



NRLN Focus



Volume 13, Issue 1

Spring 2016

The NRLN Clarion Call ... NRLN's Bed Rock Issues Advocated

By Bill Kadereit, NRLN President



A group of 24 dedicated representatives from six retiree associations, three NRLN chapters, three invited State/Congressional District Leaders and the NRLN staff advocated in meetings on Capitol Hill the bed rock of our Legislative Agenda—pension income security and reduction of healthcare costs, particularly the price gouging on prescription drugs.

This was during the NRLN's 2016 Leadership Conference in Washington, DC, Feb. 8 – 10. Twenty-three of the attendees had previously met with members of Congress and/or their staffs in past years. They are veterans at advocating for legislation important to retirement security. Two of the three State/Congressional District Leaders who were invited because

they are constituents of members of Congress in leadership positions or on committees important to retirees, were with us for the first time but performed like experienced advocates.

The Issues Advocated on Capitol Hill

- Pass Safe and Affordable Drugs from Canada Act (S.122 and H.R. 2228).
- Medicare Prescription Drug Price Negotiations Act (S. 31 and H.R. 3061).
- Pension Plan Protection:
 - Need for legislation and/or regulatory rules for pension plan mergers.
 - Need for legislation and/or regulatory rules for more disclosures in pension plan Annual Funding Notices (AFNs).

'Troupers' from Retiree Associations and Chapters

The 24 real "trouper" were representatives from AT&T Ameritech/SBC Retirees (AASBCR), Detroit Edison Alliance of Retirees (DEAR), Engineering Retirees Society (ERS – Boeing), Lucent Retirees Organization (LRO), National Chrysler Retirement Organization (NCRO) and TelCo Retirees Association (TelCo). The chapters represented included General Motors, Utah and Washington State.

Although space in this newsletter does not allow me to list all the names of those representing retiree associations, chapters and NRLN staff, I do want to let you know the names of the State/Congressional District grassroots leaders.



Neil West, right, NRLN Vice President – Mountain West Region, meets with Rep. Rob Bishop (UT-01)



Faye Hollowell, right, NRLN Tennessee State Leader, leads a discussion with Alex Eblen (light color suit) and John Haley, staff members for Tennessee Senator Bob Corker. NRLN President, left, also participated in the meeting

Grassroots Leaders Do Yeoman Work

Faye Hollowell, Arlington, TN - Tennessee State Leader, arranged for appointments with staff members for Tennessee Senators Lamar Alexander and Bob Corker plus Representative Steve Cohen (TN-09). Senator Alexander is the Chairman of the Health, Education, Labor and Pensions Committee. Senator Corker is a member of the Senate Budget Committee and Congressman Cohen is a member of the House Judiciary Committee.

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NCRO leaders, left to right, Peter Hollinshead, Jay Kuhnle, Deb Morrisett, and Chuck Austin meet with staff members for Ohio Senator Sherrod Brown

In addition to Faye advocating the NRLN's legislative issues, the meetings with staff members for Senators Alexander and Corker provide me with an opportunity to request support from the Senators for retirees of the Tennessee Valley Authority who recently formed the NRLN TVA Retirees Chapter. The TVA retirees' pension plan is only funded at 53% and has a \$6 billion funding shortfall. The TVA's pension plan does not have the protection of the Employee Retirement Income Security Act (ERISA) or the Pension Benefits Guaranty Corporation. Nor is their pension plan part of the Federal Employees Retirement System.

Don Begley, Conroe, TX, a constituent of Representative Kevin Brady (TX-08) who is chairman of the powerful House Ways and Means Committee, met with Representative Brady's Legislative Assistant and the Legislative Assistant for Texas Senator Ted Cruz, a presidential candidate. Since Don and I are fellow Texans, I joined Don for a meeting with Health Care Issues Legislative Assistant for Texas Senator Cornyn, a member of the Finance and Judiciary Committees. We were disappointed to learn that Senator Cornyn does not support reducing the cost of prescription drugs through the importation of lower cost, safe medicines from Canada or allowing Medicare to negotiate for the price of prescription drugs.

Bill Simons, Janesville, WI, the hometown of Speaker of the House Paul Ryan, had attended or February 2013 conference and arranged a meeting with



Don Begley, left, NRLN Congressional District Leader (TX-08), and NRLN President Bill Kadereit pause for a photo after meeting with a staff member for Texas Senator John Cornyn

Representative Ryan, who at that time was Chairman of the House Ways and Means Committee. As one might expect, there are now even more demands on the Congressman's time and Bill had a brief meeting with one of his staff members. Bill also had meetings with staff members for both Wisconsin Senators, Ron Johnson and Tammy Baldwin, a member of the Health, Education, Labor and Pensions Committee.



