

2017-J392

Senate Resolution No. 392

BY: Senator BRESLIN

MEMORIALIZING Congress to investigate and develop legislation to ensure solvency of multiemployer pension plans

WHEREAS, Multiemployer pension plans were established in industries where workers often worked for more than one company over the course of their career and thus provide retirement security; and

WHEREAS, There is a national multiemployer pension plan crisis; it is estimated there are 10 million Americans who depend on a multiemployer plan for their retirement income; and

WHEREAS, Unfortunately over one million Americans are in plans that are expected to run out of money over the next 20 years, including the New York State Teamsters Plan; to make matters worse, the federal agency that ensures a minimum retirement, the Pension Benefit Guaranty Corporation (PBGC), is also running out of money; and

WHEREAS, If no action is taken to fix the PBGC's funding, the agency is likely to run out of money to pay a minimum pension benefit in less than 10 years and more likely sooner; and, if a plan such as the NYS Teamster Fund cannot meet its obligations, the PBGC will not be able to provide that minimum pension guarantee; and

WHEREAS, In 2015, Congress attempted to address this problem by giving trustees of multiemployer plans only one tool which is the ability to reduce the pension benefit that had been promised to future retirees and that current retirees are receiving, but in doing so also required that agencies of the federal government must approve that reduction; and

WHEREAS, In that time, a number of applications have been sent by various funds but only one plan proposal has been approved and the result will be an acceleration of plan insolvencies that will quickly drain the resources of the PBGC; and

WHEREAS, As one leader of the Mobilization Plan stated, "does it really matter if the benefit cut is 10% or 90%; if there's no money, they both result in nothing."; now, therefore, be it

RESOLVED, That the Congress of the United States be and hereby is respectfully memorialized by this Legislative Body to investigate and develop legislation to ensure solvency of multiemployer pension plans; and be it further

RESOLVED, That copies of this Resolution, suitably engrossed, be transmitted to the President of the Senate of the United States, the Speaker of the House of Representatives, and to each member of the Congress of the United States from the State of New York.