

Aye on Roll Call vote #5, on motion to suspend the rules and pass H. Res. 335, honoring the contributions of Catholic Schools. Aye on Roll Call vote #6, on motion to suspend the rules and pass H.R. 577, as amended, to require any organization that is established for the purpose of raising funds for the creation of a Presidential archival depository to disclose the sources and amounts of any funds raised. Aye on Roll Call vote #7, on motion to suspend the rules and pass S. 970, Designating the facility of the US Postal Service located at 39 Tremont Street, Paris Hill, Maine, as the Horatio King Post Office Building. Nay on Roll Call vote #8, on ordering the previous question, H. Res. 342, providing for the consideration of Motions to Suspend the Rules.

Aye on Roll Call vote #9, on motion to suspend the rules and pass S. 1888, to correct a technical error in the Codification of Title 36 of the United States Code. Nay on Roll Call vote #10, on motion to suspend the rules and pass, H. Con. Res. 312, expressing the sense of the House of Representatives that the scheduled Tax Relief Provided by the Economic Growth and Tax Relief Reconciliation Act of 2001 passed by a bipartisan majority in Congress should not be suspended or repealed. Aye on Roll Call vote #11, on motion to suspend the rules and pass H.J. Res. 82, recognizing the 91st birthday of Ronald Reagan. Aye on Roll Call vote #12, on agreeing to H. Res. 343, providing for consideration of H.R. 3394; Cyber Security Research and Development Act. Aye on Roll Call vote #13, on passage of H.R. 3394, the Cyber Security Research and Development Act. Aye on Roll Call vote #14, approving the Journal.

TRIBUTE TO CASEY FITZRANDOLPH

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 2002

Ms. BALDWIN. Mr. Speaker, I rise today in recognition of Casey FitzRandolph, Olympic Gold Medal winner at the Salt Lake City games. This year's Olympic Games have a special meaning to Americans who have come together with unity and pride in these troubling times. I rise today to pay tribute to a constituent whose incredible accomplishment made us all proud to be Americans.

Casey FitzRandolph, of Verona, Wisconsin, won the Gold Medal yesterday in the 500-meter Men's Speed skating competition. He is the first American to win the Gold in this competition since Eric Heiden, also from the second district of Wisconsin, swept the Olympics in Lake Placid in 1980.

When he was five years old, Casey FitzRandolph proclaimed that he would grow up to be just like Eric Heiden, who was there cheering Casey on in his Gold Medal victory last night. Another Wisconsite, Kip Carpenter, took home the Bronze Medal as well, skating in the final pair with Casey in a very special Olympic moment.

In the spirit of Eric Heiden, Dan Jannsen and Bonnie Blair, this new generation of Wisconsin speed skaters has made their state, their nation and the entire world proud.

In recognition of the sacrifice of his parents, Jeff and Ruthie, his grandparents, his sister

Jessi, and his fiancée Jennifer Bocher, I want to wholeheartedly congratulate Casey FitzRandolph for his accomplishment.

PAYING TRIBUTE TO SANDY GUTIERREZ

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 2002

Mr. McINNIS. Mr. Speaker, it is my distinct pleasure to pay tribute today to a woman whose incredible heart and extraordinary efforts have made an indelible impact on the community of Pueblo and the State of Colorado. Sandy Gutierrez is both inspirational and courageous, and a true testament to the inherent greatness that resides in all of humanity. Throughout her life, she has consistently given her time, effort and love to others, and it is with a great deal of satisfaction and pride that I pay tribute to her for the tremendous accomplishment of being honored by the United States Justice Department for her significant civil rights contributions.

As Director of the Latino Chamber of Commerce, Sandy has long been a champion of civil rights and has dedicated a significant amount of her time and efforts to improving relations in the Pueblo community. Recently, her tireless efforts and extraordinarily selfless endeavors culminated in the creation of the Pueblo Human Relations Commission, a 15 member panel which will discuss divisive community issues, and a long-time dream of Sandy's. Along with Diane Porter, Sandy was responsible for the Commission's creation, which will undoubtedly serve as a catalyst for more open discussions on race related issues and other controversial issues facing the Pueblo community. Like all true pioneers, Sandy had to overcome a great deal of opposition to see her dream come to fruition, and I commend her for her courage and persistence in the face of such opposition.

