

Mr. PITTS. Madam Speaker, today is a historic day for democracy and freedom. Iraqis go to the polls to democratically elect the 275 seats of the new Iraqi Council of Representatives. The newly elected Council will then select a Prime Minister, a Presidency Council, and a Cabinet of Ministers.

By any measure, today's elections are remarkable. In just under 3 years, 26 million Iraqis have gone from brutal tyranny to representative democracy. A ruthless and dangerous dictator has been removed, and the stabilizing influence of democracy is taking root in a region desperately in need of it.

This progress is a fitting tribute to the brave men and women in uniform who have sacrificed so much to see this day realized. There is more work to be done and there will be more setbacks to overcome, but this is tremendous progress. I salute them.

WELCOMING HOME UNITS OF TEXAS ARMY NATIONAL GUARD

(Mr. BURGESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURGESS. Madam Speaker, the gentleman from Pennsylvania is exactly right. In fact if my arithmetic is correct, the polls in Iraq closed just a little over an hour ago. Of course, we owe the great success of three successful elections in Iraq to the dedication of our troops that have served so well over there. In fact, this past weekend in Waco, Texas, citizens of Texas welcomed back the 56th Combat Brigade, over 2,000 Texans from the Texas Army National Guard who have been serving for 11 months in the country of Iraq.

This is especially important to my hometown of Denton, Texas. Seventy-eight members of the Denton-based Company A, 2nd Battalion of the 112th Army, have returned to their homes in north Texas. This is the first deployment of the Denton-based Texas National Guard since World War II, according to an editorial in the Denton Record Chronicle last week.

The 56th Battalion was not without its casualties. There were six who died in combat, two who died in training accidents, and 58 were wounded. Fortunately, none of the soldiers that left from Denton, Texas, were killed in action in Iraq. Only one was wounded. During that time they performed 7,000 combat patrols, escorted convoys for 1.3 million miles, and built 15 schools.

There is a parade in Denton this Saturday morning. We may not be done voting, I may not be able to attend, but my heart will be with my citizens in Denton as they welcome their sons and daughters home.

NEEDS OF THE AMERICAN PEOPLE

(Ms. SOLIS asked and was given permission to address the House for 1 minute.)

Ms. SOLIS. Madam Speaker, today I rise to express my strong disappoint-

ment in the misguided priorities of the Republican majority in Congress. As we are preparing to adjourn for this year, we have not addressed the real needs of the American people. In my district in East Los Angeles and the San Gabriel Valley and across this country, more and more families are being forced to make difficult choices. The absence of affordable housing, health care, a living wage for workers and high heating costs are just a few of the reasons that more people are slipping into poverty.

According to the U.S. census, there were 37 million people living in poverty in 2004, an increase of 5.4 million during the Bush administration. In my district alone, 20,000 families live below the poverty line. We are failing the working men and women of our country, we are failing our children, and we are failing the senior citizens as well.

I urge my colleagues today to work together to meet the needs of all American people and let's put their priorities first.

IMMIGRATION ENFORCEMENT

(Mr. KING of Iowa asked and was given permission to address the House for 1 minute.)

Mr. KING of Iowa. Madam Speaker, today as we celebrate Iraqi Freedom Day, I want to raise a different subject, and that is that we will be bringing legislation to the floor of this House that will bring some enforcement to our immigration laws. It has been a long time coming. There has been a lot of good work done by a lot of people. I am hopeful that this legislation now will also include an amendment that I hope to propose, H.R. 3095, the New IDEA bill. New IDEA stands for the Illegal Deduction Elimination Act.

The IRS is more inclined, I believe, to enforce our immigration laws than DHS has proven to be. I would submit that they can go in and do their regular audits and check the Social Security numbers of the employees through the instant check program that will be renamed the employer verification system hopefully today or tomorrow and then give safe harbor to those employers that do that verification of their employees. Otherwise the expense that is a business expense that will be written off will have to be denied as a deduction so that it becomes taxable if it is a profitable business. That takes a \$10 an hour illegal up to a \$16 an hour and lets the legal person have a job instead of the illegal person.

SALUTING PROGRESS AND MILESTONE ELECTIONS IN IRAQ

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Madam Speaker, in October 2002, Saddam Hussein ridiculously reported he received 100 percent support during a

sham election in which he was the only candidate in the race. Three years later due the bravery of American troops and Iraqi security forces, the people of Iraq now have an historic opportunity to select 275 individuals from over 6,655 candidates to serve in their national Council of Representatives.

National elections in Iraq are another symbol of progress and another demonstration of our coalition troops' efforts, including my son who served a year in Iraq, to spread freedom throughout the world. Our brave soldiers recognize that they are fighting in a war that will secure democracy in Iraq which ultimately protects American families from terrorists who would rather attack our citizens.

As the Iraqi people continue down the path of democracy, they should know the American people are proud of their continued successes and believe in the future of Iraq.

In conclusion, God bless our troops, and we will never forget September 11.

PROVIDING FOR CONSIDERATION OF H.R. 2830, PENSION PROTECTION ACT OF 2005

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 602 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 602

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 2830) to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to reform the pension funding rules, and for other purposes. The bill shall be considered as read. In lieu of the amendments recommended by the Committees on Education and the Workforce and Ways and Means now printed in the bill, the amendment in the nature of a substitute printed in part A of the report of the Committee on Rules accompanying this resolution shall be considered as adopted. All points of order against the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) 90 minutes of debate equally divided among and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce and the chairman and ranking minority member of the Committee on Ways and Means; and (2) one motion to recommit with or without instructions.

SEC. 2. During consideration of H.R. 2830 pursuant to this resolution, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to a time designated by the Speaker.

