

July 31, 2020

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

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Mitch McConnell  
Majority Leader  
U.S. Senate  
Washington, D.C. 20510

The Honorable Chuck Schumer  
Minority Leader  
U.S. Senate  
Washington, D.C. 20510

Dear Leader McConnell, Speaker Pelosi, and Minority Leaders Schumer and McCarthy,

The bipartisan GROW Act, which would authorize a new type of retirement plan called a composite plan, has passed the Democratic-controlled U.S. House as part of the HEROES Act, and is also included in the Grassley-Alexander Senate pension reform plan. We commend the leaders and members of Congress for their thoughtful and bipartisan support of composite plans,



design that would among other things provide lifetime income and that would eliminate withdrawal liability for new accruals to encourage employers to continue to support the legacy plans.

The GROW Act addresses these issues by providing that composite plan accruals do not add to withdrawal liability, but legacy plan withdrawal liability continues until the legacy plan meets specified improved funding targets. Only then will legacy plan withdrawal liability be eliminated. But new employers organized into the composite plan will help to fund the legacy defined benefit plan and prevent the shrinking contribution base that has led to the decline of a number of defined benefit plans.

Associated General Contractors of America  
FCA International  
International Council of Employers of Bricklayers and Allied Craftworkers  
International Union of Operating Engineers  
Laborers' International Union of North America (LIUNA!)  
Mechanical Contractors Association of America  
National Electrical Contractors Association

The Association of Union Constructors  
The International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers  
The Signatory Wall and Ceiling Contractors Alliance  
United Association of Plumbers and Fitters  
United Brotherhood of Carpenters and Joiners of America