

Congressional Talking Points
for
Multiemployer Pension and Health Needs in COVID 4

More than 20 million active and retired American workers and their families rely on multiemployer pension and health and welfare plans to provide for their retirement security and their health plan coverage.

The crisis in a limited number of systemically important multiemployer pension plans has been deeply exacerbated by the COVID-19 pandemic, the related market collapse, and the government mandated shutdown of the U.S. economy. The shutdown of the economy has resulted in 26.4 million workers being unemployed, and significantly reduced contributions to multiemployer pension and health plans. While the full impact of the health and economic crisis will not be known for some time, there is no doubt that the impact on participants, employers, plans and the PBGC will be severe.

Congress must act now to secure these retirement and health benefits for hard working Americans in this unprecedented time, and to stop the additional downward pressure on the economy as retirees face the loss of income and unemployed workers lose their employer provided healthcare coverage.

Pension Solution

1. **Special partition program at the PBGC to for deeply troubled plans.** The special partition program would move liabilities from failing plans to the PBGC, ensuring that participants receive full benefits while providing plans with the path to long-term solvency. As part of that program, the PBGC must be provided with enough annual funding by the U.S. Government to carry out its mission.
2. **Relief for all multiemployer plans.** Congress should include provisions similar to the Worker, Retiree, and Employer Recovery Act of 2008, to allow plans to freeze their zone status for the current year, and the Pension Relief Act of 2010, to allow plans to smooth investment and contribution base unit (“CBU”) losses in the funding standard account, and investment losses in the development of the actuarial value of assets.

Healthcare Solution

1. **Federal support for COBRA premiums.** There is an absolute necessity and urgency during this uncontrolled pandemic to ensure that workers do not lose access to their healthcare because they are laid off or due to reduced hours. Congress must pass full premium support for those workers relying on COBRA due to layoffs or reduction in hours.