The SPEAKER pro tempore (Mrs. MILLER of Michigan). The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Madam Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MCGOVERN), pending

which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. HASTINGS of Washington asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Washington. Madam Speaker, House Resolution 602 is a closed rule providing for 90 minutes of debate in the House on H.R. 2830, the Pension Protection Act, as amended, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce and the chairman and ranking minority member of the Committee on Ways and Means. The rule waives all points of order against consideration of the bill. In lieu of the amendments recommended by the Committees on Education and the Workforce and Ways and Means now printed in the bill, the amendment in the nature of a substitute printed in part A of the report of the Committee on Rules accompanying the resolution shall be considered as adopted. The rule waives all points of order against the bill, as amended, and provides one motion to recommit, with or without instructions. Finally, it provides that notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to a time designated by the Speaker.

Madam Speaker, the recent financial troubles and pension terminations at several large companies underscore the need for fundamental pension reform. H.R. 2830, the Pension Protection Act, will ensure that millions of hard-working Americans who rely on single and multi-employer pension benefits can continue to count on them. It is vital that we modernize current pension laws by strengthening workers' retirement security and reducing the prospect of a future multi-billion-dollar taxpayer bailout. The Pension Protection Act will fix outdated pension rules and help workers by giving employers incentives to properly and adequately fund their pension plans, and by enhancing transparency and disclosures about the status of their pension plans. In recent years, we have seen participants mistakenly believe that their pension plans were well funded, only to be surprised when their plan was abruptly terminated. This bill is intended to end that practice.

The Pension Protection Act encourages workers to increase their personal savings by permanently extending several provisions to enhance pension participation and retirement savings that are currently set to expire in the year 2010. Among the provisions to be permanently extended are: increasing annual contribution limits for individual retirement accounts and qualified pension plans, allowing additional catchup contributions to individuals age 50 and older, and establishing incentives for small employers to offer pension plans. The bill also encourages lower income

workers and families to plan and save for their retirement by permanently extending a Federal "match" in the form of an income tax credit for the first \$2,000 of annual contributions to an individual retirement account or qualified pension plan.

□ 1030

Madam Speaker, the Pension Protection Act implements a comprehensive and bipartisan investment advice proposal that allows employers to provide workers access to qualified investment advisers who can inform them of the need to diversify and help them choose appropriate investments while including safeguards to ensure that the advice is solely in their best interest. This changes outdated Federal rules which actually discourage employers from providing workers with access to professional advice.

One provision, Madam Speaker, I am especially pleased was included in this bill, was to allow employees who participate in tax-preferred flexible spending accounts to carry forward up to \$500 of their unused balances each year. This provides flexibility to employees that otherwise must use all of their balances each year or lose it to their employers.

Madam Speaker, without a comprehensive fix to our outdated pension plans more companies will default on their worker pension plans and more will stop providing defined benefit pension plans to their workers entirely. Now is the time for Congress to act on this important piece of legislation.

The Rules Committee approved this House Resolution 602 by a voice vote. Accordingly, I encourage my colleagues to support the rule and the underlying bill, the Pension Protection Act.

Madam Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Madam Speaker, I yield 1½ minutes to my colleague on the Rules Committee, the gentleman from Florida (Mr. HASTINGS).

Mr. HASTINGS of Florida. Madam Speaker, Mr. MCGOVERN, my distinguished friend from Massachusetts; my good friend, the distinguished gentleman from the State of Washington; and I were in 6 hours of hearings yesterday on something called border security, anti-terrorism, and illegal immigration, and we came here this morning at 7 a.m., ostensibly to pass out the rules necessary to hear that bill. Until 15 minutes ago, I was on this floor of this House waiting to hear that bill.

I ask my colleagues in the majority: Where is this terribly onerous, atrocious bill? Why do you not pull it? The reason that we are not taking it first, rather than what we are now patching up as pensions, and caution to America, what we are about to see is protection of CEOs with their golden parachutes while workers and their pensions are getting a brass shaft.

But that is not my point I want to make. What I want to say is we are

getting ready to create fear and confusion, and there is substantial confusion on the majority side in light of the fact that they are shifting from this bill to that bill and not dealing with the things we need to do and get on out of here.

We do not need to do this immigration and border security bill, and I hope that your confusion led you to the same conclusion and that you will pull that sucker.

Mr. MCGOVERN. Well, let me thank my colleague from Florida for that eloquent and accurate statement and assessment of where we are here.

And, Madam Speaker, let me thank my friend from Washington (Mr. HASTINGS) for yielding me the customary 30 minutes, and I yield myself 7 minutes.

(Mr. MCGOVERN asked and was given permission to revise and extend his remarks.)

Mr. MCGOVERN. Madam Speaker, millions of Americans who work in the private sector are relying on having an employer-sponsored pension plan when they retire. An important part of the American dream is to have a nest egg that people can tap into during their golden years so that they are not forced to literally work until they die. American workers have fought for and earned the right to pay into a pension system that will provide an income once they retire. Unfortunately, there are serious problems with America's private pension system.

Madam Speaker, pension security is an important issue, one indeed which should be addressed by this Congress, but pension security must be addressed in the right way and it deserves to be addressed in a democratic way.

Bankruptcies in the airlines, steel, and the auto parts industries, for example, are straining the abilities of the Pension Benefit Guaranty Corporation, or the PBGC, to guarantee the private pensions of workers in these industries. The PBGC was created as an insurance system for America's private pension plans. It exists to make sure that America's workers will receive a pension when they retire, even if the company they work for cannot pay that pension.

Now, while there are real problems in some industries, like the steel industry, there are also serious cases of pension dumping, where a corporation claims it cannot fulfill its obligations and dumps its pension onto the PBGC. The net effect is a real strain on the PBGC and ultimately a crisis in the pension system.

The PBGC is an insurance policy for America's workers. It is a safety net should a company not be able to pay its pension obligations. But it is not supposed to be a dumping ground for corporations who want to boost their bottom line and just do not feel like paying the pensions they promised their workers. It is this looming crisis in America's pension system that brings us here today.