Bill Simmons, left, NRLN Congressional District Leader (WI-01), meets with Sean Riley, Legislative Counsel for Wisconsin Senator Ron Johnson

Opening Session of Conference

Our conference opened at 2:00 p.m. Feb. 8, at the Liaison Capitol Hill Hotel. I opened the agenda with comments on the NRLN's financial status and its future direction. Marta Bascom, NRLN and AREF Executive Director, and Michael Calabrese, NRLN and AREF Legal Counsel, provided an update on the status of the American Retirees Education Foundation (AREF), a nonprofit, tax-exempt organization, created to extend the research and education reach of the NRLN and to enable NRLN to sharpen its focus on lobbying for the passage of federal legislation and regulations that benefit retirees.

Calabrese reported that he has written a 22-page document describing the type of research the AREF plans to do educate policy makers and the public about retiree pension and health care benefits earned through decades of hard work are being steadily cut back and put at risk due to a variety of corporate financial maneuvers, as well as by outdated or shortsighted federal government policies. He has also written a prototype for an inquiry letter that is being used to seek out foundations that may be interested in providing grants to financially support research on retirement income security and retiree health care, particularly the need to reduce the cost of prescription drugs.

The AREF update was followed by Bascom providing an outlook on retirement-related issues in Congress. She said much will depend on what bills the Republican-led House and Senate will attempt to get passed that will help the party retain its majority in both chambers during this election year and will possibly assist a Republican in winning the Presidential election.

Focus on Legislative Action

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Bascom noted there are 13 bills in Congress that would help reduce the cost of prescription drugs and in some cases also save billions for Medicare. She explained to attendees the importance of advocating in their Capitol Hill meetings the need for legislation that would require a pension plan sponsor to submit its proposal to merge two or more pension plans to the Pension Benefits Guaranty Corporation, Department of Labor and the Internal Revenue Service for possible approval before taking action. Currently, pension plan sponsors only notify the federal government after plans are merged.

Bascom also explained the need for legislation to provide more transparency on the status of pension plan funding in the Annual Funding Notice (AFN) sent to pension plan participants. Currently, AFNs provided by many companies give retirees a false sense of income security by the information provided.



Molly Elizabeth Conway, center, Labor and Pensions Counsel, for the Senate Committee on Health, Education, Labor and Pensions (Tennessee Senator Lamar Alexander, Chairman), listens to NRLN Executive Director Marta Bascom, left. The meeting included Faye Hollowell, NRLN Tennessee State Leader, right, and NRLN President Bill Kaderleit.

Guest Speaker Addresses Rx Issues

Our guest speaker was Nicholas Uehlecke, Professional Staff Member of the House majority Ways & Means Committee. He acknowledged that the price of prescription drugs is rapidly escalating. He said the belief of many Republicans on the Ways & Means Committee is that they do not want to tell pharmaceutical companies what can be charged for prescription drugs. He said the preference is to make more drugs available and the prices would start to fall.

NRLN Committees Deal with Bills

Judy Stenberg, NRLN Vice President – Pacific Region, Chair of LAC and LAPC member; Deb Morrissett, Director, National Chrysler Retirement Organization and LAC member made a presentation on the roles of Legislative Affairs Committee (LAC) and Legislative Action Priorities Committee (LAPC) related to analysis of retirement-related bills in the House and Senate. The LAC has checked 8,367 bills and reviewed in-depth 118 bills introduced in the 114th session of Congress (2015 and 2016). The LAPC has elected to actively support 65 of those bills (see bills at <http://www.congressweb.com/nrln/bills>). An additional 23 bills are considered low priority for the NRLN, or have been superseded by another bill of higher relationship to the NRLN legislative agenda. They presented handouts on the 31 prescription drug bills that the NRLN is supporting.

Ed Beltram, NRLN Vice President – Communications, presented important NRLN Grassroots issues on behalf of Bob Martina, NRLN Vice – President – Grassroots. Seventy-seven percent of the 435 Congressional Districts have one or more CD leaders. There are 558 state and CD leaders. Beltram asked the leaders of the retiree associations and chapter to follow up NRLN Action Alerts with personal messages to their grassroots advocates to urge them to email the NRLN's sample letters to their members of Congress.

