

I.B.E.W. LOCAL No. 237
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July 27, 2021

Regulatory Affairs Division
Office of the General Counsel
Pension Benefit Guaranty Corporation
1200 K Street NW
Washington, DC 20005-4026

RE: Special Financial Assistance by PBGC
RIN 1212-AB53

To Whom It May Concern,

We are the Trustees of the IBEW Local Union No. 237 Pension Plan ("Fund"). The purpose of this letter is to request changes to the provisions of the Interim Final Rule, specifically two items:

- 1) The determination of the Special Financial Assistance ("SFA") not use the most stringent and literal reading of the ARPA that only provides assistance to remain solvent through 2051, and
- 2) That the SFA be permitted into investments other than only investment grade bonds.

We previously applied for and received approval to suspend benefits under the Multiemployer Pension Reform Act ("MPRA") effective starting July 2020. As such, we would be eligible to apply for SFA starting January 1, 2022. However, a study by our actuary has indicated that receiving the SFA under these current provisions would be a significant detriment to the long-term solvency and health of our Fund.

Our actuary estimated that, based on recent preliminary financial results and economic conditions, an SFA amount of approximately \$27 million could be received in late 2022, yet because of the investment restrictions the Fund would be projected to become insolvent in 2048. Under the current plan reflecting the MPRA suspensions we are projected to remain solvent with an improving funding position.

In short, the provisions of the Interim Final Rule do not appear helpful to our Fund. After further evaluation, we may come to the conclusion that trading the solutions under MPRA for the assistance under ARPA is not in the best interest of the participants of the Plan. However, we believe revisions to the changes in the determination of the amount of the SFA and/or broader permission for investment of the SFA would improve the impact of ARPA and would likely have an impact on our decision as Trustees.

Thank you for your efforts with this regulation and your consideration to these comments.

Sincerely,

John Scherrer
Union Trustee

Board of Trustees

IBEW Local Union No. 237 Pension Plan

Kevin M. Michlin
MANAGEMENT TRUSTEE