

Multiemployer Pension Plan Coalition

For Immediate Release

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CONGRESS PASSES LANDMARK PENSION REFORM LEGISLATION

Labor and Management Communities Applaud Bipartisan Legislation To Preserve Defined Benefit Plans For Millions of American Workers

August 3, 2006 – WASHINGTON, DC – Congress today delivered retirement benefit protection to more than 44 million employees and retirees nationwide as the U.S. Senate passed the most comprehensive pension reform legislation in more than 30 years.

The ***Pension Protection Act of 2006***, passed by the U.S. House of Representatives as H.R. 4 last week, helps to secure the long term financial health of many endangered multiemployer pension plans whose financial security was jeopardized by the severe contraction of U. S. equity markets early this decade. Senate passage today completes the legislative process. The bill now goes to the White House for Presidential approval, which is expected. The new legislation will prevent endangered pension plans from declining further and keep significantly troubled plans from becoming insolvent.

Like the plans this measure will protect, the passage of this legislation is in itself an example of what can be accomplished when labor, management and government work collaboratively on matters of mutual concern. This important legislation garnered strong bipartisan support, as well as support from both labor unions and corporations. As a Coalition, we applaud Congress for its ability to take action prior to the August recess and provide working Americans with an opportunity for a more secure financial future.

With the new law, the retirement security of more than 9.7 million Americans participating in multiemployer pension plans is more stable. Multiemployer pension plans are less likely to default, resulting in severe benefit reductions to the Pension Benefit Guaranty Corporation guarantee of approximately \$1,072 per month. The legislation gives troubled plans a greater opportunity to recover and provide the benefits expected and deserved by participants.

The Multiemployer Pension Plan Coalition is a consortium of labor unions, employers, pension managers, plan trustees, and trade associations committed to reforms that help protect employees' retirement benefits.

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