Meeting with Staffers of House Committees

Eleven attendees had their first meeting on Capitol Hill on Tuesday morning with three staff members of the House Ways and Means Committee and Education and Work Force Committee. Attendees were NRLN staff members and retiree association and chapter leaders whose members have a defined benefit pension plan. I explained to the committees' staff members that the meetings had been held in December 2015 with the Department of Treasury and the Pension Benefits Guaranty Corporation in an effort to gain protections for retirees from pension losses due to pension plan mergers where a well-funded plan's assets are confiscated and added to at-risk plans to create one plan that is poorly funded. While the Treasury and PBGC officials said they understand the retirees' concerns about pension plan administrators' having unilateral authority to merge plans, it is generally believed that legislation would be needed to protect retirees.

The focus of our meeting with the committee staff members was an initial step toward advocating the need



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to introduce and pass legislation to provide specific protections for pension plan participants when pension plans are being merged.

Two Days of Capitol Hill Appointments

Following this meeting, the NRLN staff members and retiree association and chapter leaders headed for other appointments on Capitol Hill that continued throughout Tuesday and much of Wednesday. They participated in more than three dozen meetings with members of Congress and/or their staffs.

The NRLN position papers in the folders presented during the appointments can be read on the NRLN website at <http://www.nrln.org/pvtflyin.html>. Executive summaries and talking points on these issues can be read on the NRLN website at <http://www.nrln.org/talking.exec.sums.html>. Or, go to www.nrln.org and click on the "Legislative Agenda" tab and select either the "NRLN White Papers" link or "Talking Points & Executive Summaries" link. The talking points were used by attendees to speak about the NRLN initiatives being advocated during the conference.

NRLN's National Scope Demonstrated

The efforts of conference attendees from 13 states from coast to coast and border to border and 17 Congressional Districts demonstrated the national scope of the NRLN. It showed the commitment of individuals and the financial support their organizations provide to make it possible to exhibit to our nation's lawmakers the grassroots strength of the NRLN and advocate legislation beneficial to retirees.



A View From Washington

By Marta Bascom, NRLN Executive Director

The NRLN Continues its Mission on Capitol Hill To Protect Pension Assets for Retirees

The NRLN has spent 13 years defending retirees from the onslaught of schemes by pension plan administrators which result in placing pension assets which rightfully belong to plan participants at great risk. Through the hard work of retirees who volunteer their time to talk to their members of Congress, the NRLN has recently made Washington, DC aware of these seemingly benign actions by plan administrators that often escape their attention.

Your NRLN grassroots network continues to fight for retirees today as we demonstrate to members of Congress and federal agencies the risk that emerges when pension plan administrators merge plans that are managed under their umbrella despite their very different funding levels.

Chrysler and Qwest Retirees Know First-Hand

Retirees from Chrysler and Qwest (and formerly USWest) have experienced this first-hand. Fiat Chrysler and CenturyLink have each merged multiple plans which were funded at different levels, some being well-funded while others funded at much lower levels. The benefit for the companies and for those in the poorly-funded plans is obvious as the better funded plan assets helped raise the levels for the rest without requiring top-off contributions from the company. The risk falls solely on those participants who had long been in a plan that was better funded. From one day to the next, those participants find their funding levels significantly lower simply because of the merger with lower funded plans under the sponsorship of the same company.

Retirees' Concerns Well-Founded

The concerns for retirees are well-founded. First, the lower funding level of the new plan could mean a much lower return from the Pension Benefits Guaranty Corporation (PBGC) should the plan be subject to a

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distress termination. Second, these mergers are not subject to any review prior to action by the plan administrator. The administrator merely has to notify the IRS after the fact. Risks for the plan's participants – and the PBGC if it is a large plan – are not considered as they are in cases when companies themselves are merging. Therefore, there is no analysis about the risk to the plan participants in the better funded plan. Third, the Employee Retirement Income Security Act (ERISA) was intended to protect plan participants and does not raise scenarios where pension assets can be placed at risk due to intra-plan mergers. The participants of the healthier plan should not be subjected to the fate of those from a less-healthy plan and likely from a company alien to their own. By remaining silent in such cases, Congress' actions are antithetical to the goals of ERISA.

NRLN Working to Find Solutions

The NRLN is continuing to meet with federal agencies and members of Congress to raise these concerns to find solutions to stop this unnecessary risk-taking by plan sponsors. The practice of intra-plan mergers is not a new one, but it has been an understated predator which should be seen by policymakers in the clear light of day. Our grassroots network is working to make this happen.