Now, no one believes we should sit and wait while America's pension system crashes around us, but we need to address this problem in the right way, and regrettably, Madam Speaker, the Pension Protection Act the Republicans have concocted is not the right way.

Mr. BOEHNER, one of the authors of this bill, told the Rules Committee yesterday that this bill is tough medicine. What he did not say is that it is tough medicine for America's workers. Madam Speaker, this bill will have a real effect on millions of Americans' lives and on the quality of their lives as they grow older.

The fact is that this bill that Chairman THOMAS and Chairman BOEHNER have brought before us will make the problem worse, not better. This is the wrong prescription for what ails America's pension system. Both the Congressional Budget Office and the PBGC estimate that the Pension Protection Act will actually lead to an increase in pension plan terminations and an increase in the PBGC's liabilities by billions of dollars. Clearly, that simply cannot be what anyone in this Chamber really wants.

The goal should be to enact legislation that guarantees workers their full pensions. Instead, passage of this bill will allow corporations to turn their backs on their loyal employees and shirk the responsibilities they face to provide a real pension to their employees.

There exists in this country a culture of corporate corruption, where companies like Enron and WorldCom squander billions of dollars in retirement funds, and this legislation does not do anything, nothing, to fix that.

Congressman GEORGE MILLER, a strong champion of the American worker and working families, recently released a report entitled: Broken Promises—America's Pension Plans At Risk. This report shows that pension plans are underfunded by \$450 billion; that the PBGC is \$23 billion in the red, with more obligations coming in every day, and that the current pension and bankruptcy laws allow companies to dump their unwanted pension obligations on to the PBGC. Proving that this bill makes things worse and not better, the report documents that the Boehner-Thomas bill could, and I quote, "cause as many as half of all large pension plans to freeze benefits."

Ranking Member MILLER, along with Ranking Member on the Ways and Means Committee RANGEL, have an answer. They have crafted a substitute that actually protects workers' pensions. The substitute also reforms the bankruptcy laws so that corporations cannot hide behind bankruptcy in order to dump their pension obligations onto the PBGC.

In addition, the Miller-Rangel bill addresses a serious inequity where rank and file pension plans are at risk of being dumped onto the PBGC but somehow the corporate executives con-

tinue to receive golden parachutes. A CEO should not receive millions of dollars in bonuses and other incentives if they have terminated the pension plan for their rank-and-file workers.

Now, I am sure my friends on the other side of the aisle will boast about how their legislation they have crafted is fabulous. I disagree, but I respect their right to have their say and to have their views debated. Those of us on this side of the aisle believe we have a better approach, one that is fair to millions of Americans and their families who get up every morning, put in a hard day's work and are the very backbone of America's economy and our communities.

Unfortunately, Madam Speaker, we will not have an opportunity to present our proposal. The Republicans on the Rules Committee late last night said, no, an alternative viewpoint will not be tolerated, cannot be presented to the Members of this House, and it certainly will not be debated and voted on on this floor.

Apparently, the Republican definition of democracy is my way or the highway. They have decided that the United States House of Representatives is really not a deliberative body, it is a place that does not respect differing viewpoints, and it is unreasonable to have a full and open debate on an issue as important as pension protection.

Last night, Chairman BOEHNER, to his credit, said he had no problem with Democrats having an ability to offer a substitute. So what happened? I will tell you what happened. The Republican leadership, in yet another display of arrogance and disrespect, decided to close the process, to gag us, to use the Rules Committee as a weapon to stifle debate. Once again the Rules Committee is where democracy comes to die.

Now, let me say, with all due respect to my friends on the other side of the aisle, it is the majority that is responsible for creating a climate in this House that is devoid of bipartisanship and civility. It is beyond my comprehension why the majority would deliberately choose to shut us out of being able to offer an alternative.

This is not the House of only Republicans, this is the people's House, where serious issues should be debated and voted on. This rule is anti-democratic, this rule is closed, and this rule should be defeated.

BROKEN PROMISES—AMERICA'S PENSION PLANS AT RISK: INDEPENDENT ANALYSIS FINDS THAT REPUBLICAN PLAN MAKES PENSION CRISIS WORSE

BROKEN PROMISES PUT MILLIONS OF AMERICANS' PENSIONS AT RISK

Americans are worried sick about their retirement nest-egg, and they are demanding decisive action by Congress. They saw what happened at Enron and WorldCom and at other companies—where billions of hard earned investments by employees disappeared forever in only months due to corporate fraud and mismanagement.

Today employees and retirees are watching as some employers like United and USAir

have rushed to dump their pension promises onto the taxpayer and other employers, at the expense of employees and retirees who face billions in uninsured pension promises. Traditional pension plans, once the sturdy pillar of retirement security, are very much at risk unless Congress takes immediate action.

Here are the serious warning signs that threaten our nation's pension plans:

Pension plans are now underfunded by \$450 billion, up over 1,000% since 2000.

The agency that insures traditional pension plans (the Pension Benefit Guaranty Corporation) is \$23 billion in the red, and is facing billions more in possible claims from companies such as Delta Airlines, Delphi, and Northwest Airlines.

Pension and bankruptcy laws allow companies to dump their unwanted pension promises onto the PBGC, leaving taxpayers, employees and retirees to foot the bill.

Like the savings and loan debacle of the 1980s, taxpayers are at risk of having to pay billions of dollars due to broken promises, this time by company-sponsored pension plans.

Many employees and retirees face severe reductions in their promised pension benefits as their plans are turned over to the federal government, or frozen by companies when their sponsor falls behind in their obligation to fund promised benefits.

Employees are blindsided when their plan is dumped onto the federal government because they are not provided up-to-date information on the real financial condition of their pension plan.

Employees and retirees in such cases are not only cheated out of promised pension benefits, but sometimes suffer further injury and insult by company executives who cut their own sweetheart golden parachute deals.

