

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

JAMES P. HOFFA
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May 15, 2020

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20515

Dear Speaker Pelosi:

On behalf of the 1.4 million Teamsters and their families, I thank you and your leadership team for moving swiftly to introduce a fourth, comprehensive stimulus bill which includes bold and critically needed worker protections. The Health and Economic Recovery Omnibus Emergency Solutions Act - HEROES Act (H.R. 6800), addresses a great number of core Teamster priorities needed to protect and support Teamster members through this crisis and toward economic recovery.

The shutdown of the U.S. economy has greatly amplified the financial struggle of multiemployer pension plans. Hundreds of employers are now facing bankruptcy and cannot contribute to multiemployer pension funds; employees have lost their jobs and the sharp drop in interest rates have hit plans hard. Since this pandemic crisis began, the Teamsters Union has urged Congress to address the multiemployer pension funding crisis as part of any federal legislation to stabilize and stimulate the economy. The HEROES Act does just that.

The HEROES Act includes a proposal to address the challenges faced by struggling multiemployer funds and the threat to the retirement security of millions of retirees and active workers. That proposal, the Emergency Pension Plan Relief Act requires the federal government to set up a special partition program at the PBGC to rescue financially troubled multiemployer pension plans without cuts to benefits.

Unfortunately, the House bill also includes the controversial GROW Act, which permits the creation of so-called composite plans. The Teamsters union **opposes the GROW Act** and we are disappointed at its inclusion in the House bill.

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The final negotiated stimulus bill that moves to the President's desk must address the issue of critical and declining multiemployer pension plans and protect the earned pension benefits of retirees and workers. **We urge you to protect the “Emergency Pension Plan Relief Act,” in the final negotiated bill that moves to the President’s desk and cut the GROW Act from that final negotiated bill.**

As hundreds of millions of people across the nation are being urged to stay home, the country still requires millions of workers to provide health care services and to maintain myriad other essential services. A significant number of these workers are Teamsters.

The HEROES Act protects essential workers in both the public and private sector with enforceable OSHA safety standards and whistleblower protections. Importantly, the bill also recognizes the bravery and service of these workers with hazard pay and provides them with greater access to child care. The bill also expands the use and oversight of Defense Production Act (DPA) authorities to increase the production and supply of critical medical supplies and personal protection equipment (PPE).

The Families First Coronavirus Response Act (H.R. 6201) provided a federal paid leave mandate for the first time. However, overly broad exemptions and limitations on that mandate overlooked a large swath of Teamster employers and members. The HEROES Act ends the exemptions for large employers, emergency responders, and health care employers.

Displaced workers need immediate, reliable and continued access to comprehensive health insurance. The HEROES Act provides eleven months of emergency subsidies at 100% to cover the COBRA health insurance payments of unemployed workers, and increases federal Medicaid funding to 14 percent to ensure states can handle rising Medicaid caseloads without diverting resources from other critical services.

Over 200,000 Teamsters work in the public sector. The CARES Act provided considerable state and local aid, but governments need much more assistance. The HEROES Act not only provides those funds, the bill allows states and localities to use those funds to address revenue loss and not just unanticipated COVID-19 related expenses. This flexibility will help states to avoid mass layoffs and furloughs that would worsen the recession, delay recovery, and undercut public health response efforts.

With many states closing K-12 schools and higher education institutions for the remainder of the school year, and even into the Fall, the HEROES Act provides needed funds to address the added expense associated with distance learning and lost tuition revenue. However, it is critical that the final negotiated stimulus package also ensure that

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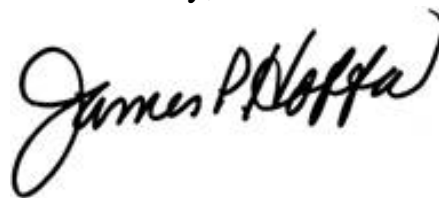
these funds are used to protect the employment of school bus drivers and other school contractors throughout this crisis.

The Heroes Act builds on the robust expansion of unemployment insurance benefits included in the CARES Act by extending the \$600 per week Federal Pandemic Unemployment Compensation (FPUC) supplement and Pandemic Unemployment Assistance (PUA) benefits through January 31, 2021. The bill also provides additional, and desperately needed, direct stimulus checks to households. But direct cash payments are only part of what is needed to financially sustain American households through this crisis. The HEROES Act goes further by temporarily banning foreclosures, evictions, and aggressive collection practices by debt collectors.

Since the beginning of this crisis, working people have been calling on their elected officials to take bold action that ensures health, safety and economic security for all. With many of the worker supports and protections outlined above and more, the HEROES Act answers that call.

As you work to assemble and enact this stimulus package, I again urge you to remove the GROW Act from that legislation. We thank you for standing up for working people and we will stand with you in fighting to keep the many important HEROES Act worker protections in the final negotiated stimulus package that moves to the President's desk.

Sincerely,

A handwritten signature in black ink, reading "James P. Hoffa", enclosed in a thin black rectangular border.

James P. Hoffa
General President

cc: United States House of Representatives