

Smith (WA)	Taylor (MS)	Watson (CA)
Snyder	Thompson (MS)	Watt (NC)
Solis	Tierney	Waxman
Spratt	Towns	Weiner
Stark	Turner	Wexler
Stenholm	Udall (CO)	Woolsey
Strickland	Udall (NM)	Wu
Stupak	Velazquez	Wynn
Tanner	Visclosky	
Tauscher	Waters	

## NOT VOTING—15

Bachus	Mascara	Roukema
Bonior	McDermott	Stump
Borski	McKinney	Thompson (CA)
Callahan	Mink	Thurman
Maloney (NY)	Radanovich	Young (AK)

□ 1733

Messrs. BRADY of Pennsylvania, WU, and BAIRD changed their vote from "yea" to "nay."

Mr. GARY G. MILLER<sup>1</sup> of California and Mr. HEFLEY changed their vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### SENSE OF HOUSE THAT CONGRESS SHOULD COMPLETE ACTION ON H.R. 3762, PENSION SECURITY ACT OF 2002

Mr. BOEHNER. Mr. Speaker, pursuant to House Resolution 547, I call up the resolution (H. Res. 540) expressing the sense of the House of Representatives that Congress should complete action on H.R. 3762, the Pension Security Act of 2002, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

## H. RES. 540

Workers with stronger pension protections and greater access to professional investment advice;

Whereas a bipartisan majority of the House of Representatives passed H.R. 3762, the Pension Security Act of 2002, on April 11, 2002, by a vote of 255 to 163;

Whereas the Pension Security Act of 2002 would provide working Americans with more investment education and information regarding their retirement plans, greater access to professional investment advice, rights to diversified pension plan assets, protections against corporate abuses and mismanagement of pensions, and other reforms that would increase pension coverage;

Whereas the pension protections and reforms contained in the Pension Security Act of 2002 would enhance the retirement security of American workers; and

Whereas the Senate has not passed the Pension Security Act of 2002 or equivalent legislation: Now, therefore, be it

*Resolved*, That it is the sense of the House of Representatives that the Congress should complete action in the 107th Congress on the Pension Security Act of 2002 and present such legislation to the President for his signature prior to adjournment so that needed pension protections and reforms may be delivered to the American people.

The SPEAKER pro tempore. Pursuant to House Resolution 547, the gen-

tleman from Ohio (Mr. BOEHNER), the gentleman from California (Mr. GEORGE MILLER), the gentleman from Ohio (Mr. PORTMAN), and the gentleman from California (Mr. MATSUI) each will control 15 minutes.

The Chair recognizes the gentleman from Ohio (Mr. BOEHNER).

## GENERAL LEAVE

Mr. BOEHNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Resolution 540.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOEHNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, over the last year, thousands of hardworking and loyal Enron and WorldCom employees watched helplessly as their companies and their retirement portfolios collapsed. We have an obligation to provide workers with the tools to help them manage their retirement savings. Let us just put the facts on the table: the House has acted on bipartisan pension protections, but the Senate has not.

Back in February, President Bush called on Congress to act in a bipartisan fashion to restore confidence in our Nation's pension and retirement security system. More than 160 days ago, the House did its part by passing a comprehensive pension protection bill that protects workers from losing their retirement savings in Enron-style corporate meltdowns. Today we wait.

One thing is very clear: worker retirement savings remain vulnerable to corporate meltdowns today, and it should not take another Enron or WorldCom for Congress to act on bipartisan pension protection that would give workers the tools they need to protect and expand their retirement savings.

That is exactly why we passed the Bipartisan Pension Security Act in April, more than 160 days ago. It takes a balanced approach by expanding worker access to investment advice and includes new safeguards to help workers preserve and enhance their retirement security, such as giving employees new freedoms to diversify their portfolios. However, it also insists on greater accountability from senior company insiders.

There are several pension provisions that the Senate has not acted on. Enron barred workers from selling company stock until age 50; the Pension Security Act gives workers new freedom to sell their company stock within 3 years. In addition, it requires companies to give workers quarterly benefit statements that include information about accounts, including the value of their assets, their right to diversify, and the importance of maintaining a diverse portfolio. The benefits of diversification will help workers better plan and save for their future over the long term.