Mr. Speaker, I am honored to stand before you today in order to bring the accomplishments of such an extraordinary woman to the attention of this body of Congress. Sandy Gutierrez has been instrumental in improving her community and her state, and I, along with the people whose lives she has so profoundly affected and enriched, are eternally grateful for everything she has done. I wish to offer her my sincere congratulations today on the creation of the Pueblo Human Relations Commission and for the tremendous accomplishment of being honored by the United States Justice Department for her efforts. I wish her the best of luck in all of her future endeavors.

TRIBUTE TO STATE SENATOR MARK HILLMAN

HON. BOB SCHAFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 2002

Mr. SCHAFER. Mr. Speaker it is an honor to rise today to express congratulations to an outstanding member of the Colorado State Legislature, Senator Mark Hillman of Burlington, Colorado. The National Republican

Legislator Association recently named Senator Hillman Legislator of the Year for the year 2001. Senator Hillman continues to be of tremendous service to the state of Colorado and I am pleased to recognize his achievements today.

In a recent edition of The Wray Gazette Senator Hillman was quoted as saying, "I'm truly honored to be chosen for this year's award among the hundreds of qualified candidates nationwide." Mark's humility makes him a fine public servant and the state of Colorado is proud of his achievements in the Colorado General Assembly. This award follows the Senator's recognition in August as Legislator of the Year by the American Legislative Exchange Council.

Mark enjoys his position immensely and his dedication to his post as state senator is evident in his success in the state legislature. He holds the highest degree of personal fairness and integrity while also carrying his strong convictions on to the floor of the state legislature.

I am privileged to be a colleague of the distinguished Senator Hillman. The state of Colorado is fortunate to have a man of such integrity and character to serve it. On behalf of the citizens of Colorado, and especially those of the Fourth Congressional District, I congratulate Senator Hillman on his recent achievements. Furthermore, I ask the House to join me in congratulating State Senator Mark Hillman for this high honor.

TESTIMONY OF BETTY R. MOSS

HON. WILLIAM D. DELAHUNT

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 2002

Mr. DELAHUNT. Mr. Speaker, as we debate the merits of reforming our nation's pension system, I would like to share with my House colleagues the experience of Ms. Betty R. Moss, a recent retiree of the Polaroid Corporation. Her compelling testimony, prepared for delivery before the Senate Committee on Health, Education, Labor and Pensions, paints a vivid and disturbing portrait of the vulnerability of workers and retirees under our current pension and bankruptcy laws. I ask my colleagues to consider her poignant words, and join with me in enacting new protections to ensure retirement security for all workers and retirees.

TESTIMONY OF BETTY R. MOSS BEFORE THE SENATE COMMITTEE ON HEALTH, EDUCATION, LABOR AND PENSIONS, DATED FEB. 7, 2002

Good morning. My name is Betty Moss, and I am a former Polaroid employee. I am accompanied today by Karl Farmer, chairman of the Official Committee of Retirees for Polaroid Corporation. I am also accompanied today by counsel for the Official Committee of Retirees, Scott Cousins, of Greenberg Traurig.

I am 56 years old and I live in Smyrna, Georgia with my husband, Lawrence. We have been married for 32 years and have one son, Tom.

I started working for Polaroid more than 35 years ago as a file clerk, soon after finishing high school. My job was eliminated last July, and I retired from Polaroid, finishing my career as the Senior Operations Manager of Polaroid's Atlanta Business Center.

As senior manager I was responsible for more than 100 employees as well as all administrative and operational decisions associated with Polaroid's business operations in Atlanta. My budget responsibilities totaled several million dollars, but the "people responsibilities" were even more important to me.

