 2014, also known as the Kline-Miller Act. Under the MPRA, financially troubled multiemployer pension plans can ask Treasury for approval to cut participants' benefits to avoid insolvency.

During his 21-month tenure as the special master, Feinberg was involved in the approval of one petition under the MPRA—from the Cleveland-based Iron Workers Local 17 Pension Fund. He was also involved in the rejection of four other applications, including one from the 400,000-member Central States, Southeast and Southwest Areas Pension Fund.

Snapshot

- Treasury special master resigned post
- Oversight of the MPRA's implementation will go to Trump administration appointee

Cheers and Jeers

During Treasury's review of Central States' application, Feinberg was lauded by plan retirees and consumer advocates for holding nationwide telephone conference calls and in-person town hall meetings in various Midwestern cities to hear the concerns of the plan's participants. During those sessions, many retirees told him how severe and devastating those cuts would be.

When Treasury rejected the application, he was criticized by the plan's officials and proponents of the MPRA. They argued that the rejection not only jeopardized the future well-being of most of the plan's participants but also the long-term viability of the Pension Benefit Guaranty Corporation, which backstops defined benefit plans.

Retirees who escaped immediate benefit cuts, however, considered Treasury's decision to be a great victory.

The Treasury Department didn't respond to several requests by Bloomberg BNA for information on who would be replacing Feinberg.

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