

too important to the country. It is an issue that deserves a response. It deserves an answer and needs a solution.

I am very pleased to be working with the Presiding Officer on this issue. I hope in the next few days and weeks we will have an opportunity for full, fair debate and then a vote up or down on what is something of great need so we can engage with the House of Representatives in a conference committee and final resolution to this difficult issue for America.

I yield the floor.

The PRESIDING OFFICER. The distinguished assistant majority leader.

Mr. MCCONNELL. Mr. President, let me commend the Senator from Florida and the occupant of the chair for their extraordinary leadership on this difficult issue the Senate has been wrestling with for the last couple of weeks. I join the Senator from Florida and the occupant of the chair, the distinguished Senator from Nebraska, in hoping that this issue will come back before the Senate and we will be able to deal with it in a comprehensive manner sometime in the very near future.

CONFERENCE ON THE PENSION REFORM BILL

Mr. REID. Mr. President, I am concerned with the lack of progress being made in conference on reaching a final agreement on the pension bill. To this point, little movement has been made to bridge the differences between the House and Senate bills.

This process does not need to be a partisan one. Throughout consideration of the pension bill, Democrats have worked with Republicans to move forward on pension reform. The Senate, working in a bipartisan manner, was able to produce a strong bill that passed by a vote of 97 to 2.

Democrats are eager to participate in the conference negotiations and are committed to enacting a strong pension reform bill. It is my hope that a conference agreement can be completed in a timely manner so that the uncertainty surrounding pensions can be resolved.

However, House Republicans seem intent on producing a bill without including Democrats. That would be unfortunate and is likely to produce a bill that fails to meet the principles supported by the Democratic caucus.

The Senate pension bill was crafted with bipartisan participation, and that approach produced a bill that received almost unanimous support in the Senate. Working together, the conferees can produce a conference agreement that would garner an equally strong vote.

Attached is a set of principles that our caucus has supported throughout consideration of this important bill. I believe these principles should be the basis for any agreement reported by the conference. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The conference agreement should include balanced funding rules

The conference agreement should strike a proper balance between improving pension funding and keeping these plans an attractive benefit option for employers. While there is a trend away from defined benefit pension plans and this trend is likely to continue, rules should not be enacted that exacerbate this problem.

The key is to establish new rules that impose stronger funding requirements while maintaining incentives for employers to continue these plans. The Administration missed the mark on this. Their focus was primarily on the health of the PBGC and the ramifications for the future of defined benefit pension plans were considered collateral damage.

Democrats in the Senate share the concern over the PBGC's finances, but they also want help to preserve the traditional defined benefit system.

The conference agreement should protect older workers while clarifying the status of cash balance plans

As a type of defined benefit pension plan, cash balance plans contain protections for participants that Democrats support.

Cash balance plans are insured by the PBGC. They provide greater portability for workers. And they are more easily understood by participants.

On the other hand, some companies used conversions to cash balance plans to hide the fact that they were cutting benefits for workers. In some instances older workers saw their future pension accruals frozen for many years as a result of "wearaway" provisions of the new plans.

Recent court decisions on the legality of cash balance plans have created uncertainty for employers who maintain cash balance plans. Congress should clear up this uncertainty, but Senate Democrats will insist that rules be established to protect older workers.

The conference agreement should include targeted relief for troubled industries

The airline industry, and more importantly its workers, has faced difficult times the past few years. Those difficulties are likely to continue for some time.

In recognition of these difficulties, the Senate bill gives the airlines more time before the new stricter funding rules apply. This idea also has strong support in the House where a motion to instruct the House conferees to accept the Senate provision passed by a vote of 265-158.

The conference agreement must include relief to troubled industries.

The conference agreement should improve employer-based retirement savings plans

The Senate bill includes changes to defined contribution plans that address the problems uncovered as a result of the collapse of Enron.

These changes include getting better and timelier information to plan participants and giving participants greater ability to diversify away from employer stock.

The Senate bill also includes provisions allowing employers to incorporate automatic enrollment in their plans. The overwhelming evidence suggests that auto enrollment will significantly increase worker participation in DC plans.

Many 401(k) plan participants are looking for specific advice on how to invest their plan assets. Employers who would like to provide this to their employers are usually

advised not to do so because it could subject the employer to liability for investment losses. The Senate bill provides employers relief from this liability so long as the investment advisors are independent.

