

PENSION PROTECTION ACT OF 2005

SPEECH OF

HON. DIANA DeGETTE

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 15, 2005

Ms. DeGETTE. Mr. Speaker, I rise today in strong support of comprehensive pension reform, a topic that has been weighing heavily on the minds of thousands of my constituents, not to mention workers and retirees across the country. While I agree with many of the provisions of H.R. 2830, I cannot in good conscience support the bill in its current form. In fact, some provisions could make the current situation worse.

I don't believe it's fair to rush through this complicated issue, one that is so critical to workers and retirees, without meaningful public debate and thorough consideration of alternatives. I had hoped to support this legislation, but I have many misgivings in its current form. We need to make it harder, not easier, for companies to unload pensions onto the taxpayers. We need to give employers more, not fewer incentives to keep their promises to retirees. And we need to return the PBGC to sound financial footing to protect the retirement security of hardworking Americans. On whole, many provisions in this bill will be a marked improvement over current law, but I cannot support it because we can do much better.

For years, workers depended on employer-sponsored pensions to pay their bills and live comfortably in retirement. But now workers and retirees live in fear of losing these benefits, which they have rightfully earned over long careers. Each week it seems another company is considering bankruptcy filing, and too often the first costs they want to unload are promises to pensioners. Nationwide, the pension system is underfunded by \$450 billion. We must do what we can to require companies to take all possible steps to fulfill the promises they make to workers. Unfortunately, the bill before us may make the problem worse, and could force even more companies to unload their pensions.

The bill fails to shore up the Pension Benefit Guaranty Corporation, the government insurer of defined benefit pensions. The PBGC is currently \$24 billion in the hole, and if we do not take meaningful steps now, it will require a taxpayer bailout. I support a Democratic alternative that would make it harder for companies to unload their obligations to the PBGC, and help return the agency to solvency. This option was not even given the benefit of an up-or-down vote.

Another major concern I have with this legislation is its lack of protection for older workers. Cash balance plans, hybrid plans that have become attractive alternatives to traditional pension plans, can unfairly discriminate against older employees. When companies switch to cash balance plans, older workers often see their promised benefits summarily reduced. Even the Bush administration has recognized these complications, and I would like to see a pension bill with more adequate protections for older workers.

This bill also fails to hold company executives to the same standards they expect of their rank-and-file employees. When faced with financial problems, CEOs have made de-

cisions to cut the benefits earned by employees and unloading pension obligations onto the federal government. Far too often, these executives escape with multi-million dollar benefit packages, leaving the company in bankruptcy and workers in poverty. Congress has the chance to require our business leaders to act in the best interest of their firm and their employees, and sacrifice along with them if the financial situation is beyond repair.

I am also concerned that this bill does not have sufficient disclosure requirements. Beneficiaries have the right to know the funding status of their pensions, and companies should not be allowed to keep this information from regulators or retirees. Current law allows companies to use accounting techniques to make their pensions seem more solvent than they really are. This needs to stop, but bill does not go far enough.

Mr. Speaker, on the same day voters are going to the polls in Iraq, democracy has been subverted in this distinguished chamber. The majority has not allowed adequate time for debate on this measure, refused to allow the consideration of amendments, and did not allow the Democrats to offer a common-sense alternative. This is no way to legislate, and we can do better.

DEPARTMENT OF JUSTICE APPROPRIATIONS AUTHORIZATION ACT, FISCAL YEARS 2006 THROUGH 2009

SPEECH OF

HON. LUCILLE ROYBAL-ALLARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, December 17, 2005

Ms. ROYBAL-ALLARD. Mr. Speaker, I rise today to support the reauthorization of the Violence Against Women Act, VAWA, as part of the Department of Justice Appropriations Authorization Act. In particular, I thank the conferees for including my provision to establish a national resource center to help employers address the negative consequences of domestic and sexual violence in the workplace.

Since the Violence Against Women Act was first passed in 1994, law enforcement has enhanced its response to crimes involving violence against women, Federal prosecutors have increased actions against perpetrators of domestic violence, and many critical services and programs have been created to assist victims of such violence.

Yet, despite the protections of VAWA, every year thousands of women are forced to stay in abusive relationships because they lose their jobs and therefore are unable to provide for themselves and their children. To protect them from this negative economic impact the national resource center will provide employers with the information and expertise they need to keep their employees while helping them address the violence in their lives. This will also benefit employers who, according to the Bureau of National Affairs news service, lose \$3 to \$5 billion annually in lost time and productivity. I am very pleased that starting in 2007 the center is authorized to receive \$1 million annually for 5 years.

Mr. Speaker, once again I thank my colleagues for working with me to include the creation of a national resource center in the

reauthorization of VAWA. The center will be a critical step in protecting the economic security of victims of domestic violence and empowering them to end their cycle of violence. I look forward to working with my colleagues to further ensure the financial independence of domestic violence victims by passing my bill, H.R. 3185, the Security and Financial Empowerment, SAFE, Act.

CONFERENCE REPORT ON S. 1932, DEFICIT REDUCTION ACT OF 2005

SPEECH OF

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Sunday, December 18, 2005

Mrs. MALONEY. Mr. Speaker, I rise in support of the deposit insurance provisions of this legislation which implement reforms that are long overdue and that I have worked on for a long time. I strongly support the Safe and Fair Deposit Insurance Act of 2005, which provides for establishment of the Deposit Insurance Fund and for the merger of the Bank Insurance Fund and the Savings Association Insurance Fund into it. I also support the Deposit Insurance Reform Act of 2005, which revises requirements for deposit insurance.

Unless this bill passes before year end, community and regional bankers could face higher deposit insurance premiums, taking capital out of communities and sending it to Washington.

Congress has been considering major reforms to the nation's federal deposit insurance system for several years. From the time I joined this Committee at the close of the S&L crisis, I have been committed to legislation and oversight of the banking system, including deposit insurance reform, that ensures we will not repeat that crisis.

Just this year the House voted 413-10 to pass deposit insurance reform as a standalone bill, H.R. 1185. As an original cosponsor of H.R. 1185, as well as its predecessor in the 108th Congress, I am a long-time supporter of this reform bill.

It is long past time to merge the insurance funds. Additionally, eliminating the 23 basis point cliff and providing a new premium system that takes into account the past contributions of institutions are major steps forward. The mechanism for determining credit for past contributions is based on an amendment I cosponsored with former Rep. Bereuter last Congress. This provision is critically important as premiums banks pay to the FDIC limit their ability to make loans in the communities they serve. This balanced amendment is now part of the legislation.

In the House bill there was debate over what number should be the new limit of insured funds. The budget reconciliation conferees crafted a compromise that will provide safety and stability to our nation's financial system by giving the FDIC increased flexibility to administer deposit insurance. It will also benefit consumers by raising coverage levels for certain retirement accounts and adjust coverage for inflation.

For over 70 years our constituents—both banks and account holders—have depended on the deposit insurance system to protect their savings and maintain the safety and