

# NATIONAL COORDINATING COMMITTEE FOR MULTIEMPLOYER PLANS

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October 11, 2022

The Honorable Lisa Gomez  
Assistant Secretary  
Employee Benefits Security Administration  
U.S. Department of Labor  
200 Constitution Avenue, NW  
Washington, D.C. 20210

*Submitted electronically via [www.regulations.gov](http://www.regulations.gov)*

**Re: Notice of Proposed Amendment: Proposed Amendment to Prohibited Transaction Class Exemption 84-14 (the QPAM Exemption) (RIN 1210 ZA07) Docket No. EBSA-2022-008**

Dear Assistant Secretary Gomez:

On behalf of the National Coordinating Committee for Multiemployer Plans (“NCCMP”), this is our request to testify at the upcoming hearing regarding the proposed amendment to the prohibit transaction class exemption 84-14 (the QPAM exemption) from the prohibited transaction provisions of the Employee Retirement Income Security Act of 1974, *as amended* and the Internal Revenue Code of 1986, *as amended*.

The NCCMP is the only national organization devoted exclusively to protecting the interests of multiemployer plans, as well as the unions and the job-creating employers of America that jointly sponsor them, and the more than 20 million active and retired American workers and their families who rely on multiemployer retirement, health and welfare plans. The NCCMP’s purpose is to assure an environment in which multiemployer plans can continue their vital role in providing retirement, health, training, and other benefits to America’s working men and women.

The NCCMP is a non-partisan, nonprofit, tax-exempt social welfare organization established under Internal Revenue Code Section 501(c)(4), with members, plans and contributing employers in every major segment of the multiemployer universe. These industries include airline, agriculture, building and construction, bakery and confectionery, entertainment, health care, hospitality, longshore, manufacturing, mining, office employee, retail food, service, steel, and trucking/transportation. Multiemployer plans are jointly trusted by labor and management trustees.

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As NCCMP's Executive Director, I would sever as NCCMPs witness. My contact information is as follows:

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The NCCMP's comment on the proposed amendment will be filed on October 11, 2022.

We anticipate that the testimony presented will generally raise the issues below, which will also be discussed in NCCMP's comment letter:

- NCCMP's concern that the proposed rule will (1) increase plan expenses by virtue of making QPAM's more expensive due to increased risks to the QPAM, the renegotiation of the contracts that underlie the QPAM, as well as likely need to restructure and unwind existing investment structures, (2) make QPAM's less available to multiemployer plans, and (3) impede the normal and customary investment process of multiemployer plans and their QPAM's.
- NCCMP's concern with the requirement that all QPAM management agreements be reopened to include certain conditions, and the unintended consequences of reopening those agreements.
- NCCMP's concern that disqualification of QPAMs for activities of unrelated portions of a business in remote regions of the world with disparate due process requirements or for non-prosecution or deferred prosecution agreements would result in costly disruption of a plan's investment operations.
- NCCMP's recommendation that the 1-year wind-down period be restructured to first allow a QPAM to seek an individual exemption and then to permit a plan to transition in the event a new QPAM is needed.

We appreciate the opportunity to present the views of the NCCMP and look forward to confirmation of our request to testify.

Regards,



Michael D. Scott  
Executive Director