

Congress of the United States
Washington, DC 20515

June 25, 2009

The Honorable Timothy F. Geithner
Secretary of the Treasury
Department of the Treasury
1500 Pennsylvania Avenue, NW
Room 2134
Washington, DC 20220

Dear Secretary Geithner:

We are gratified that the current plan for the reorganization of General Motors amply funds, with the help of the Federal Government, a Voluntary Employee Beneficiary Association (VEBA) for United Auto Workers (UAW) represented retirees. This VEBA protects, in large measure, the health and life insurance benefits of more than 500,000 persons that were promised by GM for a lifetime of dedicated work. We ask that this same treatment be expanded to include non-UAW retirees.

Your representatives played a key role in structuring the arrangements that saved that insurance coverage for retirees who worked in plans represented by the UAW, and you have our thanks for their work. We only wish we could say the same concerning the insurance coverage of nearly 50,000 retirees and dependents from GM plants represented by other unions, including the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers (IUE)-Communication Workers of America (CWA), the United Steelworkers (USW), and the International Union of Operating Engineers (IUOE). In negotiations with these unions, General Motors has proposed to eliminate all health insurance benefits for Medicare-eligible retirees and their dependents, provide to pre-65 retirees an unaffordable plan that for a family would provide not a penny in benefits until the retiree had paid \$8,140 in premiums and deductibles -- an amount greater than many retirees' pensions, and reduce life insurance to a \$10,000 maximum. In presenting this proposal, GM's negotiators stated that they had been authorized by the Treasury Department to make only this proposal, that they had no room to move, and that unless the unions accepted this proposal their retirees would be left with nothing. In short, it is your representatives who have decided that these retirees will not have an opportunity for a decent retirement.

Your representatives' decision has an impact far beyond the retirees and their families. Crucially, the great majority of these affected persons live in Dayton and Warren, Ohio -- two cities already suffering due to the closing of GM and Delphi plants and whose recovery will be crippled by the loss of health insurance by tens of thousands

of their residents. As Ohioans, these people and their cities are dear to us and that is why we write to you, both Republicans and Democrats, to urge the Treasury Department to do the right thing, which is to treat these retirees exactly as it treated the UAW represented retirees by either placing them in the UAW VEBA, with proportionately increased funding so the UAW retirees suffer no diminution of benefits, or by creating a separate non-UAW VEBA with funding sufficient to provide identical benefits. These retirees represented by other unions did the same jobs as UAW retirees, received similar benefits to the UAW retirees, and paid the same taxes that are being used to fund the UAW VEBA. Simple justice requires that your Department afford them access to the same medical and life insurance benefits.

We urge you to authorize your representatives to immediately direct General Motors to make a proposal affording identical treatment to non-UAW retirees and to begin negotiations with the unions representing these retirees as quickly as possible so that this matter can be concluded prior to the sale of GM's assets in the bankruptcy proceeding. We thank you for your kind consideration of our request and await your response.

Sincerely,

Betty Sutton

E. C. Smith

Tom Brown

Paula Wilson

Marcia L. Oudge

Marcy Kaptur

Tim Ryan

Shirley Brown

Dennis J. Kinnick

John Paul

Rat Tiber

Robert Brown

Mary Jo Hilroy

Mitch McConnell