

LIAISON ALERT

MARCH 2024

IMPORTANT UPDATES ABOUT THE NEBF

We are excited to announce significant improvements to the National Electrical Benefit Fund (NEBF) that will directly benefit our respective members across the country. After careful consideration and analysis, the NEBF Trustees and the National Employees Benefit Board (NEBB) would like to announce the following for the NEBF:

- **“Fresh Start” Amendment:** The NEBF’s actuary has certified that the NEBF currently has no “unfunded vested benefits” (UVBs) and therefore no withdrawal liability as of December 31, 2023, and that it is not projected to have any future UVBs as a result of the multiplier increase and NEIB noted below. In addition, the NEBF has approved an amendment to “fresh start” UVBs effective December 31, 2023, to ensure that no withdrawal liability will exist for any contributing employer in 2024 and that no withdrawal liability is projected as a result of these benefit improvements.
- **One Dollar Multiplier Increase:** The pension benefit multiplier will increase from \$32.00 to \$33.00 per month for participants who retire effective January 1, 2025, or later. This will serve to provide a better benefit to attract and retain a workforce to build the future.
- **One-Time 13th Check:** Recognizing their valuable contributions to the electrical construction industry, retirees with effective dates prior to January 1, 2025, will receive a one time bonus payment on or around November 1, 2025, subject to a favorable actuarial opinion showing no withdrawal liability exists and this action will not create any future withdrawal liability
- **NEBF Contribution Rate:** The “core” contribution rate will remain unchanged at 3% of gross labor payroll. As such, unless the local bargaining parties agree and adopt the optional National Electrical Individual Benefit (NEIB), described below, there will be no additional cost to contributing employers.

AND INTRODUCING AN ADDITIONAL BENEFIT FEATURE

- **National Electrical Individual Benefit (NEIB):** A new, optional benefit feature has been approved that, if adopted by local bargaining parties, would provide participants with an additional monthly retirement benefit and more personal planning opportunities. This benefit feature will be funded by employer contributions of at least \$0.50 per hour worked and provide participants with an additional monthly benefit equal to 1.5% of the contributions made on their behalf. The fund’s actuary projects that the NEIB will further improve the NEBF’s funded status over time. Optional, verbatim language will be made available in the near future for any area choosing to participate.

These enhancements are a testament to the enduring partnership between NECA and IBEW. Through open communication, shared goals, and a commitment to our respective members’ well-being, we have worked together to achieve these significant improvements to the NEBF. This collaboration ensures a brighter financial future for electrical workers and retirees, and demonstrates our collective strength and dedication to the industry.

We are confident these enhancements will solidify the NEBF as a leader in retirement benefits for the electrical industry. We remain committed to transparency and open communication, and we will keep you informed as these changes move forward. You can view an additional overview video about these changes and updates by scanning the QR code to the right.



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