

June 10, 2010

To: All NRLN Grassroots Network Members
From: NRLN President Bill Kadereit
Subject: Pension Asset Protection – We Must Prevail

Because of the tremendous support that the NRLN received from its Grassroots Network members and Retiree Associations we came very close to having the NRLN's Pension Asset Protection (PAP) language retained in H.R.4213. Unfortunately, the House Ways and Means Committee's staff did not keep our PAP language in the bill and passed it on May 28th and sent to the Senate where it is pending.

Part of the problem of keeping PAP in the bill was that the bill, in addition to containing pension plan funding relief for companies, included urgent measures such as prohibiting cuts in Medicare payments for doctors; soon-to-expire federal COBRA premium subsidies for Americans who have lost their jobs, plus various tax provisions. This complexity distracted attention from our PAP proposal. Although the "train had left the station" the NRLN continued to stress the importance of PAP in the following ways:

- Grassroots Network members continued to email letters on PAP to their U.S. Representatives;
- The NRLN issued a national news release expressing our outrage that the PAP provision was dropped;
- Constituents of Congressman Sander Levin, Chairman of the House Ways and Means Committee, sent letters to the editor and some were published;
- Ten leaders and members of the General Motors Retirees Association (GMRA), National Chrysler Retirement Organization (NCRO) and Detroit Edison Alliance of Retirees (DEAR) met on May 24th with a member of Chairman Levin's staff at the Congressman's Michigan 12th Congressional District office in Roseville, MI to advocate PAP, and
- On June 2, I joined the Presidents of the GMRA, NCRO and DEAR plus five of their Board Members for a face-to-face meeting with Chairman Levin at his Roseville office.

Through our meeting with Chairman Levin, we provided him with an understanding of why we are passionate about legislation being necessary to prevent companies using pension plan assets for non-pension expenses. We also explained to Chairman Levin the role of the NRLN and Retiree Associations in representing the interests of retirees, including our members who are his constituents. Chairman Levin agreed to meet with us in his Capitol Hill office on September 14th if the NRLN goes through with its preliminary plans for another Washington, DC Fly-In.

We told Chairman Levin that the NRLN will continue to seek PAP whether that is through the introduction of a stand-alone bill or as a provision in a pension reform bill that the Obama Administration is considering. We believe the Pension Rights Center will be an ally as we work to gain PAP legislation. We will work to convince the AFL-CIO and other groups to support PAP or at least not oppose it.

Our experience with PAP this year reinforces the importance of personal local contact with members of Congress by Grassroots Network members and Retiree Associations. Our active Grassroots Network members and strong Retiree Associations can offset much of the big money because politicians know that our retirees vote. The General Motors, Chrysler and Detroit Edison members in Congressman Levin's district made that point very well and set the example for what must be done elsewhere when needed.

We believe we have made significant progress this year so far and that there are members of Congress who will be supporters. As we continue to pursue passage of a bill that carries our PAP proposal, I know I can count on your continued grassroots support to get the measure passed. You are a vital part of the process.

Bill Kadereit, President
National Retiree Legislative Network