The bill also empowers workers to hold company insiders accountable for abuses by clarifying that companies are responsible for workers' savings during blackout periods when workers cannot make changes to their 401(k)s. Under the Pension Security Act, as under current law, workers can sue company pension officials if they violate their fiduciary duty to act solely in the interests of 401(k) participants.

As we all know, defined contribution 401(k)-type accounts have become a primary vehicle for retirement savings. Yet, today, the vast majority of American workers receive no investment advice on how best to structure their 401(k) retirement plans; and most cannot afford to pay for it on their own like company insiders can. It is time to fix these outdated Federal rules that discourage employers from giving workers access to professional investment advice.

Like most U.S. companies, Enron and WorldCom did not provide their workers with access to this type of investment advice. The investment guidance would have alerted these workers to the need to diversify their accounts, which would have enabled many to preserve their retirement savings. The Pension Security Act changes these outdated rules and encourages employers to provide their workers with access to this high-quality investment advice.

We need to give investors more choices and more information to choose wisely, so they are better able to navigate their way through volatile markets and maximize the potential of their hard-earned and hard-saved retirement savings. Workers must also be fully protected and fully prepared with the tools they need to protect and enhance their retirement savings.

The Committee on Education and the Workforce, along with my colleagues from the Committee on Ways and Means, have been engaged on the issue of pension reform for several years now, looking at ways to expand worker access to high-quality investment advice and encourage employers to sponsor retirement plans for their workers.

As our committees have been doing hearings to specifically address the Enron collapse, we did so with a firm commitment to identify further reforms that promote security, education, and freedom for employees who saved all their lives for a secure retirement. Congress should move decisively to restore worker confidence in the Nation's retirement security and pension system, and the bill before us will accomplish those goals.

Unfortunately, instead of gathering the President's signature, the Pension Security Act has been gathering dust. The Senate has not acted on any pension protection bill. If we are truly concerned about protecting the pensions of American workers, the 107th Congress will complete action on this vital issue and send President Bush a bipartisan pension security bill that he can sign into law.

Mr. Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. SANCHEZ), a member of the committee.

Ms. SANCHEZ. Mr. Speaker, I wonder if the gentleman from Ohio (Mr. BOEHNER), who just spoke on the other side of the aisle, realizes that the constituents in his State have lost \$8.27 billion of their hard-earned nest egg due to a poor economy, corporate scandal, and weak pension laws. That is why we need to do something about these pension laws.

By now, all Americans have been affected in some way by the fallout from the collapse of large corporations like Enron, WorldCom, and Tyco. Executives have escaped troubled companies with millions of dollars in compensation, while American workers have lost over \$175 billion in their 401(k) plans. Workers in my own State of California alone have lost more than \$18 billion in their 401(k) savings plans.

As a legislative body, we have begun to examine ways to protect American families from future loss through the Pension Security Act, but among the many issues in this bill that we do not address is the lack of employee representation on pension boards. In its current form, pension boards have the potential to continue the cronyism that got us into the dilemma that we are in now.

In the case of Enron, many of the pension board trustees were high-ranking executives whose corporate marching orders did not represent the best interests of the workers they were appointed to protect. The Rangel-Miller substitute to the Pension Security Act would have given employees a voice at the table, where decisions about their companies' pension plans and offerings are made.

Employee representation on pension boards has already been successful, even in my own State of California, where we have the California Public Employee Retirement System, or PERS. We require six of the 13 members of that board to be elected by active and retired workers of that system.

Giving workers a real voice and real choice means ensuring active participation and overall plan management. Workers bear the financial risk in 401(k)s. They deserve to get pension people on the board representing them.

Mr. BOEHNER. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Mississippi (Mr. PICKERING), the author of the resolution before us.

Mr. PICKERING. Mr. Speaker, I thank the gentleman from Ohio (Mr. BOEHNER) for his leadership on pension reform and thank both him and the gentleman from Ohio (Mr. PORTMAN) for all they have done. I am pleased to sponsor the resolution before us today expressing the sense of the House of Representatives that Congress should

complete action on H.R. 3762, the Pension Security Act of 2002.

