

INTERNATIONAL UNION OF OPERATING ENGINEERS

LOCAL UNION NO. 150, 150B, 150A, 150C, 150RA, 150D, 150G, 150M

AFFILIATED WITH THE A.F.L.-C.I.O. AND BUILDING TRADES DEPARTMENT

JAMES M. SWEENEY
PRESIDENT-BUSINESS MANAGER



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6200 JOLIET ROAD
COUNTRYSIDE, IL 60525-3992

October 15, 2009

Senator Dick Durbin
United States Senate
309 Hart Senate Bldg.
Washington, DC 20510

RE: Proposed Healthcare Reform

Dear Senator Durbin,

As a union representing more than 23,000 members, I.U.O.E. Local 150 fully understands the importance of providing quality healthcare benefits, and while we support legislators' efforts to provide healthcare to all American workers, there are several areas of the healthcare reform legislation as it is currently written which would negatively impact men and women who work hard to purchase quality coverage for themselves and their families.

The proposed 40% excise tax on "high-value" plans is a misguided approach to cost savings. At Local 150, we have provided our members comprehensive health coverage through our multiemployer health and welfare fund for decades. Over the years, we have negotiated the lowest prices possible for our plan, yet our plan would be directly affected by this tax, and so this tax would not be levied upon overpriced benefits, but rather on comprehensive coverage. This kind of backward reasoning would be disastrous to multiemployer benefit funds, and is completely unacceptable for the members we represent.

While President Obama has said time and again that individuals who prefer their current healthcare plans can keep them, this plan includes setting minimum and maximum levels of coverage. If mandated levels of coverage are imposed upon our fund, we will be required to pay for the associated taxes and administrative costs by either reducing our coverage or by reducing wage increases and elevating fund contributions for the same level of coverage. Both of these results would be completely counteractive to the goals of healthcare reform.

This legislation would treat our fund like an insurance company and penalize our members for using collective bargaining to secure benefits. Members forgo increases in wages to divert these dollars toward their healthcare coverage. By taxing our fund, you are directly taxing these workers' money. As President Obama himself has repeatedly stated, workers should not be taxed to provide healthcare for other workers. If workers choose to purchase high-quality health coverage for themselves, they must be allowed to do so. Taxation of benefits is *not* the way to fund this reform.

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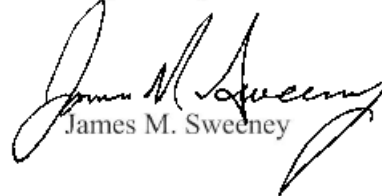
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To secure healthcare for all Americans, employers must be required to either provide meaningful healthcare coverage for their employees or pay a meaningful penalty for shifting the cost onto others. Organizations that have built their legacy upon providing top-notch healthcare should not be penalized for doing so.

At Local 150, we have done right by our members for decades, and I ask that you allow us to continue this tradition by protecting multi-employer benefit funds from these harsh and hastily-conceived taxes.

This is a matter of great importance to our members, so I would appreciate your response.

Respectfully,



James M. Sweeney