The conference agreement should include reform of multiemployer pension plans

Multiemployer plans are defined benefit plans maintained by two or more employers. One in four pension plan participants are members of multiemployer plans.

Employers, employer associations, unions and multiemployer plans have worked together on a package of changes to improve multiemployer plan funding.

The conference agreement must include reforms that give these plans the tools they need to address their funding needs.

The conference agreement cannot include provisions that undermine patient's rights

At the 11th hour the House leadership inserted a special interest provision into the pension bill to benefit the insurance industry.

This provision would put insurance companies ahead of injured patients in any claim against wrongdoers.

The conference agreement should modernize ERISA without weakening worker protections

In the 32 years since ERISA was enacted it has served pension plan participants quite well. The Senate bill makes improvements to these rules while retaining important worker protections.

Conferees should be very cautious about going further than the Senate bill.

The financial strain facing pension plans makes it even more critical to retain provisions that guard against self dealing and conflicts of interest.

Recent scandals involving some mutual fund and other financial services providers highlights that these protections are vital to protecting our current and future retirees.

The conference agreement should be fiscally responsible

The Senate bill's cost is modest at \$12 billion, attributable to the changes made to the funding rules and the cost of the automatic enrollment changes.

The House loaded up its pension reform bill with nearly \$87 billion in tax cuts over the next ten years.

The Savers credit, which helps low- and middle income families save for retirement expires at the end of this year. It certainly should be extended, and is included in the list of expiring provisions that are part of the conference negotiations on the tax reconciliation bill.

The House also included permanent extension of the higher contribution limits for 401(k) plans and IRAs that were part of the 2001 tax cut bill. These provisions are popular, but they don't expire for another four years. There are many equally popular tax provisions that have already expired and should be considered first. For example, the research credit, the state and local sales tax deduction, the credit for hiring disadvantaged workers, and the deduction for classroom expenses paid by teachers have all already expired. Before we consider provisions that won't expire for another four years, we need to extend these important items.

The remaining tax cuts in the House bill relate to health care. Health care affordability is an important issue, which deserves to be addressed in its own right on a comprehensive basis, not piecemeal as an afterthought to this pension bill.

CFIUS REFORM LEGISLATION

Mr. REID. Mr. President, I wish to take a moment to acknowledge Senators SHELBY and SARBANES in their

work to ensure national security is at the forefront of the critical Government review process that is triggered when a foreign-owned company attempts to purchase U.S. companies and assets. At the same time, Senators SHELBY and SARBANES struck a balance that will not unnecessarily hinder investment in America.

The Dubai Ports fiasco shined a light on a flawed process at the Committee on Foreign Investment in the United States—referred to as CFIUS. It raised questions regarding the competence of those in the Bush administration to review these matters and make decisions about the purchase of strategic U.S. assets. It also raised questions about a process that did not trigger a full investigation into a transaction that was so important to our national security.

Members of Congress, Governors, and even the President found out about the approval only through newspaper reports. Notwithstanding the President's knee-jerk threats to veto legislation overturning the deal and frantic efforts by the Treasury and Homeland Security to justify this sale, the American public is rightly convinced that something needs to be changed about the CFIUS process.

First, this process has to place a far greater emphasis on national security. Second, the process has to have more legitimacy—so the American public will have confidence that these sales of strategic assets get the thorough review they deserve by Government. Third, the CFIUS process must require a greater level of accountability from those who administer the program so that we ensure that the process is followed as designed. Finally, the process must be balanced to ensure that the vast majority of transactions that raise no concerns are not inadvertently undermined.

The Senate Banking Committee on Thursday voted to report legislation unanimously that would reform the CFIUS process. It was a difficult job. I commend Senators SHELBY and SARBANES for putting together bipartisan, consensus legislation that puts security first, while striking a balance that continues to welcome foreign investment. America has benefited a tremendous amount from foreign investment into our economy, so I am glad that we have not overreacted to the Bush administration's mistakes and mismanagement in their review of these important transactions.

As with other legislation we deal with, this legislation is not perfect. And, as it moves forward, I hope we can work together to make further improvements. I urge the majority leader to schedule floor consideration as soon as possible so that we can complete action on this bill before we adjourn this fall.

SCHOOL SAFETY PATROLLERS

Mr. REID. Mr. President, I rise today to recognize several young people who

were recently selected by the American Automobile Association, AAA, to receive the Lifesaver Award for their outstanding work as school safety patrollers.

