

December 15, 2010

To: All NRLN Grassroots Network Members
From: NRLN President Bill Kadereit
Subject: URGENT NRLN Action Alert – Senators Should Support Extending HCTC

On November 9th I sent to you an Action Alert requesting that you send an email to your members of Congress to ask them to take action to prevent the December 31, 2010 expiration of the Health Coverage Tax Credit (HCTC) for plans sponsored by Voluntary Employee Benefit Associations (VEBAs) established through bankruptcy court proceedings. As you may recall HCTC, it is a federal tax credit to help offset the cost of monthly health care insurance premiums for retirees 55 to 64 whose health care benefits have been reduced or eliminated in corporate bankruptcy proceedings and their pension plan has been taken over by the Pension Benefit Guaranty Corporation (PBGC).

While we had a strong response to the previous Action Alert, December 31st is rapidly approaching and Congress has not passed legislation to extend the latest improvements to HCTC. Three Senators—Sherrod Brown (D-OH), Debbie Stabenow (D-MI) and Roger Wicker (R-MS) have come out in support of extending HCTC. The extension of these HCTC provisions is extremely important to Delta Air Lines pilot retirees and Delphi salaried retirees and other retirees who formed VEBAs that offered HCTC eligible insurance programs to their members who lost their company-sponsored health care benefits.

I am asking you once again to go to bat for all pre-Medicare-eligible retirees who are in the similar predicament to Delta Air Lines and Delphi retirees. Please use the NRLN's sample letter to ask your Senators to extend the HCTC. Go to <http://capwiz.com/abtr/home/> to access the NRLN Action Alert. Look for the Action Alert headline: SENATORS SHOULD SUPPORT EXTENDING HCTC. Click on the "Take Action" button. On the next screen, type in your zip code and click "GO" to identify your Senators and access the sample letter. Personalize the letter with your own comments. If you have a problem accessing the Action Alert with the above link, go to www.nrln.org and click on the "Take Action Now" headline at the top of the NRLN website's home page. Send your email today.

It would also help to call the Washington, DC or state office of your Senators. Use the information in the sample letter to urge support for extending HCTC for retirees enrolled through bankruptcy court approved VEBAs. A copy of the letter that you send to your Senators will be automatically emailed to you. Phone numbers can be found through the NRLN's Capwiz website at <http://capwiz.com/abtr/dbq/officials/>. The more constituents who write and call their Senators, the better chance there is in gaining their attention on this important issue to retirees who have suffered through a corporate bankruptcy.

If your email is to Senator Brown, Stabenow or Wicker, please edit the letter to thank him/her for supporting the extension of HCTC.

Bill Kadereit, President, National Retiree Legislative Network

Sample Letter:

Dear Senator _____:

December 31, 2010, the date that the American Recovery and Reinvestment Act (ARRA) improvements to the Health Coverage Tax Credit (HCTC) will expire, is rapidly approaching. These improvements allowed bankruptcy court approved Voluntary Employee Benefit Associations to offer HCTC eligible insurance programs, extended benefits to spouses for up to two years after an eligible member went on Medicare, and increased the tax credit from 65% to 80%.

I am writing to urge you to support the extension of the ARRA improvements to the HCTC program, a tax benefit established in 2002 to help protect workers and retirees who lost their health care coverage when their companies either entered into bankruptcy or moved operations overseas.

You can help by joining Senators Sherrod Brown, Debbie Stabenow and Roger Wicker in supporting extension of these provisions to HCTC. The Omnibus Trade Act (H.R. 6517) passed by the House contains language to extend until July 2012 the ARRA improvements to HCTC. I urge you to support keeping the HCTC extension in the Omnibus Trade Act when the bill is taken up in the Senate.

It would be unconscionable for Congress to allow these provisions of HCTC to expire and needlessly jeopardize health coverage for tens of thousands of Americans who are already struggling with significant loss to their earned pensions and the elimination of health care benefits.

I hope to hear from you that you have taken action to extend HCTC.

Sincerely,