

SAVE OUR PENSIONS COORDINATING COMMITTEE
NEW YORK STATE TEAMSTERS CONFERENCE PENSION AND RETIREMENT FUND

The Coordinating Committee was established in the Fall of 2016 to work to save the pensions of all participants in the New York State Teamsters Conference Pension & Retirement Fund (the “Fund”). Made up of all the union officials from locals covered by the Fund, the Fund Co-Chairmen and Staff, and the Retiree Representative appointed under the Multiemployer Pension Reform Act (“MPRA”), the Coordinating Committee has been holding biweekly conference calls to advance a long-term solution to the multiemployer pension crisis. This is the first of a continuing series of reports on the activities undertaken by the Coordinating Committee.

There are several legislative proposals circulating in Washington that are directed at addressing the financial crisis facing multiemployer pension plans:

- One proposal that has been put forward by UPS would create a federal loan program for plans in critical and declining status (like the Fund). Loans would be made at a 1% interest rate and amortized over 30 years. Loan repayment would begin immediately but with interest payments only for the first 5 years. Under this proposal, benefits would be cut by up to 20% for all participants, without the protections currently required by MPRA (i.e., the protections based on age and receipt of a disability pension, and the protection from cuts to below 110% of the level guaranteed by the Pension Benefit Guarantee Corporation), though there could be some protection for small benefits.
- A second proposal, Keep Our Pension Promises Act (KOPPA), would transfer funds from the U.S. Treasury to those funds in critical and declining status or legacy funds. KOPPA is the only proposal that has been introduced as legislation in Congress at this time, although most view it as having no chance of being enacted into law. KOPPA is designed to prohibit cuts to accrued benefits.
- The IBT is reportedly working on a legislative proposal after it was determined that its first legislative concept would not have prevented the Fund from going insolvent, according to the Fund actuaries’ letter dated May 26, 2017 (posted to the Fund’s website). The terms of this new proposal are not yet known.

The Coordinating Committee is working with the New York Congressional delegation and other Senate and House leaders on finding a pension solution. The following meetings have been held:

- Senator Schumer and his staff
- Senator Gillibrand and her staff
- Reps. Faso, Tonko, Stefanik, Tenney, Reed, Katko, Slaughter, Higgins, and Collins.

Earlier in the year, the Coordinating Committee initiated a large-scale letter writing campaign to all New York Senators and Congressmen informing them of the problems facing the Fund and asking for their assistance in developing a long-term solution. That campaign resulted in over 10,000 letters to the New York Congressional delegation from actives, retirees and their families and it’s making a difference. The message on Capitol Hill is clear: any legislative solutions must address the funding problems facing our Fund!

The Coordinating Committee will continue its efforts. Until there is a legislative solution, the Fund's MPRA application remains the only option to prevent the Fund from running out of money. We will be sure that the Fund can take advantage of any legal fix that is more favorable to Fund participants and beneficiaries.

Please look for additional updates on the Fund's website: www.nystpensionfund.org, or on the Retiree Representative's website: www.nysteamstersfundretireerep.com. Such updates should be available approximately every two weeks.

July 12, 2017