



Office of the Press Secretary

FOR IMMEDIATE RELEASE

October 22, 2020

MEMORANDUM FOR THE SECRETARY OF THE TREASURY

THE SECRETARY OF COMMERCE

THE SECRETARY OF LABOR

SUBJECT: Pensions of Delphi Corporation Retirees and Other

Retirees Covered by Vulnerable Pension Plans

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

Section 1. Purpose and Policy. (a) For years, Delphi Corporation was a fixture in the United States automobile manufacturing industry. The company supplied American car makers with automobile parts ranging from air bags to steering wheels. Tens of thousands of Americans made their careers at Delphi, and, through their work, helped to establish America as the world's preeminent producer of automobiles.

After Delphi went bankrupt, thousands of salaried and non-unionized Delphi workers, through no fault of their own, had their pension plan terminated, upon which trusteeship was transferred to the Pension Benefit Guaranty Corporation (PBGC) for administration, consistent with statutory limits. These workers' unionized colleagues were able to keep their full pensions through a deal with General Motors. A group of salaried and non-unionized Delphi retirees who did not benefit from their unionized colleagues' deal with General Motors have spent the last decade in legal and financial limbo as they challenged the termination of their pension plan in the Federal courts. That litigation remains ongoing, and the Court of Appeals for the Sixth Circuit recently affirmed the district court's grant of summary judgment against the retirees.

The previous Administration failed to fully protect the pensions of Delphi's salaried and non-unionized workforce, despite that Administration's substantial influence over General Motors' bankruptcy proceedings. Its actions in this regard are yet another example of how it failed American workers. By contrast, the plight of Delphi's salaried and non-unionized workforce is of great concern to my Administration, which is committed to protecting all American workers.

The treatment of the salaried and non-unionized Delphi retirees has also brought renewed attention to problems with America's pension system more generally. The Government

Accountability Office included PBGC's Single-Employer and Multi-Employer Programs on its list of high-risk Government programs in 2019. Reforms are needed to maintain the solvency of these critical programs into the future, so that those Americans with pensions under the PBGC's trusteeship have financial certainty and security.

(b) It is the policy of the United States to support America's workers, regardless of union affiliation, to protect the pensions of hardworking Americans, and to ensure that America is a global powerhouse of manufacturing and industry.

Sec. 2. Review. (a) The Secretary of the Treasury, the Secretary of Commerce, and the Secretary of Labor, in consultation with the Assistant to the President for Trade and Manufacturing Policy, shall review the Delphi matter described in subsection 1(a) of this memorandum and inform the President within 90 days of the date of this memorandum of any appropriate action that may be taken, consistent with applicable law, to (i) address affected Delphi retirees' lost pension benefits, and (ii) bring additional transparency to the decision to terminate the plan, consistent with appropriate protections for privileged and confidential material. This review shall include an evaluation of the feasibility of enacting legislation and whether the plan may be restored to its pretermination status under section 1347 of title 29, United States Code.

(b) The Secretary of the Treasury, the Secretary of Commerce, and the Secretary of Labor, in consultation with the Assistant to the President for Economic Policy, shall review the pension plans presently held in trusteeship by the PBGC and inform the President within 180 days of the date of this memorandum of any appropriate action that may be taken consistent with applicable law. Actions may include proposing legislation that appropriately balances the interests of all those covered by the pension system — from retirees, workers, employers, and unions, to plans and taxpayers — to address the insolvency of such plans and to maintain the future solvency of the PBGC's Single-Employer and Multi-Employer Programs.

Sec. 3. General Provisions. (a) Nothing in this memorandum shall be construed to impair or otherwise affect:

- (i) the authority granted by law to an executive department, agency, or the head thereof; or
- (ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This memorandum shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

DONALD J. TRUMP