

**STATEMENT OF CYNTHIA MCDANIEL
ON
“IMPROVING RETIREMENT SECURITY FOR AMERICA’S WORKERS”
BEFORE THE
COMMITTEE ON WAYS AND MEANS
UNITED STATES HOUSE OF REPRESENTATIVES
FEBRUARY 6, 2019**

Chairman Neal, Ranking Member Brady, Members of the Committee, I want to thank you for inviting me to speak today. My name is Cynthia McDaniel and I am the Co-Director of the Missouri Kansas City-Committee to Protect Pensions. My husband Ted, who I’ve been married to for 48 years, is a retired truck driver. He would have been here today if he had not suffered a massive heart attack soon after finding out that his pension might be cut. Traveling for him is now limited. I flew here from Appleton City, Missouri to be his voice – and the voice of hundreds of thousands of others in the Midwest and across this nation who now live in fear because they stand to lose as much as 70 percent of their earned pensions unless Congress acts to solve the multiemployer pension crisis facing the U.S.

Let me also express my gratitude to you, Chairman Neal, for reintroducing the Rehabilitation for Multiemployer Pensions Act. People say there is no such thing as a magic bullet. But this bill is the magic bullet that will keep pension plans alive, save the benefits of more than 1 million retirees and workers and keep alive our communities and businesses that rely on our pension income.

Now, let me tell you my story. My husband Ted, now 71 years old, worked 35 years as an over-the-road truck driver and dock worker for five different companies that all paid into the Central States pension plan, eventually retiring from Graham Truck Line out of Kansas City Missouri. That’s the great part of multiemployer plans, you can change jobs, but if the employer is paying into the same fund, you’ll get your pension.

Driving a truck is a hard and tedious job. Ted was on the road, frequently in icy or dangerous conditions, three to four nights a week, driving long hours back and forth more than 1,200 miles round trip between Denver and Kansas City, which took a toll on him – and on our family. After driving these long routes, he came home stressed and exhausted. He’d often miss the kids’ events and missed their growing up years. Ted stayed with his job because it paid enough to allow him to put food on the table, put our kids through college, and earn a secure pension when he retired.

I want to stress that his pension was not a gift. He gave up wages, vacation pay and other benefits in exchange for the pension that he earned and was promised and that we were counting on to get us through retirement. That’s what we worked for as a family. That was the bargain we made.

Imagine our shock and distress when Ted got a letter from Central States telling him that the fund was applying to cut his benefits by 57 percent from \$3,000 a month to \$1,295 because of a

law called the Multiemployer Pension Reform Act of 2014 (MPRA) which allowed plans to balance their books on the backs of retirees.

We were devastated. Just imagine being in retirement and receiving a letter stating that the income you earned, that had been guaranteed, and that you were relying on, was going to be cut by more than half forever? How would we pay all our bills, or help take care of our grandkids and our aged parents, keep supporting businesses like our local Farm House restaurant, which is the only one in Appleton City, or pay for groceries, or pay for health expenses? And little did we know how costly health expenses paying for health care would be.

These were supposed to be our golden years, where we could finally relax and enjoy the fruits of our labor, and it turned into one of the most distressing times of our lives. Ted was ill and I had to take care of him. So, it was then that I became our family spokesperson on the issue. I started to connect with other Central States retirees and found out that more than one hundred thousand of us would be affected. Some were going to be affected much more severely than us. Many told me they were living pension paycheck to pension paycheck. They were barely hanging on. One retiree, living on an oxygen tank after his lungs collapsed, feared not being able to afford his medicines. Others were worried about losing their homes. And since this started, we've seen so many of our fellow retirees die from stress and other ailments. Here we are, hard-working people who did everything right, never asked anyone for anything, and we were panicked we might end up on public assistance. This was just not right.

Believe me, we didn't take this sitting down. Hundreds of us organized ourselves into the Missouri-Kansas City Committee to Protect Pensions and we joined 63 other committees in states throughout the Midwest and the South fighting the cuts and advocating for a solution. Together, we formed a national organization called the National United Committee to Protect Pensions (NUCPP).

