

January 21, 2021

The Honorable Richard Neal
Chairman
U.S. House Ways and Means Committee
372 Cannon House Office Building
Washington, DC 20515

Dear Chairman Neal,

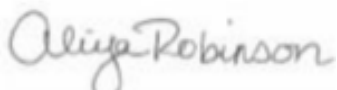
The ERISA Industry Committee (ERIC) applauds your leadership in moving forward with important pension legislation in the *Emergency Pension Plan Relief Act of 2021 (EPPRA)*. ERIC is a national advocacy organization that exclusively represents large employers that provide health, retirement, paid leave, and other benefits to their nationwide workforces, their employees' families, and retirees. Both multiemployer pension reform and single-employer pension relief are critical to the retirement security of millions of American workers and Congress should pass such legislation immediately.

The scope of the multiemployer pension crisis reaches everyone from workers to retirees, employers, the government, and everyday people. More than six million retirees and four million hard-working Americans rely on multiemployer pension plans, many of which are running out of money. To make matters worse, the Pension Benefit Guaranty Corporation (PBGC), the federal backstop that financially supports failing plans, is also projected to dry up by 2025. Moreover, the withdrawal liability for employers involved in these plans is starting to exceed the actual value of many businesses and impacts their ability to obtain credit. Americans employers, workers, and retirees cannot afford to bear the burden of inaction. Thank you for making this a primary legislative issue.

Employers that sponsor single-employer defined benefit plans are experiencing a particularly unexpected financial strain caused by the COVID-19 pandemic. The recent drop in interest rates combined with declining asset values because of market conditions created an unanticipated increase in pension contributions. Many employers are experiencing a downturn in normal business operations and cash flows. As employers emerge from this economic crisis, many will need money in the near term to re-open closed businesses, bring back furloughed workers, and provide immediate benefits such as health care and paid leave. Providing this legislative relief will help plan sponsors of single-employer defined benefit plans provide for their employees as they return to work and in the future.

Thank you for making pension funding a priority issue and thank you for ensuring the continuance of this important discussion. We look forward to working with you and your colleagues in the new Congress to advance these legislative priorities.

Sincerely,

A handwritten signature in cursive script that reads "Aliya Robinson".

Aliya Robinson
Senior Vice President
Retirement and Compensation