Now Delta and Northwest are in bankruptcy and very well could dump their pension plans onto the PBGC. According to the PBGC, Delta Airlines is underfunded by \$10.6 billion. The PBGC loss would be \$8.4 billion, and the employees and retirees would lose \$2.2 billion in promised benefits. Northwest Airlines is \$5.7 billion underfunded. The PBGC loss would be \$2.8 billion, and the employee loss even greater—\$2.9 billion. And now more dominos are falling. Delphi Auto Parts has filed for bankruptcy—the largest such filing in the history of the auto industry. According to the PBGC, the Delphi claim on the PBGC would be \$4.1 billion. The hit on employees—estimated over \$10 billion in uninsured losses—would be the largest ever. That tops the \$6 billion in worker losses that PBGC estimates occurred from its 4 previous largest pension plan terminations.

REPUBLICAN PROPOSAL ACTUALLY MAKES PENSION CRISIS WORSE, NOT BETTER

According to the Congressional Budget Office, the Republican House Bill (H.R. 2830) passed by the Education and Workforce Committee and Ways and Means Committee would increase the PBGC's red ink by \$9 billion over the next ten years. The PBGC also analyzed the House bill and found it would increase the agency's deficit bill billions more than current law projections. Specifically, it found that Republican House bill would permit pension sponsors to slash required contributions by \$75 billion over the next ten years compared to contributions required under current law. The PBGC's 35 page study released on October 26, 2005 analyzed detailed information of 400 pension plans, representing 50% of the liabilities and underfunding in the pension system. The Republican proposal could cause as many as half of all large pension plans to freeze benefits. The PBGC estimates that more than 50% of a sample of large pension plans would

either have to freeze some or all benefits if the Republican proposal's benefit limitation provisions had been in effect (based on the Administration's most recent data.) The limitations would prevent benefit increases and lump sum payments for all affected plans, and prohibit future benefit accruals by the most underfunded plans.

H.R. 2830 fails to reform pensions in several other respects. The bill fails to stop companies from dumping their obligations on to the federal government, fails to provide employees with accurate information on the financial condition of pension plans, fails to stop executives from cutting and running with their own sweetheart pension deal while slashing employee pensions, fails to protect older employees when a company converts to "cash balance" plans, permits conflicted investment advice, and punishes employees for plan underfunding by curtailing benefits.

DEMOCRATS FIGHT TO SAVE AND STRENGTHEN TRADITIONAL PENSION PLANS

Democrats are fighting to save and strengthen pension plans by: Stopping companies like United from dumping their unwanted pension promises onto the taxpayers and employees. Because the Congress didn't lift a finger to stop United from unloading its pension plan, we have a new group of companies ready to dump and run. The government should not be a cookie jar for companies who failed to keep their fiduciary promise to set aside funds for their employee pension plans.

Requiring pension plans to follow a clear and fair plan to restore their pension funds. The pension bills going through Congress right now actually make underfunding worse according to the Congressional Budget Office and the PBGC government pension insurance agency.

Requiring pension plans to give employees accurate, up-to-date information on their pension plans financial condition. Employees should never have to wake up one morning and read in the papers that their pension plan has failed. Today, sponsors of pension plans are permitted to keep two sets of books, one set of books make available to the public and one set of more accurate books that is kept secret by the federal government.

Prohibiting company executives in charge of underfunded pension plans from entering into sweetheart retirement deals while they're moving to dump their employees pension plan on to the taxpayers.

CONCLUSION

Millions of Americans have worked hard to earn the retirement promised by their company. Without urgent, decisive action by Congress, millions of Americans face the loss of billions in irreplaceable like savings due to the broken promises of their plan sponsor. The Republican answer to this crisis is to hasten the unraveling of pension plans by allowing companies to skip out on over \$75 billion in contributions over the next 10 years, and increasing PBGC's red ink by billions of dollars. At the same time, Republicans are refusing to stop companies from dumping their unwanted pension promises onto the PBGC at the expense of taxpayers, employees, and other employers.

Madam Speaker, I reserve the balance of my time.

Mr. HASTINGS of Washington. Madam Speaker, I am pleased to yield 3 minutes to the gentleman from Michigan (Mr. EHLERS), a member of the committee.

Mr. EHLERS. Madam Speaker, I thank the gentleman for yielding me this time.

Madam Speaker, I rise today in support of House Resolution 602, the rule for consideration of the Pension Protection Act, H.R. 2830. Both the rule and the bill are excellent. I would especially like to commend Chairman BOEHNER and Chairman THOMAS for their work on this very important pension bill.

In recent years low-interest rates, the stock market decline, and the increasing number of retirees have left many defined-benefit pension plans underfunded. As a result, companies from many industries claim that they will soon be unable to contribute the amount they are required to contribute under law. In particular, the aviation and manufacturing industries have been hard hit by these and other financial difficulties, and the penalties under the current pension law are creating tremendous financial burdens for already struggling employers, and in fact encouraging them to go into bankruptcy so they can get out from under the burdens of the current pension law.

The Pension Protection Act provides the long-term solution that is sorely needed to shore up pension benefits for millions of Americans. It makes the most comprehensive reforms to our Nation's traditional pension system in more than a generation.

The bill ensures that employers fund their pension promises to workers. It also keeps employers and unions from making pension promises that cannot be kept. I would note that the manager's amendment includes compromise language that will ensure that UAW retirees' pensions are protected, something very important in my district and, indeed, in all of Michigan.

I was surprised at the comments of the previous speaker, who has attacked the bill on that point. And certainly if the UAW believes it is a good bill, it cannot be as bad as the speaker claimed it is. In fact, I believe it is a very good bill, and it is designed to address the problems that he outlined.

