

SENATE JOINT RESOLUTION 11

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2003 Regular Session
3lr2617

By: **Senators Stone, McFadden, Della, Hollinger, Hughes, Jimeno, Jones,
and Klausmeier**

Introduced and read first time: February 26, 2003

Assigned to: Rules

Re-referred to: Finance, March 3, 2003

Committee Report: Favorable

Senate action: Adopted

Read second time: March 18, 2003

RESOLUTION NO. _____

1 A Senate Joint Resolution concerning

2 **Bethlehem Steel Corporation Retirees Health Care and Life Insurance**
3 **Benefits**

4 FOR the purpose of urging the Bethlehem Steel Corporation, International Steel
5 Group, the United Steelworkers of America, the Governor, and the Maryland
6 Congressional Delegation to take appropriate measures to assure continued
7 affordable health care and life insurance benefits for Bethlehem Steel
8 Corporation retirees and their dependents.

9 WHEREAS, Bethlehem Steel Corporation ("Bethlehem") has operated a steel
10 mill and shipyard at Sparrows Point in Baltimore County for more than four
11 generations that currently employs 3,300 people; and

12 WHEREAS, Bethlehem has been operating under the protection of Chapter 11
13 of the United States Bankruptcy Code since October 2001, and now, pending approval
14 of the Bankruptcy Court, has agreed to be sold to International Steel Group, Inc.
15 ("ISG") of Cleveland, Ohio, which bought and reopened the bankrupt LTV
16 Corporation's steel mills in the spring of 2002; and

17 WHEREAS, Bethlehem gave written notice on February 6, 2003 that it plans to
18 end health and life insurance benefits for its retirees and dependents on March 31,
19 2003, which is a devastating blow to 19,000 Baltimore area retirees and dependents
20 who now face the prospect of skyrocketing monthly health care insurance bills; and

21 WHEREAS, Representatives of Bethlehem retiree groups are attempting to
22 negotiate with Bethlehem officials an extension of the termination date of health care
23 and life insurance benefits from March 31, 2003 to May 31, 2003 to allow time for
24 negotiation of group replacement health care benefit coverage with several bidding
25 insurers, and a union-negotiated trust to cover retiree health insurance benefits

1 similar to a trust ISG negotiated with the union for the benefits of retirees of LTV
2 Corporation and Acme Steel Corporation; and

3 WHEREAS, It is imperative that group health care insurance and life insurance
4 replacement coverage be negotiated to provide comparable benefits at affordable
5 premiums to the 19,000 Bethlehem retirees and their dependents in light of the fact
6 that most retirees are on fixed income and have health issues to manage resulting
7 from their employment; now, therefore, be it

8 RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That
9 Bethlehem Steel Corporation, International Steel Group, Incorporated ("ISG"), and
10 the United Steelworkers of America are urged to work together to negotiate a group
11 health care insurance and life insurance plan at affordable rates for Bethlehem Steel
12 Corporation retirees and dependents who have lost or will lose their health care
13 insurance and life insurance coverage as a result of Bethlehem Steel Corporation's
14 termination of benefits announced February 6, 2003; and be it further

15 RESOLVED, That Bethlehem Steel Corporation and ISG are requested to pay
16 for as much of the retiree's and dependent's replacement health care insurance and
17 life insurance coverage as possible and to take action to ensure as smooth a transition
18 as possible; and be it further

19 RESOLVED, That ISG is requested to establish a benefit trust for Bethlehem
20 Steel Corporation retirees and dependents similar to the benefit trust ISG
21 established for the retirees of LTV Steel Corporation and Acme Steel Corporation; and
22 be it further

23 RESOLVED, That the Governor is requested to determine what assistance the
24 State can provide to Bethlehem Steel Corporation retirees and dependents who lose
25 their health insurance and life insurance benefits because of the termination of
26 benefits by Bethlehem Steel Corporation; and be it further

27 RESOLVED, That the Maryland Congressional Delegation is requested to seek
28 federal aid for Bethlehem Steel Corporation retirees and dependents who lose their
29 health insurance and life insurance benefits because of the termination of benefits by
30 Bethlehem Steel Corporation; and be it further

31 RESOLVED, That a copy of this Resolution be forwarded by the Department of
32 Legislative Services to the Honorable Robert L. Ehrlich, Jr., Governor of Maryland;
33 the Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; and
34 the Honorable Michael E. Busch, Speaker of the House of Delegates; and be it further

35 RESOLVED, That a copy of this Resolution be forwarded by the Department of
36 Legislative Services to the Maryland Congressional Delegation: Senators Paul S.
37 Sarbanes and Barbara A. Mikulski, Senate Office Building, Washington, D.C. 20510;
38 and Representatives Wayne T. Gilchrest, C. A. Dutch Ruppersberger III, Benjamin L.
39 Cardin, Albert R. Wynn, Steny Hamilton Hoyer, Roscoe G. Bartlett, Elijah E.
40 Cummings, and Christopher Van Hollen, Jr., House Office Building, Washington,
41 D.C. 20515; and be it further

1 RESOLVED, That a copy of this Resolution be forwarded by the Department of
2 Legislative Services to Robert S. Miller, Jr., Chairman of the Board and Chief
3 Executive Officer, Bethlehem Steel Corporation, 1170 Eight Avenue, Bethlehem, PA
4 18016-7699; Wilbur L. Ross, Jr., Chairman of the Board and Chief Executive Officer,
5 W. L. Ross and Company, L.L.C., Manhattan Tower, 101 East 52nd Street, New York,
6 NY 10022; and Leo Gerard, International President, United Steelworkers of America,
7 5 Gateway Center, Pittsburgh, PA 15222.