I am quite familiar with Polaroid's management team and the company's current state of financial distress. I know first hand about the impact of the decisions made by the current management team on the employees for whom they were responsible. I've seen the impact on file clerks, on engineers, on call center representatives, on people at every level of the organization. These are people that I care about, and they are now in pain.

When I retired in July, Lawrence and I decided to see America. We had always dreamed of traveling, so we packed a camper and headed west for a three-month journey. Four weeks later, our trip was abruptly halted in October, when I realized my severance checks were not being deposited into my checking account! We abandoned our trip and returned home, knowing that something was terribly wrong.

Soon after, we discovered that our medical insurance had been canceled retroactively to the first of October. There was no notice, no warning—we simply found ourselves without medical coverage. I have Lupus and Lawrence is diabetic, so you can imagine our horror! And, while you might think that it was our being on the road that prevented notification about the cancellation of all our retirement benefits, I found that all Polaroid retirees—thousands of us—were in exactly the same boat. No one was notified about the loss of medical and other insurance coverage until days after the company filed for bankruptcy. Weeks went by before the company would even tell us whether we were covered by COBRA.

As a Polaroid employee, I received health and life insurance coverage and I contributed to a mandatory retiree savings plan. When I retired, I expected to continue my health and life insurance at Polaroid group rates and enjoy the benefits of a healthy retirement savings plan through the mandatory Polaroid ESOP. In 1997, four years before I retired, my Polaroid ESOP shares were worth \$60 each. Today, those shares are worth less than a dime each.

Back in 1988, we were told that the ESOP was being established to protect Polaroid from being taken over by other companies. It did help keep us an independent company, and we rejoiced in that. In fact, we all proudly wore ID badges that called us "employee owners". Today, most of us wonder if it would have been better if we had been taken over.

Besides keeping the company independent, we were told that the ESOP was also supposed to mean a healthy retirement for employees. When we were in the first 10 years of the ESOP, our former CEO used to promise "95 in 95" (in other words, that our shares would be worth \$95 a share in 1995). At \$95 a share, my retirement savings plan would have been worth about \$285,000. Now it is worth less than \$300.

Under the mandatory ESOP, all employees were forced to participate by contributing 8 percent of their pay. We were told this was necessary to help fund the \$300 million Polaroid had borrowed to fund the ESOP. None of us had a choice. No one could choose not to invest in the ESOP, regardless of whether our personal circumstances allowed us to "give up" 8 percent of our pay. When the first ESOP was paid off in 1997, Polaroid started a second ESOP (ESOP II), which continued the employees' forced investment in Polaroid stock.

My 8 percent contribution purchased Polaroid common stock, which I could not sell over that 13-year period, no matter how well or how poorly the stock performed. The only exception was the legal requirement that we be allowed to diversify holdings the year after we reached age 55. We had absolute faith the ESOP would be there to supplement our pension fund and social security. We never envisioned that we would be creditors of a bankrupt Polaroid. The ESOP was promoted as a guaranteed retirement savings, which "forced" employees to save money for retirement. Thousands of employees relied on the ESOP stock to fund their retirement savings.

Unfortunately, by forcing us to invest heavily in Polaroid stock for our retirement, the ESOP left us with almost no savings. Prior to 1988, my retirement savings plan was diversified and consistently showed an annual positive return. Up until 1988, I had made regular contributions to the 401(k) plan offered at Polaroid. After the ESOP was forced upon us, I could no longer afford to contribute much to the 401(k). At that time, I was only making about \$35,000, and 8 percent of that started going into Polaroid stock through the ESOP.

Average working people like me cannot raise their families, pay mortgages, educate their children, and still afford heavy contributions toward retirement. So, we had to rely on the ESOP as a major part of our retirement savings plan. By 1997, my ESOP holdings were worth about \$160,000 when the Polaroid share price was about \$60. Although it wasn't as great as "95 in 95", I still felt pretty good.