The bill does not, however, ensure that airline workers' pensions receive needed additional protection. The Senate bill, the Pension Securities and Transparency Act of 2005, contains airline pension provisions. The Senate bill allows the airlines to pay their pension obligations over an extended period of time, ensuring that airlines can fund their pension obligation and helping to prevent the Pension Benefit Guaranty Corporation from becoming insolvent as a result of taking on the burden of the airline pensions.

I understand that Chairman BOEHNER intends to support airline pension provisions in the conference committee, and I strongly support him in his efforts to include airline pension provisions in the final version of the conference report.

I urge my colleagues to support this excellent rule and also encourage them later in the day to support the Pension Protection Act when it is considered.

Mr. MCGOVERN. Madam Speaker, we will have an opportunity to debate the

substance of this bill, I guess not only during the rule but afterwards, but I am still kind of baffled as to why this bill has to be brought to the floor under a closed rule, why the ranking Democrats on the committee of jurisdiction could not even be given the courtesy of being allowed to offer an alternative. This is unbelievable to me, that a bill of this importance would come to the floor and we are entirely shut out.

And speaking of being shut out, the gentleman from Indiana (Mr. VIS-CLOSKY) had four amendments to be brought before the Rules Committee. He waited patiently and testified before the Rules Committee. Four good amendments, and all four of those were dismissed routinely as well.

Madam Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. VIS-CLOSKY).

Mr. VIS-CLOSKY. Madam Speaker, I rise today in strong opposition to the restrictive rule for H.R. 2830, the Pension Protection Act, and I ask my colleagues to join me in opposition.

□ 1045

Last night not only were my four amendments disallowed, but a substitute measure offered by Mr. RANGEL and Mr. MILLER was also disallowed. From my perspective, given the importance of the underlying legislation, we ought to have an open debate. We ought to have votes, and we ought to have decisions made by the full membership.

In terms of the amendments I offered last night to the Rules Committee, the first set essentially said that the funds in retirement accounts are the workers' money, and employees ought to have a voice in single employer pension plans regarding the management of those moneys. Given the number of pensions that have been thrown overboard, and given the tens of thousands of Americans who have been hurt, I also think, as a bare minimum, companies ought to once, every 3 years, be required to inform their employees of the health of their pension funds.

The third amendment I offered essentially said that every last option, whether it be from the perspective of the PBGC or the company be exhausted before that pension is assumed by the Pension Benefit Guaranty Corporation, given the fact that, on average, at least 15 percent of the retirees who have their pensions assumed by the corporation are going to receive less than their full promised pension.

A case in point was in United Airlines negotiations, the unions of the company were still bargaining and the PBGC came in and unilaterally assumed that pension.

The final goes to the heart of the matter, and that is to close that gap. For those pensioners that do not receive their full pension under the PBGC, they are out that pension money. I am disgusted by the fact that they do not have standing under the

procedures. And I would use Adelphi Corporation, which recently declared bankruptcy as an example of the abuse of the system and the disadvantage that the employees are put under.

Adelphi, headed by Mr. Smith, who also was at Bethlehem Steel when they went bankrupt and they dumped their pensions over, really has no interest in going out of business. They want to dump their liabilities. Under the Bankruptcy Code, Mr. Miller and up to 500 executives at Adelphi are entitled to 30 to 250 percent bonuses for running their company into the ground, going through bankruptcy, dumping their liabilities and hurting people.

What happens to the workers who do not get their full pension after Mr. Miller and his gang dump those pensions overboard, they have no standing under the Bankruptcy Code.

All I asked the Rules Committee last night was that we ought to talk about that here on the House floor and we ought to have a debate. Those people who gave their lives to that company who are now short money for the rest of their lives when they need it the most should have some standing. I ask Members to oppose the rule.

Mr. Speaker, I rise today in strong opposition to this restrictive rule for H.R. 2830, the Pension Protection Act and I ask that my colleagues join me in opposition.

Last night in the Rules Committee, I offered four amendments that I believe would have made this a better bill, none of which were found to be in order. Furthermore, this restrictive closed rule does not even make in order a substitute measure authored by Ranking Members MILLER and RANGEL. In a time when Delphi will be awarding 500 executives, bonuses of 30 percent to 250 percent of their base salaries, workers are seeing their pensions frozen, I find it very troubling that the majority refuses to have a full and open debate on an issue so critical to our Nation's retirement security.

My first amendment would have put employee representatives on the trustee board of single employer pension plans, which would ensure that employees have a voice in how their investments are managed. The growing significance of pension plans in the U.S. economy has sparked a continued public debate over the control of pension fund investments. A generation ago, Congress took action to safeguard pensions in response to an Enron-like debacle at Studebaker. These protections for defined benefit plans included diversification requirements as well as government insurance. Pension funds represent deferred compensation and there is no reason why single-employer pension plans still lack employee representation on their boards.

My second amendment would have required that plan sponsors furnish pension participants with the most current benefit statement at least once every 3 years. Fiscally unhealthy pensions have caused severe hardship on employees who have depended on their pensions as part of their retirement security. In order for pensioners to have a more complete understanding of the health of their pension fund, it is necessary to provide full and accurate information on a timely basis. Both the underlying bill as well as Mr. MILLER's sub-

stitute address this issue, but I do not believe that they go far enough.

My third amendment would make it more difficult for companies to abuse the bankruptcy process in order to dump their pension obligations. Specifically, this provision requires that alternatives to pension-dumping be identified, which would essentially make pension-dumping a last resort for companies rather than a financial-planning tool. The amendment would require both employer-initiated and PBGC-initiated terminations to identify and disclose alternatives to dumping their pension obligations.

There is a disturbing trend of companies dumping their pension obligations not because the company is going out of business, but because the company does not want to follow through on the financial commitment made to its employees. This legislation would make it more difficult for financially-viable companies to engage in pension dumping to increase their long-term profits. Current law does not sufficiently protect against the termination of plans. By implementing this provision, pension participants would have greater opportunity to work with companies to find alternatives to eliminating existing pension plans.

