

RESOLUTION 7-S.F.No. 3207

A resolution urging the Pension Benefit Guaranty Corporation to delay the termination of the LTV Steel Mining Pension Plan.

WHEREAS, there are 3,500 Minnesotans who were formerly employees of LTV Steel Mining Company and are either collecting or are eligible for a fully funded pension; and

WHEREAS, the LTV Steel Mining Company operated an independent pension fund which was fully funded on December 31, 2000, as reported to the federal government; and

WHEREAS, the Pension Benefit Guaranty Corporation has notified the LTV Steel Mining Company pension plan participants of its intention to terminate the pension plan within 45 days, based on their analysis that the plan is no longer fully funded; and

WHEREAS, the mortality tables and interest rate assumptions of the Pension Benefit Guaranty Corporation have been shown to be inaccurate in predicting the mortality rates of blue collar workers and steelworkers in particular; and

WHEREAS, the Pension Benefit Guaranty benefit maximums will, when applied at LTV Steel Mining Company, result in cutting the pension benefits of LTV Steel Mining retirees by up to 50 percent; and

WHEREAS, the Pension Benefit Guaranty Corporation's analysis of the LTV Steel Mining Pension Plan and decision to terminate has come with virtually no notice; NOW, THEREFORE,

BE IT RESOLVED by the Legislature of the State of Minnesota that it urges the Pension Benefit Guaranty Corporation to delay the termination of the LTV Steel Mining Pension Plan until March 31, 2003, in order to enable the employees of LTV Steel Mining Company and the State of Minnesota to study possible alternatives to a Pension Benefit Guaranty Corporation distressed termination.

BE IT FURTHER RESOLVED that the Secretary of State of the State of Minnesota is directed to prepare copies of this memorial and transmit them to the Pension Benefit Guaranty Corporation, the President and the Secretary of the United States Senate, the Speaker and the Clerk of the United States House of Representatives, the chair of the Senate Committee on Health, Education, Labor, and Pensions, the chair of the House Committee on Education and Workforce, the Secretary of Labor, the Secretary of Commerce, the Secretary of the Treasury, and Minnesota's Senators and Representatives in Congress.

Presented to the governor February 25, 2002

Signed by the governor February 27, 2002, 2:25 p.m.