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December 14, 2009

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VIA ELECTRONIC MAIL

Ms. Rebecca Anne Batts
Inspector General
Pension Benefit Guaranty Corporation
1200 K Street, N.W.
Washington, D.C. 20005

Dear Ms. Batts,

I write to request that you review the circumstances surrounding PBGC's handling of the 2005 termination of United Airlines' pension plans as the airline went through bankruptcy reorganization. Specifically, I ask that you verify that PBGC properly executed its own protocols and that those protocols remain sufficient to protect the interests of current and future beneficiaries in these types of terminations. As the airline industry continues to face hardship, I want to ensure that the interests of airline workers and retirees are protected so far as is practical.

From January to April 2005, PBGC met with United Airlines officials and negotiated PBGC's role in assuming responsibility for the airline's four pension plans, covering more than 122,000 employees. As a result of the terminations, some pensioners saw their monthly payments reduced by up to two-thirds. This issue is especially relevant in light of a recent GAO report concerning compensation given to executives at ten high-profile companies prior to terminating their rank-and-file employees' pensions. The report found that companies gave significant compensation to executives shortly before terminating underfunded pensions during bankruptcy and handing over responsibility for the plans to PBGC. United Airlines was one of the companies featured in this report.

When corporate reorganizations are undertaken, executives are often able to protect their own interests, but the ability of current and future rank-and-file retirees to protect theirs is often extremely limited. Your review of the negotiated terminations of United Airlines' pension plans may shed light on how and whether worker and retiree interests were protected to the extent practical in this case and in the PBGC's termination processes in general. Thank you for your attention to this request. Please coordinate your work with the Committee's Investigative Counsel, Patrick Findlay, who can be reached at

Ms. Rebecca Anne Batts

December 14, 2009

Page 2

Sincerely,

A handwritten signature in blue ink that reads "George Miller". The signature is written in a cursive style with a large, looping initial "G".

GEORGE MILLER

Chairman

Committee on Education and Labor

cc: John Kline
Ranking Member, Committee on Education and Labor

Robert Andrews
Chairman, Subcommittee on Health, Employment, Labor, Pensions

Tom Price
Ranking Member, Subcommittee on Health, Employment, Labor, Pensions