After a company successfully terminates its pension plan, the Pension Benefit Guarantee Corporation, PBGC, takes over the financial obligations to make payments to pensioners. In certain instances, the maximum amount the PBGC will pay is less than the original amount promised by the pension.

My final amendment would have made the cost of the pension payment "gap" an administrative expense for the company, which would make it easier for pensioners to collect the missing funds in bankruptcy court. Pensioners deserve the full pension amount they were promised. In cases where the company goes bankrupt, and the PBGC payment is less than the original amount promised, pensioners deserve to be near the front of the line when it comes to collecting debts from the company in bankruptcy court. I believe that a promise is a promise, and if a company emerges from bankruptcy with the finances to pay the difference of a lower pension, they should do so.

Once again, I urge my colleagues to oppose this restrictive rule.

Mr. HASTINGS of Washington. Madam Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. PRICE), a member of the committee.

Mr. PRICE of Georgia. Madam Speaker, I thank the gentleman for yielding me this time to address both the rule and the bill.

Madam Speaker, I rise in support of the rule and the bill. And frankly, I never cease to be amazed by some of the discussion from the other side, for oftentimes they accurately identify the problem, and then completely ignore the solution.

Madam Speaker, traditional pension plans once the legacy of a lifetime of work are crumbling. They are crumbling. We are able to bring this bill to the floor today for swift passage because there is an ever-growing coalition of support behind it from labor and employer groups to other individuals who know acutely the problem that we have.

Action by Congress is necessary to protect the important retirement of all

hardworking Americans. Large and small businesses need changes to current law in order to have greater flexibility to help their employees plan for their financial security.

Current plans, defined benefit plans primarily, have not adapted to the times. They have used the same formula since their inception: The number of years worked multiplied by a certain amount of money. This formula does not account for a changing marketplace, and it does not result in the most benefit for workers. Today, a retirement plan must be as dynamic as our society. Inflexibility for both employers and employees is imperative. This Pension Protection Act is a step in the right direction, and it is important that Congress pass it.

A couple of the provisions I would like to highlight are reforms. These are significant changes and require employers to make significant contributions to the plans to meet 100 percent of the funding target. That is an improvement. This bill provides for a permanent interest rate to more accurately measure liabilities. That is an improvement. It appropriately raises premiums that employers pay into the PBGC. We understand and appreciate that the PBGC, that cushion between pension plans and the taxpayer, needs to be more financially secure. It requires defined benefit plans to include detailed information and greater disclosures, and allows employees to receive better investment advice. Madam Speaker, these are all improvements.

The other side says this allows employers to shirk their responsibilities. Frankly, that is just plain wrong. Without reform, the system may very well collapse under the weight of mounting deficits and the government and taxpayer bailouts are not fair for employers, they are not fair for employees, and they are not fair, certainly, for taxpayers. Americans expect us to solve difficult problems. The Pension Protection Act is one of those things that requires and deserves our attention.

I urge my colleagues to support both the rule and the underlying bill. I also look forward to the discussion with the chairman of the committee during the debate on the bill itself, and highlight the need for reform in the airline industry, which, in my area and across this Nation, is so drastically calling out for reform.

Mr. MCGOVERN. Madam Speaker, the gentleman from Georgia just gave a nice speech, but nobody on that side has explained why on this very important issue that the Democrats and people with alternative views should be entirely locked out from participating in amending this bill. This is an outrage.

Madam Speaker, I yield 2 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Madam Speaker, I thank the gentleman for yielding me this time.

Madam Speaker, I see the chairman of the Committee on Education and the Workforce is in the Chamber. I want to give him initially a compliment. That committee has had a number of hearings. I believe the gentleman has wrestled with this issue, and I believe he has come up with a deeply flawed solution, but I give him credit for an initial effort.

Now on the other hand the chairman deserves much rebuke for tolerating the process that is unfolding here.

Madam Speaker, getting pension funding fixed, getting this done correctly is a technically exacting proposition with enormous risks because if we miss the mark, pension plans are going to terminate. Pension plans are going to freeze. Millions of workers will lose their pension coverage. This is not a Republican thing, it is not a Democrat thing. Trying to get this right ought to be a shared purpose, and so how dare you participate in a process that does not give us a substitute? Your way is not the only reasonable way. Reasonable minds differ here. There are issues that we put forward in our substitute that were important for consideration by this body.

The legislative process ought to be run with a fundamental fairness that allows the consideration of various issues. There are a lot of important constituencies watching this debate, and I want them to know that the chairman of the Committee on Education and the Workforce complicit with the chairman of the Ways and Means Committee complicit with the majority leadership of this body worked to shut down the process, to shut out the consideration of other views, to present only their way or the highway as an ultimate resolution of this issue.

I firmly believe that healthy pension plans today will terminate or freeze their benefits for other workers going forward, because I believe this is a deeply flawed proposal, and I know there has been an effort to pick a group here and pick a group there and make a compromise here and make a compromise there, but the core of the bill is rotten and we could have had a much better result. Shame on you for depriving us of our alternative. Defeat this rule.

Mr. HASTINGS of Washington. Madam Speaker, I yield 2 minutes to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Madam Speaker, I rise in support of this rule and the underlying bill.

I believe this piece of legislation is one of the most important pieces of legislation that we will take up in the 109th Congress, and I do not believe it is getting an adequate level of public attention considering the enormity of the significance.

In my 11 years in the House of Representatives, I have seen more and more the movement of our economy into a global economy where our U.S.

corporations are increasingly finding themselves having to compete no longer with other domestic corporations, but foreign companies that operate under very, very different rules in their domestic country of origin, and particularly as it relates to pension plans.

