

# PENSION RIGHTS CENTER

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November 18, 2008

The Honorable Lloyd Doggett  
U.S. House of Representatives  
Cannon House Office Building, Room: 201  
Washington, D.C. 20515

Dear Representative Doggett:

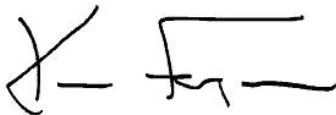
The Pension Rights Center is writing today in strong support of the Retirement Fairness Act of 2009, which takes important steps in curbing pension practices that unfairly benefit the highest-paid executives at the expense of lower- and middle-income workers.

In particular your bill takes aim at a highly technical maneuver called Qualified Supplemental Executive Retirement Plans – better known as Q-SERPs. These plans, first exposed in a 2008 *Wall Street Journal* article, have enabled a small number of high-paid executives to pay themselves special add-on retirement benefits through their workers' pension plans. This practice, designed by pension consultants, manipulates federal tax and pension laws to allow companies to exploit tax breaks that are intended to benefit all workers and instead use them to provide additional benefits to a handful of executives.

In curbing Q-SERPS your bill also addresses basic inequities in the tax and pension laws that disadvantage hard-working employees. Under current law, companies must satisfy nondiscrimination rules to ensure that plans treat rank-and-file employees fairly. Some companies, however, have exploited loopholes to provide oversize benefits for a few favored employees while providing only modest benefits for everyone else. Your bill would close the worst of these loopholes, making our pension system fairer for all workers.

We thank you for your leadership on behalf of working Americans' retirement security and again applaud your introduction of the Retirement Fairness Act of 2009.

Sincerely,



Karen Ferguson  
Director



Karen Friedman  
Executive Vice President and Policy Director