



## Legislation Text

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**File #:** Res 2041-2001, **Version:** \*

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Res. No. 2041

Resolution calling upon the Congress of the United States to adopt HR1322, "The Emergency Retiree Health Benefits Protection Act."

By Council Members Povman, Clarke, Harrison, Marshall and Moskowitz; also Council Members Eisland and Michels

Whereas, The Employee Retirement Income Security Act of 1974 prohibits companies from reducing pension benefits after workers have retired but offers no such protection for retirees' medical benefits; and

Whereas, Spiraling inflation in health care costs, changes in United States accounting standards and increased international competition have caused United States companies to severely cut medical benefits for former workers after they have retired; and

Whereas, Additional factors in cutting medical benefits for present and retired workers include the philosophy of making workers more responsible for their own retirements and retirees' preference for traditional fee-for-service plans which lack the cost-control features of managed health plans; and

Whereas, HR1322, "The Emergency Retiree Health Benefits Protection Act," would prohibit post-retirement cuts in medical benefits, would require group health plans to restore benefits reduced after retirement if it is not a business hardship to plan participants, and would establish the Emergency Retiree Health Loan Guarantee Program and a related Board to guarantee loans provided by private banking and investment institutions to eligible plan sponsors to assist them in meeting obligations under the proposed Act to restore benefits reduced after retirement; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the Congress of the United States to adopt HR1322, "The Emergency Retiree Health Benefits Protection Act."

[1013]