We went from truck drivers, spouses and widows to pension protectors overnight. I'd never spoken in public in my life, and now I, along with other retirees throughout the country, have travelled to Washington more than 18 times during the past three years, on our own dime to speak to legislators (and here I am in front of all of you). This doesn't count all the time we've spent on the phone or writing letters and contacting the media.

We didn't set out to be lobbyists. We became them because we had to. Suddenly, the American dream we had lived for and earned fell apart around us.

Fortunately, the Treasury Department rejected the cuts proposed by the Central States Pension Fund, which temporarily saved our pensions. But we have been told that if Congress doesn't pass a bill soon Central States, and as many as 130-150 other plans, will eventually collapse and that will lead to cuts for around 1.2 million workers and retirees. If that happens, it won't just be devastating to us and our families. It will affect employers contributing to the plans, the local businesses in our communities, and even the federal pension insurance program.

The dire consequences of inaction are already occurring. I understand that ten pension plans have already had their applications to cut benefits under MPRA approved by the Treasury

Department. Thousands of truck drivers, iron workers, furniture workers, laborers and their spouses and widows have been affected. As I was preparing to speak, I heard from Carol Podesta-Smallen of New Jersey, who worked 26 years for Panasonic. She told me that her Local 805 pension was cut last month by 61 percent and that she is going to lose her house. Walt Overstreet, a retired iron worker who built skyscrapers all over Cleveland, got his pension cut by 55 percent under Local 17's pension plan. He and his wife are struggling. I know of other retired iron workers in Baltimore and Alaska, who have also experienced large cuts. I've also spoken to Doug Rumsey of Teamsters Local 707 in New York whose pension was cut 70 percent.

When you fix this problem, I urge you not to forget these and the other retirees whose pensions have already been cut. Restoring the pensions of those who have seen their benefits slashed by MPRA is not only fair but sorely needed.

Also, I think it's important for me to say that keeping pension promises to retirees and workers goes to the heart of what it means to be an American. This is not a partisan issue. The people I talk to are Democrats, Republicans and Independents. We live in your states, and we are your constituents and we have worked hard our whole lives, and about 60 percent of the members in our Kansas City Committee are veterans who have bravely served this country. We are the hard-working middle-class Americans who have built this country and delivered its goods from town to town. Everyone worked hard so they could have enough income when they retire and not to have to depend on anyone to help them. In the America I grew up loving, these are the people who deserve to be treated fairly.

I want to share an e-mail I received last night from Michael Sigrist, a fellow Central States retiree. He said, "Cindy, I have been following you since the beginning of this journey. If I may speak for everyone in this movement in saying that you will not be alone during your testimony. You have over 200,000 of us standing right behind you in spirit!!!!"

So, as I finish speaking today, picture not just me, but look beyond and see hundreds of thousands of workers and retirees from Central States standing with me, along with a million more from other plans who have already been, or could be, affected. Put yourself in their place and feel their fear of what will happen if their income is cut. But also feel their hope that they can count on you to help them. Many of these people are going to ask me when I get home, "What will become of our earned pensions? What did the members of the Ways and Means Committee say?"

I want to be able to tell them that you listened and that you acknowledge our plight and that you won't abandon us and that you'll save our pensions. We know the issue is complex, but the answer is simple: Please pass the Rehabilitation for Multiemployer Pensions Act. It's a good bill and a fair bill that will save pensions, save plans, save employers and save the federal insurance program that backs up our pensions. It sounds like a no-brainer to me.

Finally, over the last few weeks, the country has been riveted by the plight of the 800,000 government workers whose paychecks were stopped during the shutdown. And we've seen the tremendous hardships that this caused. Now imagine the impact on families and the economy if

1.2 million workers and retirees lose a significant amount of their pension paychecks for the rest of their lives.

We aren't going to stop fighting until this issue is resolved and our pensions are protected. We are counting on you to fix this problem and save our pensions.

Thank you for listening today and I am happy to answer any questions you may have.