

International  
Association of  
Machinists and  
Aerospace Workers



9000 Machinists Place  
Upper Marlboro, Maryland 20772-2687

Area Code 301  
967-4500



OFFICE OF THE INTERNATIONAL PRESIDENT

May 15, 2020

Dear Representative,

On behalf of 600,000 active and retired members of the International Association of Machinists and Aerospace Workers (IAM), I applaud your commitment to including many provisions in the recently introduced HEROES Act recovery package which will greatly help IAM members and workers nationwide through this difficult time. **I also write to strongly urge you to oppose the Giving Retirement Options to Workers Act (GROW Act) and to work to ensure that the GROW Act is removed from H.R. 6800, the HEROES Act recovery package.**

Working families across the nation are feeling the brunt of the pain and uncertainty that the COVID-19 pandemic has thrust onto all of our lives. The Machinists Union strongly agrees that a comprehensive package in response to this public health and economic crisis is vitally needed. The HEROES Act contains many provisions that will provide a lifeline to our nation's workers at a time when they need it most. More than 37 million Americans now find themselves amongst the ranks of the unemployed. We applaud lawmakers for including a wide array of provisions to assist these struggling working families through these dire economic times.

The HEROES response package contains a number of key recovery provisions that the Machinists Union has been advocating for since the outbreak of the deadly virus. The package contains a second round of much needed stimulus checks to help struggling families stay afloat while helping prime the pump of the U.S. economy. Given the sheer number of unemployed workers and uncertainty regarding when their jobs will return, the bill rightly extends the federal unemployment benefit of \$600 per week for an additional six months and provides COBRA subsidies to afford laid off workers the ability to remain on their employer-sponsored health insurance plans. The package also includes long overdue Hazard Pay to the brave men and women of our essential workforce, many of whom are proud members of the IAM. The bill would help protect essential workers by requiring OSHA to issue an Emergency Temporary Standard to protect workers with occupational risk of exposure to COVID-19. The bill also includes fiscal aid to State and Local governments to help prevent layoffs of public workers and cuts to public services. The legislation would help to keep us all safe and address the public health crisis by committing \$75 billion to testing in order to track the spread of the virus and would provide additional aid to overwhelmed hospitals and other healthcare providers.

In addition, we applaud lawmakers for including the vitally important Emergency Pension Plan Response Act. This legislation provides necessary relief to struggling multiemployer pension plans, while bolstering the health of the multiemployer pension system overall. It is essential

that Congress pass this legislation to assist these struggling plans in order that the earned retirement benefits of these retirees and workers can be paid in full as promised.

Unfortunately, included in the HEROES package, amongst a long list of progressive proposals, is a poison pill that works against the legislation's intended goal of fostering economic security for America's workers and retirees. The composite proposal known as the GROW Act, has no place in this principled package and should be swiftly removed from the legislation.

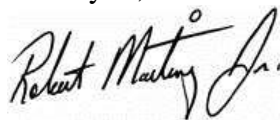
This deeply flawed composite proposal would allow multiemployer plan trustees to divert money away from healthy plans in order to start a new composite pension plan. This severely weakens the existing plan and leaves neither plan with enough funding to weather financial downturns nor pay promised benefits. Additionally, the new composite plan is not required to pay premiums to the Pension Benefit Guarantee Corporation (PBGC), the federal backstop which insures retirees don't lose everything if their plan becomes insolvent. The GROW Act starves the PBGC of needed funds and would compound the funding issues currently faced by the agency. These two flaws in the GROW Act would severely weaken the multiemployer pension system overall, and we believe lawmakers should be working to strengthen the retirement system not weaken it.

Finally, the GROW Act allows workers to be stripped of their existing defined benefit pension plan and forced into a new composite plan where all of the investment risk is shifted onto the employee. Defined benefit pension plans are an essential component in ensuring a secure and dignified retirement for many Machinist Union members. Our union continues to fight for these defined benefit plans as many employers aim to eliminate these benefits and shift retirement risk onto their employees. We can clearly see that the GROW Act would be used by these same employers to eliminate defined benefit pensions and further erode the already fragile retirement security of working Americans.

**As you work to assemble and pass a sorely-needed recovery bill that will help working families through this difficult time, I strongly urge you to oppose the GROW Act and to work to ensure that it is removed from H.R. 6800, the HEROES Act recovery package.**

For more information, please contact IAM Legislative Director Hasan Solomon at (301)967-4575 or [hsolomon@iamaw.org](mailto:hsolomon@iamaw.org).

Thank you,

A handwritten signature in black ink that reads "Robert Martinez, Jr." with a stylized flourish at the end.

Robert Martinez, Jr.  
International President