



Founded 1889

United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada

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TO ALL UNITED ASSOCIATION MEMBERS IN THE UNITED STATES

Dear Brothers and Sisters:

As frustrating as politics can be in Washington D.C., we can still come together to pass meaningful legislation that will improve the lives of our fellow UA Brothers and Sisters. Just two months into the Biden-Harris Administration, the UA is achieving tangible results that will protect the hard-earned retirement security of all UA members with direct **pension relief**.

The UA has advocated for pension relief in Congress for years. Whether the Democrats or Republicans controlled the House or Senate, or there was a Democrat or Republican in the White House, we have worked with them all on this issue. With President Joe Biden in the White House, meaningful action on pension relief is finally here.

In the latest \$1.9 trillion COVID relief bill, the American Rescue Plan Act, Congress passed an \$86 billion direct cash infusion into the multiemployer pension system. For the first time in generations, Congress and the President are taking much-needed action to provide pension relief.

When the UA endorsed then-candidate Joe Biden to be President, we did so in part because he was committed to finally passing long-overdue pension relief.

As a member of the UA, it does not matter if you are from a red state or a blue state, or if you define yourself as a progressive or a conservative. It does not matter if your pension is part of a large national plan or a small local plan. Your plan could be struggling or fully funded – this legislation will provide help across the board. Period.

Thankfully, most plans across the country for UA members are not in need of a cash infusion. But we all know that if one large multiemployer plan fails, it has the potential to bring the whole system down with it. This piece of legislation will make sure that does not happen. Simply put, all pensions being paid over the next 30 years, from our retirees to our apprentices and all of our mechanics in between, will benefit from this bill.

We can, and we will, continue to disagree with both parties on a whole host of radical ideas from the fringes on both sides of the aisle. But when it comes to pension relief, this bill is something the entire UA can support, and another win made possible by UA members engaging in the political process.

Enclosed are some highlights of the bill. It truly is the best piece of retirement security legislation I have seen in my lifetime – and the UA appreciates the Representatives and Senators who stood with us on pensions.

Thank you once again for your honorable toil and for your advocacy on this issue.

Fraternally,

Mark McManus
General President





TO: All UA Members in the United States
FROM: General President Mark McManus
DATE: March 18, 2021
SUBJ: Multiemployer Pension Relief Details

Brothers and Sisters,

As mentioned in my letter announcing our victory on pension relief, I wanted to provide some more details and specifics on what the bill includes. Make no mistake: this legislation is the single most significant fix to the multiemployer system in generations. While few UA plans will receive direct assistance, the entire system was quite literally saved with this action from Congress and President Biden. We can all rest assured that our hard-earned retirement security is just that: secure.

All Local Unions should consult their plan professionals for specific details on how it affects them.

Congressional Budget Office (CBO) Score: \$86 billion.

- ◆ The CBO scored the bill at \$86 billion, simply meaning the legislation provides a direct cash infusion to the multiemployer system of \$86 billion.

Provisions to help plans weather the COVID-19 pandemic.

- ◆ As part of the legislation, Congress created temporary extensions and the ability to temporarily delay designation of plans as Endangered, Critical, or Declining status.
- ◆ In plain English: Trustees can elect to delay designation or extend the time period to protect against losses caused by the COVID-19 pandemic.

Provisions to preserve the Pension Benefit Guaranty Corporation (PBGC) insurance programs.

- ◆ As part of the direct cash infusion to the multiemployer system from the Treasury Department, the legislation provides for Special Financial Assistance to eligible plans that are in Endangered, Critical, or Declining status.
- ◆ Few UA plans qualify for this Special Financial Assistance – however, all UA plans will benefit as it preserves the multiemployer system and the PBGC insurance program.

Keeping PBGC premiums at a reasonable level.

- ◆ In addition to preserving the PBGC insurance program, the legislation ensures that PBGC premiums are not required to fund benefits for plans that will be saved from failure by financial assistance.
- ◆ This bill means premiums remain at a reasonable level, benefiting all UA plans.

While not comprehensive, these details are an important breakdown of the first meaningful action taken on pension relief in generations. The UA fought hard to ensure this legislation passed in both the House and Senate to protect our hard-earned retirement security.