

Delta retirees bank on pension law

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A group representing retired Delta Air Lines Inc. pilots and their families said a new federal law might allow the airline to keep its pension plan and asked a U.S. judge to delay a hearing to consider terminating it.

DP3, a nonprofit corporation representing 2,850 retired pilots and family members, said the Pension Protection Act of 2006, signed into law Thursday, appears to free Delta from having to make lump-sum payments to retirees. Without having to make such payments, Delta might be able to save its plan, DP3 said in a U.S. Bankruptcy Court filing.

"The termination of the retirement plan is relief of the last resort and will result in immediate and irreparable harm to the retired pilots," Shelley Rucker, the group's lawyer, said in court papers. "Every means of avoiding it should be explored."

Delta, the third-largest U.S. airline, said Aug. 4 that it won't be able to exit bankruptcy unless the plan is terminated.

About 1,946 pilots will be eligible to retire on Oct. 1. Of those, 857 would have the choice of receiving \$500,000 up front unless the plan is terminated.