



NCCMP YEAR IN REVIEW

Pension

- ***GROW Act (H.R. 4997)*** was introduced by Representatives Phil Roe, M.D. (R-TN) and Donald Norcross (D-NJ) on February 14, 2017. This bill will modernize and strengthen the multiemployer pension plan system for the future by allowing healthy plans to voluntarily elect to adopt this new type of retirement vehicle that combines the key features of defined benefit and defined contribution plans.
 - ***Organized bipartisan round table discussion*** on January 9, 2018 to discuss the future introduction of the Grow Act. This was hosted by Representatives Roe and Norcross. Roundtable participants included Brent Booker (Secretary-Treasurer, NABTU), Carol Duncan (CEO, General Sheet Metal), Michael Scott (Executive Director, NCCMP), and Brian Turmail (Vice President of Public Affairs and Strategic Initiatives, AGC).
 - ***Launched www.SaveOurFutures.com*** to support efforts to enact composite legislation, including explanatory infographics and FAQs.
 - ***Launched grass roots organizing campaign*** to encourage members to write to their Congressmen in support of the GROW Act legislation.
- ***Developed technical corrections to MPRA*** to ensure that MPRA is the powerful tool for plan trustees to restore troubled plans to solvency, protect their participants from the significantly larger benefit reductions that they will experience when their plan becomes insolvent and subject to the PBGC guarantee level and remove a successful MPRA applicant from the list of plans that comprise the PBGC's deficit which will also reduce the need and calls for additional PBGC premium increases.
- ***Developed an alternative subsidized loan program*** using very conservative assumptions regarding investment returns that can achieve the policy objectives of (1) restoring and ensuring plan solvency, (2) protecting the maximum amount of benefits possible for retirees, (3) providing the U.S. Government with certainty on the timely repayment of the loan, (4) having very high confidence that once passed, it will get executed by the Executive Branch, and (5) consistency with the Federal Credit Reform Act of 1990 and related OMB Circulars.

A successful loan applicant will be removed from the list of plans that comprise the PBGC's deficit, which will also reduce the need and calls for additional PBGC premium increases.

In consultation with experts in federal credit, NCCMP developed this alternative as a result of understanding that any solution for Central States or other plans where MPRA is not

viable had to be one that would get executed by the government, one that would succeed for both the plan and the government, and one that did not make healthy multiemployer plans pay for the program or at risk for covering government loan losses. The other outside proposals do not meet these standards. NCCMP's legislative language and the details of the proposal are available on our website.

- ***Developed data on economic impact*** of multiemployer plans, including information on federal tax revenue, state and local tax revenue, total economic activity generated, jobs supported by the system. We also developed federal and state data on tax revenue losses and safety net spending in the event that Congress does not act and the PBGC's multiemployer program goes insolvent.
- ***Developed data on retiree benefit reductions under current law*** facing participants in plans headed toward insolvency based on an analysis of filed MPRA applications.
- ***Issued Joint Multiemployer Pension Reform Principles*** with the United States Chamber of Commerce in support of Congressional action, including passing the GROW Act, reforming MPRA, and the establishment of a subsidized federal loan program.
- ***Advising the Joint Select Committee on Solvency of Multiemployer Pension Plans*** which was established as part of the Bipartisan Budget Act of 2018. The Joint Select Committee is tasked with addressing the looming solvency crisis in multiemployer pension plans and at the Pension Benefit Guaranty Corporation (PBGC). NCCMP has long been a resource to Congress and we will continue to be for the members of the Joint Select Committee and their staffs. Given what we have seen from the first two hearings and the expansive nature of the topics that the Committee is clearly pursuing, our work with Congress and the Executive Branch will be vital to ensuring positive and productive solutions that actually prevent the crisis from materializing and that do not harm the rest of the multiemployer system.

After carefully reviewing the Committee's April 18th hearing and the answers that they were provided by the witnesses, NCCMP developed a more detailed explanation for each question that Committee members asked and submitted it for the hearing's official record on May 24, 2018.

- ***Coordinated or authored three op-ed pieces*** covering a range of topics of critical importance to multiemployer plans
 - ***Sean McGarvey (Chairman, NCCMP) and Stephen Sandherr (CEO, AGC) Joint Op-Ed*** urging passage of composite legislation.
 - ***Michael Scott (Executive Director, NCCMP) Op-Ed*** urging immediate and decisive action to strengthen and protect the multiemployer system through reforming



MPRA so that it can be a real tool to trustees of troubled plans, consideration of a loan program for plans for which MPRA is no longer an option, and swift passage of composite legislation.

- ***Former Senator Tom Coburn (R-OK) Op-Ed*** urging the Joint Select Committee to utilize all tools at its disposal, including reforming MPRA and a properly structured loan program, to address the looming insolvency crisis facing the multiemployer pension system.
- ***NCCMP actively communicates with the press, and our views have been included in more than 15 news articles*** on a variety of multiemployer pension topics since March 2017.
- ***Conducted more than 350 stakeholder meetings*** since January 2017 with trustees, union leaders, employers and employer associations, administrators, and others to ensure NCCMP positions and priorities reflect the concerns of the multiemployer community. Stakeholder meetings are ongoing.

Health

- ***Delivered a letter to House Ways & Means Committee Chairman Brady and Ranking Member Neal*** outlining the NCCMP's concerns regarding the Cadillac Tax and the proposal to cap the employer sponsored insurance exclusion from gross income.
- ***Cadillac Tax on high-cost healthcare was delayed*** until 2022 as part of the federal funding bill earlier this year.

Regulatory Input

- ***Provided 5 sets of comments*** in response to requests for input from the Agencies with jurisdiction over multiemployer plans, as well as on proposed changes to accounting standards that would have had far-reaching implications for the financial statements of multiemployer plans.
 - ***Options to Reduce Regulatory Burden for Plans (Treasury)***
 - ***Options to Reduce Regulatory Burden for Plans (PBGC)***
 - ***Comments on AICPA Exposure Draft***
 - ***Comments on Aspects of Mental Health Parity and Equity Act***
 - ***Response to PBGC Request for Information on Alternate Methods for Computing Withdrawal Liability***



Educational Conferences

- **2017 NCCMP/AEIP/MEBCO Transatlantic Conference**, held May 10-12, 2017 in Montreal Canada
- **2017 NCCMP Annual Conference**, held September 23-27, 2017 in Hollywood, FL
- **2018 NCCMP Lawyers and Administrators Meeting**, held April 20, 2018 in Washington, DC
- **[Upcoming] 2018 NCCMP/AEIP/MEBCO Transatlantic Conference**, to be held May 30-June 1, 2018 in Amsterdam, The Netherlands
- **[Upcoming] 2018 NCCMP Annual Conference**, to be September 22-26, 2018 in Hollywood, FL

Global Benefits

- **Developed two sets of joint comments** as a part of the World Pension Alliance
 - Support of MEBCO in opposition to mandatory lump sums
 - Support of MEBCO for alternative funding methodology for Canadian multiemployer plans

Administrative

- **Completely revamped www.NCCMP.org** to make website significantly more user friendly.
- **Online conference registration** coming soon!

