

Written Testimony by Mary Ann Hudzik
Financial Services Oversight and Investigations Subcommittee Field Hearing
Canfield, Ohio
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Good Morning Chairman Moore and other Committee members. Thank you for inviting me to testify here today about the Delphi Salaried Pension loss impact. My name is Mary Ann Hudzik. I retired from Delphi in 2008 after 30 1/2 years of service, 22 of those as a GM employee, being involuntarily terminated and pension eligible. I worked 11 years in Accounting, 19 years in Sales and short time in Customer Service. I retired believing that I would have healthcare, life insurance and pension for the rest of my life which were part of my overall compensation package and, because, even in bankruptcy, we were assured our pensions were securely funded.

Not long before I retired, I was presented with an Excellence in Action award for providing ***valuable leadership in increasing Delphi's overall cash flow by being instrumental in reducing the unbilled sales by approximately \$3M.*** Shortly after retiring it was decided that I, and those like me, had no more 'commercial value' so I lost all earned post employment benefits including my pension, which, after PBGC takeover, was reduced by 40%. So my dedication and years of loyal service to both GM and Delphi were irrelevant to those companies, but worse, to our government, who agreed that I had no commercial value and therefore was not entitled to my full pension while friends who were in a union, working for the same company, were entitled to theirs, utilizing TARP funds. I am not unhappy for my friends, only perplexed at why we are being treated so differently and what will be done about it.

I will tell you how this injustice has affected me personally. My husband is self employed and therefore on my benefits and he is a chronic pain patient. Often he cannot sleep due to the pain and sits up all night, leaving for work having never even gone to bed or sometimes not even being able to work. As anyone who is self employed knows, no work, no pay. He has endured many nerve blocks as well as surgery and still he suffers. Additionally, due to multiple chemical allergies, I myself must seek out specialists for things like dental treatments because anything that is used on me must be custom designed and appropriately applied. The costs associated are 3 times higher and not always covered by insurance. My pension reduction along with the added costs of our lost healthcare and life insurance were not something we anticipated. Our hope was that at least one of us would have a livable pension and other needed benefits.

There are far worse situations within our retiree ranks and Delphi is not the only story of pension and benefit loss in the Mahoning Valley and throughout the country. My father and grandfather were steelworkers. I know the heartache that came with the doors to those plants closing. It is inhumane, in my opinion, to rip away pensions when people are least able to replace the income. Work a Senior Fair and you will hear one story after another of widows living on \$50.00 a month pensions. The story here, though, is that the U.S. Government stepped into a private sector bankruptcy and decided, with tax payer dollars, who should be hurt and who should not. If you were the

politically strong and powerful, as one committee director told me, you get taken care of.

I am outraged by this treatment. That we have to fund an expensive law suit on reduced income in the hopes of justice. An expensive process while our opponents have deep pockets thanks to tax payer dollars. If PBGC improperly or illegally terminated our pensions, it also affects current salaried workers as their ability to 'age out' further was stopped. How demoralizing to essentially be used to help line the pockets of CEOs and then to be, in effect, discriminated against by our own government. \$8M awarded for a healthcare VEBA which the retirees had to fight for in court at their own expense which amounts to roughly \$300. per retiree over their lifetime while a handful of GM Execs will get millions in stock and compensation packages while shedding selected baggage. How shameful. Really. We have plenty of pent up demand for GM cars within the retiree ranks but loyalty works both ways. Our treatment should be a wakeup call to all Salaried workers in this country, including those at GM.

I agree with the President when he says *"We face a deficit of trust." "We need to do our work openly." "People have lost faith in their government."* Almost a hundred Congressmen and Senators have repeatedly voiced their concern and support of us. We've had House and Senate HELP Committee Hearings, support from Governors, Attorneys General, State Representatives, Union and Community leaders for over a year now and still no response from the Administration. Dr. Ed Montgomery, the President's former Auto Czar visited with us and was presented the Youngstown State University economic impact study and assured us he himself would take it back to the President. That was a year ago. Thousands of letters written, emails, phone calls, volunteers devoting hundreds of thousands of hours to this pursuit of justice when many of us now need to be working to make up for the losses, pleading for someone to listen to our voices and yet silence from those who can right this wrong.

We are present today for our 3rd hearing in 9 months. My hope is that enough has been heard to move toward a resolution or to quote the President , "I'm not interested in words, I'm interested in action". The 08' Democratic Nat'l Platform pg.13 says **"We will make it a priority to secure for hard working families the part of the American Dream that includes a secure and healthy retirement. We will adopt measures to preserve and protect existing public and private pension plans."** Once this government, MY government, stepped into the GM/Delphi bankruptcy, all impacted retirees should have been dealt with fairly and equitably. We did nothing to deserve to be robbed of our dreams, our hopes, our plans for a secure future and to be sent into a downward spiral of existence while protecting the favored.

Mr. Chairman, I request that this is the hearing to end all hearings and that you move quickly to facilitate a resolution discussion between Treasury, PBGC, GM and DSRA. It is well past time for all affected parties, Hourly and Salaried, to be treated fairly.

Thank You
Mary Ann Hudzik