Unfortunately, because of the forced ESOP contributions and because I had to buy Polaroid stock, my retirement savings were now heavily invested in one stock—Polaroid—which wasn't worth much by the time I retired. What looked pretty good in 1997 at \$60 a share, is today worth about 8 cents a share, as a result of the decisions of the current management team.

When I retired in July 2001, I took all of my ESOP shares and converted them into stock certificates. But all of those who were forced to invest so heavily in Polaroid stock cannot even say today that they own the stock. We later learned that State Street Bank & Trust, the trustee of the fund, started liquidating Polaroid's ESOP shares in mid-November 2001, and completely liquidated the fund by mid-December 2001. After the liquidation was complete, Gary DiCamillo, Polaroid's current CEO, sent out a letter on December 10, 2001 to all employees notifying them that "it was in the best interest of participants in the ESOP fund to liquidate all shares."

I would like to emphasize that these ESOP participants—the "employee owners"—had absolutely no opportunity to approve this sale—it was done completely without their knowledge. Neal D. Goldman, the current Executive Vice President, General Counsel and Chief Administrative Officer, sent a December 18, 2001 letter to ESOP participants stating that an approximate total of 7.2 million shares had been sold at about 9 cents a share.

If you do the math, that means shares of \$687,000 in total value to be shared among thousands of participants. This is a stunning loss, since in 1997, the ESOP fund had an approximate value of \$480 million. What baffles us is this: if the Trustee were truly acting in our best interest—to protect our retirement savings—why did they wait to sell the stock until it was virtually worthless? The stock has been on a downhill slide since 1997. Why not sell when it reached \$10 a share 2 years ago? After all, this was a retirement savings plan! Why not when it reached \$5?

They could have sold it to protect our interests, even if we could not. Why not at least sell when Polaroid filed for bankruptcy and the stock was trading at about 70 cents a share? Many of us cannot understand how the trustee of a retirement savings plan acted "in our best interest" given this set of circumstances. Not only that, the liquidation of those shares means the "employee owners" have almost no influence. We used to own almost 20 percent of the company. Now we cannot even vote on the Polaroid bankruptcy and related matters.

I still own all of my ESOP shares of Polaroid stock, which I will not sell, out of principle. But the recent demise of Polaroid has left me with a loss of approximately \$200,000 in retirement savings. All of this is money that I would have contributed all along to my 401(k) had I not been forced to participate in the ESOP. If I had been able to contribute that money into a diversified 401K program, I am certain it would now be worth more than \$300.

With the complete loss in value of my ESOP-funded retirement savings, and loss of severance pay that I was contractually entitled to receive after leaving Polaroid, retirement looks quite different from what we had planned. When we were young and first married, we went grocery shopping with a calculator. We used the calculator to be sure we only spent what we could afford, and we put back what we could not afford.

After 35 years of working at Polaroid, I now worry that I will have dig out that old calculator again. My husband and I never wanted to be wealthy—we just wanted to be secure in retirement. Medical coverage alone now costs us around \$7,500 a year. I will probably have to find a job later this year so that I can get medical coverage through another employer. However, with the job market being so tight, I'm not sure how easy it will be for a "retiree" aged job seeker to find an employer.

As a former Polaroid manager, I continue to get countless calls from employees who formerly reported to me. They want to know how Polaroid could sell their ESOP shares without their permission. They want to know how it was in their "best interest" to sell the ESOP holdings at 9 cents per share, when their average investment cost was around \$25 per share. I also get calls from other retirees like myself who have been dumped by a corporation that we helped build, and that once cared about us. Unfortunately, I can't answer these very important questions. However, I do know that most long-term and former employees strongly believe Polaroid has a fighting chance to survive this restructuring, to thrive again, and to reinstate the value the shareholders have lost.

Perhaps selling the ESOP shares was not "in the best interests of participants in the ESOP fund" as Mr. DiCamillo explained, but rather in the best interests of Mr. DiCamillo and Polaroid's current management. These are the people who are now working diligently to sell off the company instead of working on a plan to restore Polaroid, which is truly "in the best interests" of all current and former employees, as well as shareholders and creditors.

Thank you.