

The Honorable Rob Portman
United States Senate
448 Russell Senate Office Building
Washington, D.C. 20510

October 22, 2015

Dear Senator Portman,

The Pension Rights Center is writing today in strong support of the Pension Accountability Act of 2015 (S. 2147), a bill to reverse the most egregious provisions of the Multiemployer Pension Reform Act of 2014 (MPRA).

As a result of MPRA's enactment, for the first time in 40 years multiemployer pension plan trustees have been given the authority to cut already-earned retiree pension benefits while a plan is still solvent. While MPRA requires that retirees be given the opportunity to cast a vote to accept or reject the cuts proposed by their plans, the vote is largely illusory. First, the vote provided by MPRA is *non-binding* for large plans. If a plan is big enough that the Treasury Department determines it qualifies as a "systemically important plan", the Department can overrule the legitimate vote of its participants and allow the proposed cuts to go forward.

To add insult to injury, MPRA provides that for any plan – no matter the size – any ballot that is not returned will be counted as a "yes" vote in favor of the benefit cuts. This unprecedented distortion of the democratic process makes the vote a mere charade for the many retirees in these pension plans.

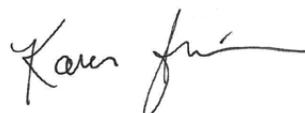
The Pension Accountability Act would reverse both of these provisions. First, S. 2147 makes the participant vote binding in *all* situations, regardless of the size of the plan involved. This will give workers and retirees a seat at the table to influence the decisions made about the future of their pension plans. The second change made by your legislation would prevent unreturned ballots from being counted as a "yes" vote, thus restoring fairness to the voting process.

The Pension Accountability Act acknowledges that MPRA was passed without input from those who would be affected the most by the process – retirees – and we look forward to working with you to ensure their voices are heard in the future. We thank you for your leadership on behalf of working Americans' retirement security and again applaud your introduction of the Pension Accountability Act of 2015.

Sincerely,



Karen Ferguson
Director



Karen Friedman
Executive Vice President and Policy Director