Mr. Speaker, due to gross irresponsibility, corruption, and financial mismanagement, several of our country's most noted corporations have collapsed. Accordingly, tens of thousands of employees who held their retirement accounts in these companies have lost everything. Plans made for retirement vanished, hopes and dreams for the future disappeared, and savings to send children to college are gone, all because of improper and fraudulent actions of a handful of corporate executives who took advantage of this system.

We know all too well in my home State of Mississippi the cost and the consequence and the hurt and the pain and the loss when this happens. The leadership of this House, Republicans and Democrats on a bipartisan basis, took action to prevent further such abuses. We passed the Pension Security Act in April to protect the pensions of American workers from corporate wrongdoing while restoring worker confidence in our country's pension system.

□ 1745

However, the Senate has not passed pension security reform. Will we allow yet another corporate scandal to hurt even more families before we get a bill to the President's desk?

National security is critical today. Economic security is vital today. Retirement security should be a top priority and must be passed before we leave this session. It is crucial legislation that will reform our country's outdated pension laws. It prevents corporate insiders from selling their own stock during blackouts, and it gives workers freedom to diversify their portfolios.

Mr. Speaker, the House has done its duty. We passed this much-needed reform 5 months ago. While the President waits, the opportunity to sign this bill sits motionless, collecting dust. The time to act is now.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. SOLIS).

Ms. SOLIS. Mr. Speaker, I wonder if the gentleman who just spoke realizes that his own constituents in his State lost \$1.48 billion of his constituents' hard-earned dollars there. So I just want to remind him also of the scandal that has taken place here today.

Mr. Speaker, I rise here today because the rank and file workers, many of whom that I represent and many that Members here represent know and expect Congress to do something about this corruption that has been going on now for some time and not continue with this whole issue of safeguarding the lives of individuals that make seven-figure pensions, get special perks, and will get more protections under this Republican-sponsored piece of legislation.

As my colleagues know, this country lost over \$175 billion in retirement savings, and in California alone we lost 18 billion. I would like to remind people that in our own districts right now we are faced with some very hard issues. Our economy is hurting. Nationally Hispanics right now have one of the highest rates of unemployment, 7.5 nationally, and in my own district in California in cities that I represent it is way above 11 percent and it has been there for 6 months or more.

How do I explain when I go home to my constituents that we are ignoring the jobs about putting bad CEOs behind bars and letting them go scot free? We cannot allow this version, the Republican-sponsored legislation, to get out because people are watching. Americans want to know that there is justice for all.

Mr. BOEHNER. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. ISAKSON), a member of the committee.

Mr. ISAKSON. Mr. Speaker, I thank the chairman for yielding me this time, and I thank the chairman for the hearing he called immediately following the revelations about Enron, a meeting that so far everybody that has spoken was in attendance, a meeting that a gentleman spoke at who was an employee of Enron. The real scandal is not a bunch of statistics where somebody tries to divert attention. The scandal is that on that day that committee where everybody that has spoken so far attended heard a man, an employee at Enron, who had \$751,000 in his 401(k) in January and had nothing by the time we had that hearing. And at the same hearing the administrator and a trustee of that plan who testified admitted that her plan had gone down by only 10 percent and the difference was she had information and she could diversify. And when that gentleman, an employee of Enron, was asked about the information he received from his executives, he said the only thing they were sent was the value of the increase of Enron stock.

We can talk about all the scandals we want to, but the biggest scandal of all would be a failure of this Congress, in a year of trepidation and economic tragedy, to not see to it that the rank and file Americans we represent have a right to good information, the right to hold the administrators accountable, and the right to diversify their accounts. So rather than point to obscure statistics about what may have happened in a State and trying to attribute it to an individual who speaks, let us speak unitedly as we did in bipartisan effort just months ago and let us pass a bill that brings about the kind of reform to put to an end the kind of tragedies that took place at Enron just a short time ago. Do not divert the debate. Help the American worker and the citizens we represent.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. TIERNEY), a member of the committee.