

December 22, 2009

The President
The White House
Washington, DC 20500

Dear Mr. President:

On behalf of plan sponsors that provide retirement benefits to millions of workers, the undersigned organizations seek your support in enacting legislation as soon as possible to provide much needed relief for both single employer and multiemployer pension funds. Without funding relief, many jobs will be lost and the economic recovery will be significantly slowed.

Providing defined benefit funding relief is directly related to improving the economy and employment. Unexpectedly large funding requirements will continue to require many employers to lay off workers, close plants, and postpone investments in order to fund their pension plans, which are long-term obligations. Several independent reports and studies have highlighted the direct link between unexpected funding obligations and the negative impact on employment.

Even with the relief provided by Worker, Retiree, and Employer Recovery Act of 2008 and the Treasury Department, minimum contributions requirements for 2010 and 2011 will still far exceed the minimum contribution requirements for 2008; in addition, many companies are not eligible for the relief and thus face daunting contribution obligations for 2009. To meet these short-term obligations, many employers will be forced to divert cash needed for current job retention and creation and investment in their organizations to their pension plans to fund long-term obligations.

Some have argued that plan sponsors can simply borrow the money to pay greatly increased pension plan contributions. However, access to credit remains limited. When the Association for Financial Professionals asked about actions taken since the start of the credit crisis, 73 percent reported freezing or reducing hiring, 65 percent reduced capital spending and 61 percent considered staff reductions and/or layoffs. Such actions will accelerate if plan sponsors are required to put much larger contributions into their pension plans.

Thank you in advance for your support of this important effort. We look forward to working with you and Congress to advance legislation that will promote our nation's economic recovery and reinvestment, while securing sound long-term pension plan funding.

Sincerely,

Aerospace Industries Association
Agricultural Retailers Association
Alliance for Children and Families
American Benefits Council
American Federation of Musicians of the U.S. and Canada

American Forest & Paper Association
American Hospital Association
American Institute of Certified Public Accountants
American Public Power Association
American Society of Association Executives (ASAE)
American Trucking Association
ASPPA College of Pension Actuaries
Association for Financial Professionals (AFP)
Bakery, Confectionery, Tobacco Workers and Grain Millers International Union
Bituminous Coal Operators' Association, Inc.
Builders Exchange of Rochester
Business Roundtable
Committee on Investment of Employee Benefit Assets (CIEBA)
Construction Employers 'Association of California (CEA)
Construction Employers Association of Central New York, Inc. (CEA)
Construction Employers Labor Relations Association of New York State, Inc. (CELRA)
Construction Industry Association of Rochester (CIAR)
Construction Industry Employers Association
Direct Marketing Association
Eastern Contractors Association, Inc.
Edison Electric Institute
Engineering & Utility Contractors Association
Financial Executives International's Committee on Benefits Finance
Financial Services Roundtable
Food Marketing Institute
Girl Scouts of the USA
Great Lakes Fabricators & Erectors Association
HR Policy Association
Indiana Manufacturers Association
International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers, AFL-CIO
International Brotherhood of Teamsters
International Council of Employers of Bricklayers and Allied Craftworkers
International Union of Bricklayers and Allied Craftworkers(BAC)
Ironworkers Management Progressive Action Committee Trust
Jewish Federations of North America
Johns Hopkins Institutions
Mechanical Contractors Association of America (MCAA)
National Association of Manufacturers
National Association of Waterfront Employers
National Association of Wholesaler-Distributors
National Coordinating Committee for Multiemployer Plans
National Council of Chain Restaurants
National Council of Farmer Cooperatives
National Education Association
National Electrical Contractors Association
National Federation of Independent Business

National Federation of Nurses, (NFN)
National Mining Association
National Retail Federation
National Rural Electric Cooperative Association
New York State Nurses Association
Newspaper Association of America
Ohio Chamber of Commerce
Printing Industries of America
Sheet Metal and Air Conditioning Contractors' National Association
Society for Human Resource Management
SMACNA Rochester
The Associated General Contractors of America
The Association of Union Constructors (TAUC)
The Broadway League
The Business Council of New York State
The ERISA Industry Committee
The International Union of Operating Engineers
The International Union of Painters and Allied Trades
The Sheet Metal Workers' International Association
The Truck Renting and Leasing Association
United Neighborhood Centers of America
U.S. Chamber of Commerce
United Union of Roofers, Waterproofers and Allied Workers

Cc: The Members of the United States Congress