What I am getting at, Madam Speaker, is that we desperately need to modernize our pension laws and probably most importantly, more than anything else, we have seen tragically, in recent years, many workers come to their retirement years to find that their pension plans are insolvent, that the company that had guaranteed them a retirement is bankrupt, and increasingly that these pension plans are underfunded.

Now is this a perfect bill? No. There is no bill that comes through a legislative process as complex as this involving two committees that anybody can label as perfect. But this is moving us in the right direction. We are going to go to conference with the Senate and what is going to emerge is going to be a good bill. I think this is a very good product.

Chairman BOEHNER and Chairman THOMAS deserve a great deal of credit for the effort and hard work they have put into this. I believe this is going to have ramifications for protecting our workers and making our companies more competitive in this global marketplace so we can increasingly compete effectively and create jobs and protect jobs and defend the hardworking American people who are depending on these retirement plans to be there in their retirement years.

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

Madam Speaker, once again, we heard an interesting speech but no explanation as to why we have to bring this bill to the floor under a closed process and why we are shut out from even offering an alternative.

Madam Speaker, I yield 4 minutes to the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Madam Speaker, I thank the gentleman for all his hard work on the Rules Committee.

It is rather interesting, and Mr. MCGOVERN has alluded to this a number of times, but it is interesting today as we watch with great anxiety and anticipation and a sense of celebration as Iraqis run the gauntlet of violence to go out and vote for democracy, at the same time the Republicans in the House of Representatives close down democracy in the people's House.

Republicans, a number of them stood up here today and said this is a very complex bill. This is the most important bill that may come before this Congress because it affects millions of Americans' livelihoods and retirements, but it has to come under a closed rule. It cannot withstand debate, it cannot withstand amendments,

and it cannot withstand changes. That is the death of democracy in the people's House.

So let us applaud it in Iraq today, but let us understand what is happening here, the gradual glacial process of destroying debate on the floor of the House of Representatives and the right of Members. Mr. VISCLOSKY wanted to talk about people who were being impacted by these policies who were losing their jobs and losing their workplace and losing their retirement benefits, but he was not going to be allowed to offer those amendments to have that amendment because of the autocratic nature of the Republican leadership in this House. They cannot stand democracy, they cannot stand open rules, and they cannot stand open debate. Because it is their way, as Mr. MCGOVERN says, or the highway.

This Republican pension bill is the greatest assault on the middle class standard of living in the history of Congress because this bill accelerates the process by which millions of American workers will lose the retirement nest eggs that they were counting on. They will lose the security of their golden years, if you will, because of the accounts that they were counting on.

□ 1100

And it need not happen. It is not just about the organized plans, UAW or the Teamsters or the building trades. This is about millions of Americans who do not have the benefit of a union, who do not have the benefit of collective bargaining, because in a survey of the major employers by the Benefits Association, 60 percent of those people say that this bill will cause them to freeze their plans, freeze their retirement benefits. You can continue to work, but you will not continue to get any retirement, additional retirement benefits.

What does the CBO say about this bill? It says it makes this problem \$9 billion worse for the Pension Guaranty Corporation. What does the Pension Guaranty Corporation say about this bill? That it will make it billions of dollars worse over the next few years. So we have made the problem worse, which is the solvency of the Pension Guaranty Corporation, and that is a corporation that protects pensions that now is anticipating hundreds of billions of dollars of potential liabilities in the future.

So we accelerate the problem and we diminish the capacities of the government to deal with this and the ability of the private sector to deal with it. And interestingly enough, we make it easier for corporations to simply get rid of these pension benefits without negotiations just as United Airlines did. We were told that a couple of those plans possibly could have been saved, according to the Pension Guaranty Corporation. Two days later they were put into bankruptcy.

This pension plan was designed when corporations went out of business. The

gentleman from Indiana is here. When Studebaker went out of business we created this because there was no more company. Yesterday in USA Today United Airlines announced it is coming out of bankruptcy and a couple of hundred executives are going to take 15 percent ownership in the company and they are going to leave bankruptcy with \$285 million in their pocket, in their pocket. And those workers who gave back their pensions, gave back their wages year after year after year to help this airline which was mismanaged and run into the ground, they leave with nothing. You say, oh, they have a job. Well, the people who are responsible, the executives for running this company, they leave with stock bonuses.

That is what this bill does. It continues this problem, this absolute problem of corruption of the rights of people to protect their retirements.

Mr. HASTINGS of Washington. Madam Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. SOUDER).

(Mr. SOUDER asked and was given permission to revise and extend his remarks.)

Mr. SOUDER. Madam Speaker, I appreciate my friend and colleague from California's passion, even when he is wrong and overstates his case. The comparison to Iraq is just such an egregious misrepresentation of American democracy to anybody in the world who is watching this. We sat in the Education Committee for days, into the late hours of the night taking amendment after amendment. They lost the amendments. That does not mean democracy does not work. It means that we spent in the areas of the subcommittee and the committee working this for years, working through committee and bringing the document to the floor with many compromises in it.

Now, I share some of the concerns of my colleague from California, because I have had a frustration in watching people who work their whole life, see their pensions reduced or eliminated at the time some of the executives have enriched themselves. And I supported this bill. I supported this bill because long term it will help the Pension Guaranty Corporation, but short term our goal has to be how are these companies not going to go into bankruptcy? How can we make sure that they can function, have their pension funds there and avoid the problem, and then long term stabilize the Guaranty Corporation?

Secondly, as a representative of the number one manufacturing district in America, I have more manufacturing jobs and percentage of the work force in my district in manufacturing than any other, I was very concerned about some of the provisions and how this might relate to GM. I very much appreciate the leadership of Chairman BOEHNER in our committee of working first the process through so that people

have the hopes of pension. I mean, we all understand the basic principle here. We have the same problem in Social Security. We are more underfunded, quite frankly, than private areas. We have this in Medicare. We have this in any savings program where we assumed there was going to be a huge work force paying in and now it is a declining work force paying into a huge retirement population. How do we work this through? This bill is an attempt to address it in a comprehensive way. But I was concerned about a provision that would allow the basic pensioners to have to pay first. In other words, there would have been the option, even when the company had an ability, through changing their funds around, to not freeze pension wages, and pension benefits, that they could have done so.

