Reminder: Webinar on Monday, January 29

On Monday, January 29 at 5:30 p.m. EST (4:30 p.m. CST, 3:30 p.m. MST, 2:30 p.m. PST), the AFM-EPF will hold a one-hour webinar Q&A for Fund participants. For more information on the webinar, please see the January 18 issue of Pension Fund Notes.

Registered attendees will receive a unique link by Friday, January 26 to access the webinar at the scheduled start time.

Update on Federal Pension Legislation

We have heard concerns from some participants about the status of pension fund assistance legislation in Washington, especially given the current uncertainty around the recent government shutdown and various bills that have been passed to temporarily fund the government. In this issue of Pension Fund Notes, we’ll provide an update and address some confusion about two different and unrelated legislative proposals being considered in Congress.

Federal Loan Program

There have been a number of proposals to provide low-interest government loans to multiemployer pension funds in “critical and declining” status. The Butch Lewis Act, introduced in November by Senator Sherrod Brown (D-OH) and Representative Richard Neal (D-MA), would provide such a loan program. As we mentioned in a recent issue of Pension Fund Notes, the Trustees sent a letter to Congressional leaders that conveyed our support for the Butch Lewis Act.

While the fate of the Butch Lewis Act remains uncertain, bipartisan negotiations continue in
Congress to pass some revised form of loan program legislation. We have urged, and will continue to urge the parties engaged in those negotiations that whatever legislation emerges from their discussions must provide similar relief to the Fund. We have made clear to them that we will continue to support legislation that addresses the financial issues facing our Fund, while also treating our participants fairly.

“Composite Plan” Legislation

Another legislative proposal related to multiemployer pension funds was recently announced—the Give Retirement Options to Workers (GROW) plan, which is being drafted by Representatives Phil Roe (R-TN) and Donald Norcross (D-NJ). We’ve seen some concern and confusion among participants about the GROW plan, what it would do and whether it applies to our Fund.

The GROW plan would create a new type of “composite” multiemployer retirement plan that combines some aspects of “defined benefit” plans (like a pension plan) and “defined contribution” plans (like a 401(k)).

The GROW plan would have no impact on a federal loan program for multiemployer funds, and it would not affect our participants’ earned benefits. Additionally, funds in “critical” or “critical and declining” status would not be able to make use of the GROW plan. The AFM-EPF is in “critical” status, so, the GROW plan does not apply to us. Because of this, the Trustees have no position on the GROW plan.

Instead, we are keeping our attention focused on legislation that does apply to the Fund. We will continue to advocate for our participants as we closely monitor negotiations in Congress. At the same time, we aren’t waiting for help to arrive from Washington. We are doing what we can under current law to improve the financial state of the Fund, so that it is able to continue paying benefits.
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