

To: NRLN DuPont Retiree Chapter Members
Report on NRLN Fly-In Event in Washington on March 13-15, 2017

I attended the Spring NRLN (National Retiree Legislative Network) Fly-In event in Washington, DC on March 13-15. About 30 retirees from all over the U.S. attended and met with members of Congress to advocate for legislation protecting retiree income and benefits and to reduce the skyrocketing cost of prescription drugs. Three of the four focus areas for this event were the same as last fall's event, with one new area - the protection of retiree benefits in bankruptcies.

An unexpected snowstorm caused confusion and some meetings had to be re-scheduled or canceled, however, in the end it turned out to be a productive event. I have learned from last year's experience and from discussions with NRLN executives not to expect quick actions on newly proposed legislation, rather that lobbying requires patience and persistence, more like a marathon than a sprint race.

The following is a high-level summary of the legislative proposals (See links below to more detailed information) we presented to the Congressional Delegations:

1. NRLN urges passage of proposed legislation now in Congress:

- S. 41 and H.R. 242, the Medicare Prescription Drug Price Negotiation Act of 2017, which would reduce the cost of prescription drugs by allowing Medicare to negotiate the best possible price of prescription drugs.
- S. 92, the Safe and Affordable Drugs from Canada Act of 2017, to allow individuals to import a 90-day supply of prescription drugs from an approved Canadian pharmacy.
- S. 469 and H.R. 1245, the Affordable and Safe Prescription Drug Importation Act of 2017, would lower cost of prescription drugs by allowing Americans to import safe, low-cost medicine from Canada and

would authorize the HHS Secretary in two years to allow importation from other advanced countries.

- S. 124, the Preserve Access to Affordable Generics Act of 2017, to expand consumers' access to the cost-saving generic drugs and increase competition between drug manufacturers to end "pay for delay" deals—the practice of brand-name drug manufacturers using anti-competitive pay-off agreements to keep more affordable generic equivalents off the market.
- In addition, the Secretary of Health and Human Services has the authority (under the Medicare Prescription Drug, Improvement and Modernization Act of 2003) to issue an order to begin legal importation from Canada. We submitted an NRLN composed letter to our representatives to send to the Secretary, urging him to exercise this authority. Three Senators (Grassley, McCain and Klobucher) have already done this. Members of Congress who have opposed importation from Canada have cited drug safety concerns. However, the NRLN believes that this could be managed. After all we import foodstuffs from all over the world and the FDA has managed to keep us safe from bad food.

2. **NRLN's proposals to provide protections for pension plan participants in pension plan mergers:** While plan mergers can be beneficial by reducing administrative expenses, and increasing the fund's ability to get better returns, the NRLN is concerned about a form of financial engineering whereby plan sponsors have combined two (or more) plans, some better funded than others. If the merged plan then becomes funded above the 80% level the required minimum contribution is reduced. This harms participants in the better funded plan. NRLN proposes legislation to require plan sponsors to give notice of impending mergers to the PBGC, and that PBGC should have the authority to approve or disapprove plan mergers, and that the plan merger should not reduce the required plan minimum contribution for a period of 5 years.
3. **NRLN's proposals to provide protections for pension plan participants in corporate mergers, acquisitions and spin-offs:** Corporate mergers, acquisitions and spin-offs can result in several situations that harm pension plan beneficiaries. Activity in this area involving foreign firms is especially risky to pension plan participants. NRLN proposes to update several ERISA provisions to ensure that these activities do not unnecessarily increase the risk of a distress termination and pension losses for plan participants.
4. **NRLN's proposals for bankruptcy law reform to protect benefits in corporate bankruptcies:** Many NRLN members have lost and/or are facing loss of benefits due to corporate bankruptcies (for example, Kodak, Chrysler, Avaya, Delphi, etc.) and some related their experiences at the meeting. NRLN proposes strengthening current bankruptcy codes to give retirees higher status in bankruptcy courts, comparable to the status of secured creditors. Although at present this does not seem to be a concern for DuPont retirees, we never know what might happen when the merged company splits into three, or when the future companies decide to sell off under-performing businesses.

Our proposals were well developed, in concise but comprehensive packages, with Executive Summaries and legislative language to facilitate amendments to existing laws. You can review the key documents in full detail at www.nrln.org under the **Legislative Agenda** tab or by going [directly to this link](#). The Talking Points were used to guide our discussion, and the Executive Summaries along with suggested language for amendments, were left behind for our legislators to review and decide whether they will support them.

Although Representatives and Senators were very busy with hearings and other activities related to the incoming administration, I was able to meet with staff members of Delaware Senator Coons (**see attached photo**) and West Virginia Senator Manchin. I was not able to arrange a meeting with Delaware's Senator Carper nor was I able to meet with Delaware's new Representative Lisa Blunt Rochester (I am working to schedule a phone call or meeting in Delaware with her). I chose to meet with Manchin's staff because he represents many DuPont Retirees. In the future, I hope to meet with members of Congress from other states with large numbers of DuPont retirees.

With political gridlock, we cannot reasonably expect rapid action on any legislative proposals. However, our proposals are not especially politically sensitive or controversial, and our representatives and their staffs seemed keenly interested in them. The prescription drug issue may be one area that we will get some action on in the coming year. Many members of Congress are in favor of our proposals and the President has expressed his support for allowing Medicare

to negotiate drug prices and for importation of medicines. I encourage you to contact your own members of Congress and advocate for action on this issue as well as the others. [You can find your Legislator's support or non-support for these issues here.](#)

[You can send them a message at either their website or at this link.](#)

Creating legislative change is difficult and slow, but we can't expect progress if we don't try. We will continue to press our politicians to improve the legal protection of retirees' income security, because we know from the experience of others, that when companies restructure businesses, post-merger / split decisions can lead to significant adjustments to retiree pension and healthcare benefits. I am looking forward to attending the September NRLN Annual Leadership Conference in Washington, DC, and going to Capitol Hill again to advocate for issues important to all retirees.

Please feel free to contact me with any questions or comments.

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