AREF Income Security Committee Will Sharpen NRLN's Focus

The American Retirees Education Foundation (AREF), a nonprofit education foundation to expand the research and educational reach of the NRLN, has formed an Income Security Committee.

“The role of the committee will be to provide resources for policy research and educational activities, including the creation and updating of whitepapers and fact sheets, as well as briefings, events, videos and other educational material aimed at retirees, retiree advocates and policymakers, said Bill Kadereit, AREF President, who also serves as NRLN President.

He said research done by the committee would enable the NRLN to sharpen its focus as an organization lobbying for the passage of federal legislation and regulations that benefit retirees.

AREF Income Security Committee (ISC) members:

Marta Bascom, NRLN and AREF Executive Director - Chairperson

Michael Calabrese, NRLN Strategic Consultant and AREF Legal Counsel – Co-Chair

John Glotzbach, Director, National Chrysler Retirement Organization (NCRO)

Al Duscher, Northeast Region Director, Lucent Retirees Organization (LRO)

Art Roberts, President, Eastman Kodak Retirees Association (EKRA)

Mike Stohlmeyer, Executive Committee Member, JDRO – A Family of John Deere Retirees

“Committee members will be responsible for determining and recommending what publications the AREF and NRLN should produce that cover income security topics, including Social Security, Bascom said. “Michael Calabrese will be the principal drafter of material the ISC agrees would be useful.

“To be clear, lobbying done by the NRLN will be kept separate from AREF projects funded with tax-deductible donations, Kadereit said. “The dividing line between AREF and NRLN is actual lobbying of members of Congress, or their staff, by NRLN about a bill introduced and pending before Congress. AREF can recommend policy reforms – just as NRLN whitepapers have done – but AREF resources cannot be used to lobby for passage of those bills.

“As individuals, each of us may continue to meet with and educate members of Congress and their staffs on behalf of NRLN's proposals to create policy change (the law). Lobbying restrictions also do not apply at all to meetings concerning regulation with executive branch agencies, such as the Department of Labor, Department of Treasury and Pension Benefits Guaranty Corporation.



New Member Elected to NRLN Board; Eight Re-elected

During the NRLN's January 18, 2016 Board of Directors conference call Jay Kuhnle, President, National Chrysler Retirement Organization was elected as a new member of the Board to serve a two-year term effective January 1, 2016. Eight other members of the board were re-elected.

Jay Kuhnle is President of the National Chrysler Retirement Organization (NCRO). He retired from Chrysler at the end of 2007 after 35 years of service. He began his career in the Sales Division and held numerous positions in the Detroit Zone Sales Office then gained invaluable experience in several Headquarter assignments including Assistant to both the Vice President of Sales and Executive Vice President Sales and Marketing. He then served as Zone Manager in the Dallas Zone where he was responsible for both sales and service. After 12 years in Sales, he moved to Marketing where he held several positions including Director of the Dodge, Chrysler and Jeep Brands Communications. Jay was responsible for all of the marketing communications, advertising and merchandising for the Brand, and was responsible for overseeing the development of several key product communications launches including Dodge Intrepid, Dodge Ram, New Dodge campaign, PT Cruiser, Chrysler 300, Minivan, Wrangler 4 Door and others. He has received many Marketing awards including several Caddies for marketing and communication excellence and was named Automotive News Advertising All-Star in 1995. Jay has a BA degree from Eastern Michigan and an MBA from Michigan State.



Joseph R (Dick) Ciocca is the President of the National Association of Prudential Retirees, Inc. (NAPRI). He is a member of the NRLN Executive Committee. Ciocca retired from Prudential in 1992 as a District Manager. During his 40-year career with Prudential in New York, he held positions in sales, sales management, training and development, recruiting and NASD management of securities products. Ciocca now makes his home in Philadelphia and Florida, where he serves as a director on the board of Century Village East Master Management. He said he has served on the NRLN Board because he wanted to share his acquired knowledge and experiences.



Joe Dombrowski is President of the Lucent Retirees Organization (LRO) and the NRLN's Vice President – Memberships. He is a member of the NRLN's Executive Committee. His working career began with Bell Laboratories in March 1967. His early assignments were as a member of company's administrative group in Whippany, NJ. He subsequently held domestic and international management positions dealing with purchasing, contract management, sales channel management, strategic planning, business development, new venture start-ups, organizational development, multicultural team building and leadership in the following assignments: American Bell (Iran), AT&T International in Egypt, Greece, Japan, Saudi Arabia, and Ireland. His last assignment before retiring in July 2001, was as Chief Operating Officer, Business Partners Division, Dublin, Ireland. His home is in Prescott, AZ.