More than 500,000 students in 50,000 schools worldwide participate in AAA's School Safety program. These young people have taken on the important responsibility of making the streets around their schools safer for their classmates. Though their responsibilities are often routine, the patrollers on occasion must place themselves in harm's way in order to save lives. Today, I want to recognize four students who received the AAA Lifesaver Award for selfless and heroic actions while fulfilling their duties as patrollers.

Nico DelGraco and Mitchell Davis of Simpson Elementary School in Bridgeport, WV, are the first two recipients of this year's awards. In the second week of November 2005, Nico and Mitchell were watching their patrol posts for traffic; a first-grader on his way home from school began to cross the street. As the student walked just past the center of the street, Nico noticed an SUV coming toward the red light that showed no signs of stopping. Nico quickly left his post, took hold of the child, and directed him toward Mitchell. Mitchell then grabbed the first-grader from Nico and dragged him back toward the sidewalk. No one was injured in the incident.

The third AAA Lifesaver Award recipient is Molly Kaiser, a fifth-grade student from Defer Elementary School in Grosse Pointe Park, MI. On the morning of November 9, 2005, Molly pulled a second-grader out of the street as a bus was turning. Molly had tried to verbally caution the student that he was in danger. After this was met with no response, she pulled the student out of the intersection and the path of the school bus that was making its turn. The bus swerved to avoid the child and drove on without stopping.

The fourth AAA Lifesaver Award recipient is also from the State of Michigan. Her name is Emma Elise Binegar, and she is a student at Morenci Elementary School in Morenci. On December 9, 2005, Emma quickly noticed that 5-year-old William Leeroy Webster was in danger as he was crossing the street in the path of a fast-approaching car. Emma saved him by pulling him out of the path of a vehicle about 10 feet away.

I would like to thank AAA for making the school safety program possible. The program has helped save many lives over the years and has made our schools safer for our students. As the stories of the Lifesaver Award recipients demonstrate, the streets around our schools are not safe enough. That is why I have worked for the last 2 years to create a national Safe Routes to School program, which was adopted as part of the Federal transportation bill on July 29, 2005. The \$612 million allotted for the program can now help

communities construct new bike lanes, pathways, and sidewalks, as well as to launch Safe Routes education and promotion campaigns in elementary and middle schools.

KATAHDIN IRONWORKS

Ms. COLLINS. Mr. President, I rise today to correct the record regarding conservation funding I secured last year under the Forest Legacy Program.

During debate on the fiscal year 2006 Interior Appropriations Act, I worked with Senator OLYMPIA SNOWE to obtain \$4.5 million to protect 37,000 acres of forested land in my home state of Maine. I was very pleased that these crucial resources were allocated for this section of the 100-mile wilderness, which in addition to its natural beauty provides critical habitat to a variety of species, providing vital breeding, feeding, and resting grounds.

The site of a long-deserted factory, Katahdin Ironworks, marks the gateway to this treasured expanse of wooded land. It was from this notable Piscataquis County landmark that project supporters generated the name "Katahdin Ironworks Forest Legacy Program" to refer to this effort to protect and preserve this stretch of forest. As the old adage goes, so much is in a name. And this name has sparked unfounded criticism from colleagues and outside interest groups who have jumped to the assumption that funding secured for this project was to be utilized for the upkeep of an abandoned building. Today, I wish to set the record straight and assure my fellow Senators and other interested parties that this highly competitive program funding will be used to ensure the survival of thousands of acres of precious forest.

There are many things that make America great, but it is our commitment to safeguarding our open spaces and wooded lands that make us unique as an industrialized Nation. Sadly, the growing trend of urban sprawl, along with the increased pressure to exploit our natural resources, has placed the survival of these invaluable lands in jeopardy. General agreement that we must undertake conservation efforts to ensure the preservation of these precious natural landscapes for future generations has led to the development of conservation programs like Forest Legacy. This initiative has afforded us a needed mechanism to facilitate the survival of these lands. Supported by the Wilderness Society, the Appalachian Trail Conservancy, and other respected environmental protection groups, the Forest Legacy Program enjoys a wide range of support among organizations committed to natural preservation causes.

Sadly, limited resources preclude our ability to defend all endangered wilderness areas through this program, and it thus remains appropriately competitive. For this reason, I was extremely