



# Pennsylvania Conference of Teamsters

**Strength in Numbers 95,000**

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## LEGISLATIVE ACTION ALERT

# ACTION NEEDED

## The “Butch Lewis Act for pension reform”

**PLEASE CALL YOUR CONGRESSMAN AND TELL THEM TO SUPPORT  
THE BUTCH LEWIS ACT H.R. 4444**

### **TALKING POINTS - Butch Lewis Act - H.R.4444 / S. 2147**

#### The current problem with multiemployer pensions:

- Some of the nation’s largest multiemployer pension plans are on the verge of collapse because they don’t have enough money to pay promised pensions to retirees and workers.
- These multiemployer plans are paying out more money each year in pensions than they’re receiving through employer contributions and investment earnings.
- Multiemployer pension plans are industry plans that cover unionized workers, pensioners, and their families. These pension plans are jointly run by employers and labor unions.
- The biggest of these financially troubled pension funds is the Central States, Southeast and Southwest Areas Pension Plan which covers approximately 400,000 active and retired truckers. It expects to run out of money in eight years.
- Central States and other financially troubled pension funds are considered to be in “critical and declining” condition.

#### How the Butch Lewis Act aims to solve these problems:

- This legislation aims at financially supporting the pension plans so they don’t fail. The bill would create the Pension Rehabilitation Administration (PRA) as an agency within the U.S. Treasury Department. The PRA would sell Treasury-issued bonds in the open market to large investors such as financial firms. The PRA would then lend the money from the sale of the bonds to the financially troubled pension plans.
- To ensure that the pension plans can afford to repay the loans, the PRA would lend them money for 30 years at low interest rates, around 3 percent. The 30-year loans would buy time for the pension plans so they may invest for the long term instead of worrying about coming up with money immediately to pay for the pensions of retired workers.

#### How Congressional offices can help solve the multiemployer pension crisis:

- Cosponsor the Butch Lewis Act (H.R. 4444 / S. 2147)
- Call on leadership to prioritize this must-pass legislation with the next budget bill or other high priority legislation
- Support retirees by supporting the Butch Lewis Act approach to fixing troubled pensions