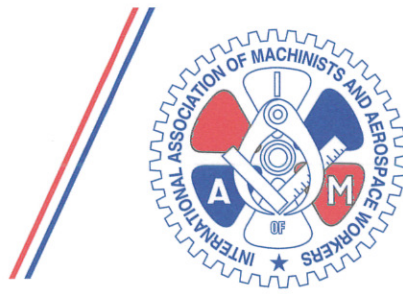


**International
Association of
Machinists and
Aerospace Workers**



9000 Machinists Place
Upper Marlboro, Maryland 20772-2687

Area Code 301
967-4500



OFFICE OF THE INTERNATIONAL PRESIDENT

December 5, 2017

Dear Senator,

I strongly urge you to cosponsor S. 2147, The Butch Lewis Act of 2017. This highly important and innovative legislation would help save the financially-troubled multiemployer pension system while fully protecting the earned and vested benefits of current and future retirees.

The multiemployer pension system is on the brink of a real and disastrous crisis. While the majority of multi-employer pension plans are well funded, the PBGC estimates that over 100 multiemployer pension plans, covering more than a million participants, will become insolvent within the next twenty years. An additional 200 plans are in the “red zone” according to the Pension Projection Act of 2006, meaning that the plans have less than 65 percent of the assets needed to meet their promised obligations to participants. Currently the only Federal assistance offered to these troubled plans comes from the PBGC and only after the plan has already failed. Given the number of plans on the brink of failure, the PBGC’s multiemployer insurance program is projected to become insolvent by 2025.

The Butch Lewis Act of 2017 offers a real, proactive solution which rehabilitates failing plans, bolsters the PBGC, and protects the earned benefits of millions of retirees, workers, and their families. This innovative legislation creates a Pension Rehabilitation Administration within the Treasury Department which would provide low-cost loans to qualified underfunded multiemployer pension plans. Under the legislation, the troubled plans would have up to thirty years to prudently invest the loaned funds and would use the investment earnings to pay retiree benefits, improve the plan’s financial position, and pay interest on the loan to the Treasury. At the end of the thirty year period, the plan would pay back the loan in full. In order to be eligible for the loan, the plan would have to demonstrate that the loan would enable the plan to remain solvent, pay all retiree benefits and loan interest, and repay the loan principle when due. During the loan period, contributing employers would have to maintain their contribution levels and the plan would not be allowed to make any increases to retiree benefits.

In the wake of the Multiemployer Pension Reform Act of 2014, a brutal scheme to steal the pension promises made to retirees, the Butch Lewis Act provides a much needed correction and remedy. This legislation will work to lift troubled multiemployer plans out of their financial hole, while maintaining the financial integrity of the PBGC. Best of all, the Butch Lewis Act provides a pathway to accomplishing these venerable goals without stealing from retirees, workers, and their families.

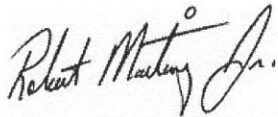
The Butch Lewis Act is the only solution put forth to date which appropriately and adequately addresses the multiemployer pension crisis by providing a lifeline to plans in critical financial

status while maintaining the integrity of healthy multiemployer plans and the PBGC without cutting the earned benefit promises made to our nation's retirees and working families.

For these reasons, **I urge you to cosponsor to this vitally important legislation, S. 2147, The Butch Lewis Act of 2017.** To cosponsor, please contact Gideon Bragin of Senator Sherrod Brown's office at gideon.bragin@brown.senate.gov .

For more information, please contact IAM Legislative Director Hasan Solomon at 202-420-5902.

Thank you,

A handwritten signature in cursive script that reads "Robert Martinez, Jr." with a small circle above the letter 'i' in "Jr.".

Robert Martinez, Jr.
International President