Thank you, Brian

- Congressman Roe, Congressman Norcross, thank you for inviting me to join you today and for your commitment to helping workers and employers strengthen the multiemployer pension system.

- My name is Carol Duncan. I am the owner and CEO of General Sheet Metal, Clackamas, Oregon. GSM is a small business that employs between 60 and 100 craftspeople. We perform public and private construction services in several divisions, including mechanical, siding, roofing and metal fabrication.

  - My company was purchased by my father and uncle in 1972 to provide sheet metal to two roofing companies they operated.

  - I began working for the company when I was 21, and took over the company in the 90s.

  - My brothers still own the roofing company that my family started in 50s.

  - Both companies contribute to several multiemployer pension plans.

  - My husband retired after 47 years in construction and draws his retirement benefits from our local and national plans.

  - My daughter, Ashley, who is here today, has been involved since she knew her ABCs and could file, becoming full-time when she graduated from college 5 years ago. She would like to become
the third-generation owner. But without changes to the multiemployer pension system, I don’t know if she should.

- We have created a successful business, but both of the defined benefit plans we contribute to now have unfunded liabilities caused by circumstances over which GSM has no control. My withdrawal liability exceeds the value of my company. I am unwilling to pass on this uncertainty—and liability—to my daughter and that is a horrible position to be in as a business owner and a mother.

- My company has been named as one of Oregon’s 100 best companies to work for 9 out of the last 10 years. I’m proud of that. I would like nothing more than for Ashley to be able to continue that legacy.

- And, that’s really why I am here today. I support the GROW Plan as a solution. As a business owner, the way I see it, the Grow Plan is good for employers and for employees.

  - The Grow Plan would help with the withdrawal liability problem and still allow employers like me to be able to provide a lifetime pension benefit. Retaining and increasing the number of employers and employees in the multiemployer system is critical.

- As you know, outdated pension and tax laws prevented plans from maintaining sufficient rainy-day funds -- making them vulnerable to the market.
• This is what happened during the recession in the early 2000s and the Great Recession, when plan assets declined dramatically. Increased contribution rates and reduced accruals weren’t enough to cover the losses. **The law changed but the damage was done. Even though employers and workers alike continue to do their part to stabilize the system, it just isn’t enough.**

• Once benefits are promised and there isn’t enough money to cover them, a plan has unfunded liabilities. Employers are responsible for funding shortfalls -- essentially backing up the stock market. **That’s intolerable for employers.**

• Active workers have endured severely reduced accruals and that’s unfair to them.

• Construction Plans were hit by the perfect storm.
  
  o **The stock market collapse.**
  
  o **The Economic Downturn** – Plans take the hit with fewer workers and hours and employer contributions.
  
  o **And, we’re hurt by demographics.** There are more retirees than actives paying into the system. We need to GROW.

• **These factors, which employers can’t control, mean some businesses will fail and others will exit.** I am forced to worry
about the viability of other employers. Last year a competitor of mine, who had been around since the 40s, and about the same size as my company, closed its doors. The remaining contractors in our plan are left to absorb their unfunded liability of several million dollars.

- I’m looking for solutions. I want to offer a good, lifetime pension benefit. That’s another reason I support the GROW Plan because Composite Plans have the best characteristics of a defined benefit model but would not put GSM and other good companies at risk.

- The solution proposed today was recommended by an independent commission and is supported by labor and management.

- It doesn’t depend on a taxpayer bailout and allows plans to help themselves. It protects workers and employers, and provides flexibility to plans to make necessary adjustments.

- Thank you both for your leadership. We hope Congress will take action soon.