



TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS LOCAL UNION NO. 20

AFFILIATED WITH THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

435 South Hawley Street, Toledo, Ohio 43609 • www.teamsterslocal20.com

Telephone 419-243-8800 • Toll Free 800-600-2755 • Fax 419-243-6270

OFFICERS

May 13, 2016

BILL LICHTENWALD
President

President Barack Obama
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Secretary of Treasury
U.S. Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

RICHARD COLLINSON
Secretary-Treasurer

Senator Sherrod Brown
801 West Superior Ave., Ste. 1400
Cleveland, OH 44113

Senator Robert Portman
37 West Broad St., Ste. 300
Columbus, OH 43215

NORM LEWALLEN
Vice President

DIANA "CORKY" HYMORE
Recording Secretary

Representative Marcy Kaptur
17021 Lorain Ave.
Cleveland, OH 44111

Pension Benefit Guaranty Corporation
PO Box 151750
Alexandria, VA 22315-1750

DIANE HELF
Trustee

MARTIN J. JAY
Trustee

KYLE WELDON
Trustee

RE: May 6, 2016 Rejection of Central States Rescue Plan

Dear Sirs and Madam,

We compose the Executive Board of Teamsters Local 20 in Toledo, Ohio. The purpose of this letter is to express our extreme displeasure with the May 6, 2016 decision of the Secretary of the Treasury rejecting the rescue plan submitted to the Treasury on or about September 25, 2015 by the Central States Pension Fund.

Teamsters Local 20 represents thousands of employed and formerly employed members who are participants or beneficiaries of pensions to be provided by the Central States Pension Fund. As such, Teamsters Local 20 has a responsibility to see to it that these present and former members have access to pension benefits to support themselves and their families during and after retirement.

As you are aware, the history of trucking industry deregulation, international trade agreements, and employer closings, not to mention devastating economic recessions, have left the Central States Pension Fund underfunded and struggling for survival. After all, these events have resulted in the loss of approximately 4 million jobs. In accordance with the Multi-Employer Reform Act of 2014, the Central States Pension Fund submitted for approval to the Department of Treasury a rescue plan that, while painful, at the very least provided a means for the plan to survive and provide at least a modicum of benefits for our hard working Teamsters. As you are also aware, had the Treasury approved the rescue plan, under the Multi-Employer Reform Act of 2014, employed Teamsters as well as retirees would have had the opportunity to vote to accept or reject the rescue plan.

*Serving the Counties of: Defiance, Erie, Fulton, Hancock, Henry, Huron, Lorain, Lucas,
Ottawa, Paulding, Putnam, Sandusky, Seneca, Williams and Wood*

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However, the May 6, 2016 rejection by the Department of Treasury has taken the decision out of our hands. We believe that the September 25, 2015 rescue plan was a viable, albeit painful alternative to the eventual insolvency of the Central States Pension Fund as it exists today. At the very least, Teamsters should have been provided the opportunity to exercise our right to self-determination and choose amongst ourselves whether or not the rescue plan was acceptable.

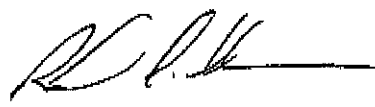
The Central States Pension Fund Trustees were left with the task of developing a rescue plan based on the provisions of the Multi-Employer Reform Act of 2014. This statute was enacted in part because the Federal Government did not live up to its responsibility to adequately fund the Pension Benefit Guaranty Corporation. It is our understanding that the Pension Benefit Guaranty Corporation has approximately 1.8 billion in assets to satisfy approximately 44 billion in obligations. It is clear, that in this respect, the affairs of the Pension Benefit Guaranty Corporation are in greater distress than the Central States Pension Fund. Regardless, in approximately 8 years the Central States Pension Fund will be insolvent.

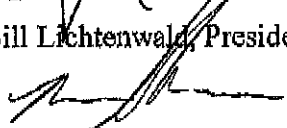
Teamsters need action now!

The status quo will not suffice to address the crisis that Teamsters are facing in light of the rejection of the Central States Rescue Plan. Congress must act in order to positively enact legislation that would allow pension funds such as Central States to get back on a firm financial footing. Congress must also act in order to ensure that the Pension Benefit Guaranty Corporation is funded sufficiently so that it can meet its obligations under existing law. If steps are not taken, working Teamsters and retired Teamsters will face a humanitarian crisis created through no fault of their own.

Respectfully,

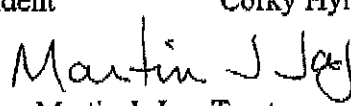

Bill Lichtenwald, President

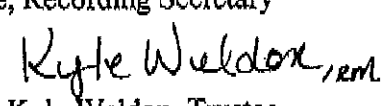

Richard Collinson, Secretary-Treasurer


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Corky Hymore, Recording Secretary


Diane Helf, Trustee


Martin J. Jay, Trustee


Kyle Weldon, Trustee

cc: James P. Hoffa, General President
Ken Hall, General Secretary-Treasurer
Tom Nyhan, Executive Director-Central States Pension Fund
All Ohio Locals
Teamsters Local 20 Members