



Update to Voices For Pension Security Campaign Member Update: July 23, 2020

What You Need to Know on the GROW Act

The GROW Act is a bipartisan bill in Congress that would create a new type of “composite” multiemployer retirement plan that combines some aspects of a “defined benefit” plan (such as a pension plan) and a “defined contribution” plan (such as a 401(k)).

**WHAT IS THE
GROW ACT?**

Under the GROW Act, a multiemployer pension plan cannot establish a composite plan **unless the Trustees voluntarily vote to do so and the plan is extremely well-funded.**

NOTE: The GROW Act is not applicable to Central States and the other 20+ Teamster pension plans that are in “critical and declining” status or who made MPRA benefit cuts.

Even if Congress passes legislation that provides financial relief for Central States, we would remain very far from the level of funding required to create a composite plan under the GROW Act. Because passage of this bill would have no effect whatsoever on our participants, Central States Trustees have taken no position on it.

Since there is bipartisan support for the GROW Act, it is very likely that any legislation that helps Central States will not pass unless that legislation also includes the GROW Act.

In addition to bipartisan support, numerous major labor unions and participating employers strongly support the GROW Act and have indicated that they will oppose relief if the GROW Act is not included. That is why the GROW Act is included in both the Democratic and Republican proposals to save Central States and address the nationwide multiemployer pension crisis.

In short, opposing the GROW Act means opposing relief for Central States and supporting the option of drastic benefit cuts for our 360,000 Teamster participants. Without the GROW Act, there will be no rescue for Central States and other troubled Teamster plans. Members and retirees must remain focused and consider the political reality during this urgent opportunity to protect your pension benefit from insolvency.

Congress Needs to Hear from You Today!

We've heard the saying – “**It's now, or never.**” This week the Senate is formulating the next (and most likely, last) stimulus bill. The Senate has the opportunity in this stimulus bill to work with the House on a bipartisan legislative solution that solves the multiemployer pension crisis.



Congress has provided economic stimulus to many industries, and Congress **MUST** now provide relief for the essential workers who worked and retired from multiemployer pension funds like Central States.

Your voice is essential in letting your Senator know that pension relief **must be included in the next bill**. If you have already called – thank you; but call again – and have your family and friends also call.

YOUR VOICE MATTERS ... PLEASE CALL TODAY
Call 833-738-0064 to be connected with your U.S. Senator.

For more information on the pension crisis, please visit
VoicesForPensionSecurity.com