Chris Dyrda is a director of the National Chrysler Retirement Organization (NCRO). He retired from Chrysler after a 35-year career where he worked in Vehicle Development as Manager of Vehicle Programs, Program Management, Defense, and his last assignment in E/E systems where he supervised Wiring Design. He graduated from Michigan State University in Electrical Engineering, and has a Masters in Management from the University of Michigan. Chris is a Fellow at ESD, The Engineering Society of Detroit. As Director he heads the NCRO Legal Team and organizes the Quarterly Breakfast Meetings. Dyrda's home is in Troy, MI.





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Cindy Hadsell is a member of the NWB-USWest-Qwest Board and serves as the organization's Legislative Director. She retired from CenturyLink in October 2011 as a Senior Manager for Real Estate Strategic Planning. During her nearly 42 years with the phone company in Omaha, NE she held positions in public relations research and writing, business services course development, competitive analysis, executive support, and sales incentive programs. She holds an MBA. She serves on the Board of Trustees for Youth Emergency Services and as President of the Board for the Douglas (Nebraska) County Historical Society. Hadsell said she agreed to serve on the NRLN Board because she has long been impressed with the quality of the organization and attending the NRLN's July 2013 and February 2014 meetings in Washington, DC has strengthened her high regard for the commitment and professionalism of the NRLN team.



Bill Kadereit is the President of the National Retiree Legislative Network (NRLN) having served since January 2008. He is a member of the NRLN's Executive Committee. A former director of the Lucent Retirees Organization, he retired from AT&T Network Systems (now Alcatel-Lucent) in 1995 with 35 years of service. He subsequently served as a Senior Vice President of a large U.S. corporation and President and CEO of three technology-based startup businesses. He is a graduate of the University of Nebraska, the Stanford University Sloan Fellowship Program and a Brookings Institute Fellow for Government and International Business. He has served on the boards of a bank, hospital and university advisory board. Kadereit's home is in Heath, TX.



Bob Martina is the NRLN Vice President – Grassroots and a member of the NRLN Executive Committee. He is a member of the Lucent Retirees Organization Board and serves as the LRO's Legislative Director. He began his career with Western Electric (now Alcatel-Lucent) in 1957 as a test director for the Air Forces Air Defense System (SAGE). He had tours of duty at Bell Labs in Whippany, NJ, White Sands, NM, Huntsville, AL, on Anti-Ballistic Systems; and Corporate Finance and personnel management at the corporate headquarters in New York and then on the manufacturing staff in Newark, NJ. Prior to his retirement in 1996, he was an engineering manager at the Shreveport (LA) Works where residence and business telephones and some key systems were manufactured. After retirement from Lucent he was a research director for a small research company which developed development and manufacturing processes for the Army Munitions Command. He continues to make his home in Shreveport.



Larry Smith is the representative of AT&T Ameritech /SBC Retirees (<http://aasbcr.org/>) on the NRLN Board. He serves AASBCR as Vice President, Legislation and Regulation. He began his 34 year telecommunications career as a Commercial Representative at Illinois Bell. He then progressed through positions in Sales, Coin Operations, Marketing Product Management and Network Operations before moving to Ameritech Services Product Development and Ameritech Corporate New Business Development. He retired from Ameritech Wholesale in 2000. Following retirement Larry accepted a position as Vice President and partner of CyberObject a software development company based in Norcross, Georgia that serves the telecommunications industry. In 1986 Larry was awarded the Illinois Bell Alexander Graham Bell Award. He lives in Somonauk, IL.



Judy Stenberg serves the NRLN as the Vice President – Pacific Northwest Region and as Vice President – Legislative Affairs. She is a member of the NRLN Executive Committee. Stenberg, who lives in Washington state, was President of the former Oregon/Washington Pension Equity Council that was affiliated with the Association of US WEST Retirees. PEC was founded in 1995 and Stenberg became President in 2004 capacity until the organization dissolved on December 31, 2013. Stenberg retired from U S WEST/Qwest after 30 years of service. At retirement she was an Information Technology Project Manager. She holds a BS Degree in Pre-law and has a Graduate Certificate from Willamette Law School in Alternative Dispute Resolution. Among her community service activities is teaching a class for immigrants who will take the American citizenship test. Stenberg lives in Bellevue, WA.



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