

October 1, 2009

TO THE MEMBERS OF THE UNITED STATES CONGRESS:

The undersigned organizations, which provide retirement benefits to millions of workers, urge you to enact legislation this year to provide much needed relief for both single employer and multiemployer pension funds. Ensuring pension contributions are not out of proportion to those required before the market downturn and that benefit restrictions are not allowed to go into place simply because of the recession and sudden market downturn is critical.

We strongly urge Congress to move swiftly to adopt follow-up, temporary provisions that will ease cash flow constraints and make contributions more predictable and manageable. We believe that relatively modest temporary changes can provide greater stability and improved chances of economic recovery for many companies, non-profits, and charitable organizations.

While the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA) provided needed technical corrections and modifications to the transition rule and asset valuation rule, we remain extremely concerned about the viability of defined benefit pension plans during the current economic situation. Because of the importance of this issue to workers' retirement security and the overall U.S. economy, we strongly urge Congress to address this issue immediately.

Even with the relief provided by WRERA and the Treasury Department, minimum contributions requirements for 2010 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 2009.¹ To meet these 2009 and 2010 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. For most companies, 2010 funding obligations become fixed as of January 1, 2010, making the 2010 challenge imminent as creditors pressure companies regarding how they plan to meet this looming obligation. Therefore, without further legislative action, these unexpected funding requirements could cause an increase in unemployment and slow economic recovery.

Thank you in advance for your support for this important effort. We appreciate the work and support from both the House and the Senate to move this issue forward, including a hearing to be held in the House Ways and Means Committee and the mark-up in the House Education and Labor Committee, and we stand ready to work now with you and your staff to advance legislation that will promote our nation's economic recovery and reinvestment, while securing sound long-term pension plan funding.

¹ According to a Watson Wyatt study, plans that used the relief under both WRERA and the Treasury Department guidance will have minimum contribution requirements in 2010 that will be almost triple of 2008 minimum contribution requirements. For plans that cannot use the Treasury relief, the minimum required contributions are more than double for both 2009 and 2010. (Watson Wyatt Insider, April 2009 - <http://www.watsonwyatt.com/us/pubs/insider/showarticle.asp?ArticleID=20942>)

Sincerely,

Agricultural Retailers Association
Alcatel-Lucent
Allegheny Energy
ALLETE/Minnesota Power
Alliance for Children and Families
Alliant Energy Corporation
Alpha & Omega Financial Management Consultants, Inc.
Alston & Bird, LLP
AM General LLC
Ameren Corporation
American Benefits Council
American Electric Power
American Institute of Certified Public Accountants
American Society of Association Executives
Aon Corporation
ArcelorMittal
ASPPA College of Pension Actuaries
Associated Benefits Corporation
Association for Financial Professionals
Avaya Inc.
Avista Corporation
B. Braun Medical Inc.
Ball Corporation
Belo Corp. and A. H. Belo Corporation
Black & Decker
Black Hills Corporation
BP America
Buck Consultants LLC
Buffalo Supply, Inc
Business Roundtable
Caraustar Industries, Inc.
Central Vermont Public Service Corporation
CH Energy Group Inc.
CMS Energy
College & University Professional Association for Human Resources
Committee on Investment of Employee Benefit Assets
Con-way Inc.
ConAgra Foods, Inc.
Conco, Inc.
Connecticut Hospital Association
Consolidated Edison, Inc.
Constellation Energy
Crawford & Company
Dean Foods

Direct Marketing Association
DTE Energy
Duke Energy
DuPont
Eastern Connecticut Health Network, Inc.
Edison Electric Institute
Edison International
El Paso Corporation
Elford, Inc.
Eli Lilly and Company
Energy Future Holdings Corporation
Entergy Corporation
Exelon Corporation
Fabri-Kal Corporation
Financial Executives International's Committee on Benefits Finance
FirstEnergy Corp.
FMC Corporation
Food Marketing Institute
Fox Entertainment Group
FSG Pension Services, Inc.
General Devices Co., Inc.
Girl Scouts of the USA
Goodrich Corporation
Graphic Packaging International, Inc.
Great Plains Energy Incorporated
Greyhound Lines, Inc.
Hallmark Cards, Incorporated
Hawaiian Electric Company, Inc.
Hillside Family of Agencies
Hooker & Holcombe, Inc.
Hospital for Special Surgery
HR Policy Association
HSBC-North America
Indiana Chamber of Commerce
Indianapolis Power & Light Company
Ingram Industries Inc.
Kansas City Power and Light
King Kullen Grocery Co., Inc.
Kraft Foods
Lockheed Martin Corporation
Lockton Companies, LLC
Lord Corporation
Machine & Welding Supply Company
Manchester Memorial Hospital
Maritz
MassMutual Financial Group

McGuireWoods LLP
MD Helicopters, Inc.
MDU Resources Group, Inc.
Meridian Health
MetLife
Morgan Services, Inc.
Motor & Equipment Manufacturers Association
Motorola, Inc.
National Association of Manufacturers
National Association of Waterfront Employers
National Association of Wholesaler-Distributors
National Council of Chain Restaurants
National Council of Farmer Cooperatives
National Education Association
National Federation of Independent Business
National Grid
National Gypsum Company
National Mining Association
National Retail Federation
Navistar, Inc.
Newell Rubbermaid
Newspaper Association of America
NiSource Inc.
NMB (USA) Inc.
Northeast Utilities
NorthWestern Energy Corporation
NSTAR
Nuclear Energy Institute
OfficeMax, Incorporated
OGE Energy Corp.
Olan Mills, Inc.
Otter Tail Corporation
P-Solve Asset Solutions
Pactiv Corporation
Paul, Hastings, Janofsky & Walker LLP
Peabody Energy
Peerless Machine & Tool Corporation
PenChecks, Inc.
Pepco Holdings, Inc.
PG&E Corporation
Pietzsch, Bonnett & Womack, P.A.
PNM Resources
Portland General Electric
PPG Industries, Inc.
Principal Financial Group
Printing Industries of America

Progress Energy
Public Service Enterprise Group, Inc.
Qwest
Rayonier Inc.
Republic Services, Inc.
Retail Industry Leaders Association (RILA)
Rhodes-Joseph & Tobiason Advisors, LLC
Rockville General Hospital
RSM McGladrey, Inc.
Ryder System, Inc.
RR Donnelley
Safeway Inc
Saint Barnabas Health Care System
Sears Holdings Corporation
Small Business Council of America
Smurfit-Stone Container Corporation
Society for Human Resource Management
Sony
Southern Company
Southern States Cooperative
Spectra Energy
SUPERVALU
TECO Energy, Inc.
Tenneco Inc.
Textron Inc.
The American Public Power Association
The Associated General Contractors of America
The Dayton Power and Light Company
The E. W. Scripps Company
The Empire District Electric Company
The ERISA Industry Committee
The Financial Services Roundtable
The Goodyear Tire & Rubber Company
The Kroger Co.
The Segal Company
The Wagner Law Group
Towers Perrin
UniSource Energy Corporation
Unisys
United Illuminating Company
United Jewish Communities/ The Jewish Federations of North America
United Jewish Communities of Metrowest(NJ)
United Neighborhood Centers of America
United Plan Administrators, Inc.
U.S. Chamber of Commerce
Vectren Corporation

Venable LLP
Vought Aircraft
Westar Energy
Westfield Group
Whirlpool Corporation
Willis HRH, North America Inc.
Windstream Communications
Woods Hole Oceanographic Institution
WorldatWork
Xcel Energy, Inc.
Xerox Corporation
YRC Worldwide Inc.