Chairmen BOEHNER and Chairman THOMAS have fixed this. This is now supported by the UAW and by GM. That is a pretty big accomplishment, to have a pension bill supported by the UAW and GM, and I want to commend the leadership of the Education Committee, Chairman BOEHNER and the chairman of the Ways and Means Committee for working out this critical thing so that management does not get crippled in their ability to put funds in to strengthen these pensions. At the same time, people who are 50, 55, already retired, who do not have the ability to adjust their pensions will not get it arbitrarily frozen. And I think this is a great compromise that had hours and hours and days and days of work on this, and it is an example of how democracy works, not how it does not work.

Mr. SOUDER. Madam Speaker, I rise today to commend the distinguished chairman of the Education and Workforce Committee for putting together a well-balanced bill to reform our Nation's outdated pension laws. Putting this bill together has been a long and difficult process, and the Chairman should be commended for his perseverance and diligence.

Our Nation's pension laws have not undergone comprehensive reform for over 30 years. Unfortunately, the recent examples of United Airlines and Bethlehem Steel show that this system is broken. We cannot have a situation where companies continually underfund their pension plans, go bankrupt, and then transfer their pensions to the PBGC. Workers lose the money they were depending on for retirement, and American taxpayers are expected to pick up the slack for companies' irresponsibility.

H.R. 2830 will help ensure that workers' pensions are better funded. It changes current law to require plans to be 100 percent funded. If plans are underfunded, this bill will force companies to make up their shortfall in 7 years. H.R. 2830 will also help stabilize the PBGC by raising the premiums companies pay for the PBGC's protection. Further, by requiring employers that terminate their pensions in bankruptcy to pay an annual premium of \$1,250 per participant to the PBGC for the 3 years after they emerge from bankruptcy, this bill makes terminating pension plans a less attractive option for employers. Companies who want to dump their pensions to escape bankruptcy and raise their bottom line will have a tougher time doing so.

Furthermore, the Pension Protection Act will help stop the unacceptable practice of labor and management negotiating for pension benefits that both sides know are unaffordable. If a pension plan is underfunded, it will not be able to increase benefits or pay shutdown benefits unless it pays for such benefits immediately.

I would also like to commend Chairman BOEHNER for his efforts this week to reach an agreement with the United Auto Workers union over their concerns with the bill. Mr. Chairman, I have the largest manufacturing district in the country, and many union members let me know their concerns with this bill in its original form. Unfortunately, this bill would have allowed some companies to freeze their employees' pension benefits and limit accruals—even if they had the money to fund them. The agreement that Chairman BOEHNER reached with the UAW requires companies to use all the money in their plan before they can freeze benefits and limit accruals. This will prevent companies from gaming their funded status in order to deliberately trigger these benefit restrictions.

Again, I thank Chairman BOEHNER for his hard work writing a bill supported by such a broad coalition of both labor and management groups, and urge my colleagues to support it.

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

The gentleman from Indiana tells us we should all be happy because the Education Committee deliberated on this and there were votes in that committee. I should remind the gentleman that there are 49 members of the Education Committee. There are 435 Members of the House of Representatives.

The gentleman gets all upset when Mr. MILLER talks about the fact that it is important for us to be an example to Iraq about what democracy is, and that there are elections in Iraq and, you know, here we are engaged in an undemocratic process here today. But I will say this. At least in Iraq everyone has an opportunity to vote. Here we are being denied an opportunity deliberately on this floor on an issue that impacts millions and millions of our fellow citizens. This is an outrage. You know, I am amazed that people on the other side, who only a few years back would decry a closed process like this, have now come to embrace this process. This has become the norm in this House, and it has to stop. This is not democracy. This is not a deliberative process. This is a closed process where legitimate, important debate on important issues is being denied routinely.

Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I have to join the gentleman from Massachusetts on his concern and dismay, frustration, and I think that outrage that the opportunity for a Democratic substitute, first of all, to express some of the failures of this particular underlying bill and as well the opportunities to improve this legislation seemingly has been denied.

I speak from a particularly unique perspective, Mr. Speaker, because my district contained Enron, and the thousands of employees that, within hours of the bankruptcy filing by Enron, lost not only their jobs but their lives, their homes and their future. I cannot tell you the number of individuals in Houston and the surrounding areas and other areas that were impacted, lost their lives, actually died because of the absolute oppression and outrage and the impact of what happened to them.

And then we speak to the pensions and the investment of course in company stock. But this particular bill as it relates to the pension issue just does not go far enough because what it happens to do is it emphasizes the pension crisis, and it causes many of the companies, and I think those who are listening beyond the borders of this particular Chamber should understand that this bill that will be voted on today really causes companies to freeze or abandon your pension plans. This does not encourage investment in your pension plans. It also denies the necessary flexibility and relief for airlines that unfortunately did not get in this bill, but is in the Senate bill.

Any of us who fly the Nation's airways know that the flight attendants are constantly saying that we, after 20 years and 30 years, are being forced to give up our pension rights. Why could we not come to the floor of the House and have a better plan?

This, of course, provides a funding crisis that is far worse. It increases the debt by \$9 billion. It causes companies, it does not stop companies from dumping underfunded pension plans onto taxpayers. And so, if you want to look into the eyes of despair, just follow the track of Enron when those particular employees who had bought into the seriousness and the depth of commitment called family that Enron represented, and in a matter of a pen, in the matter of 48 hours, they were not only dumped, their pensions were dumped and they had nothing.

What we should be doing in this instance is then ensuring and shoring up those liabilities or the potential of those liabilities and the negative impact it would have on people who work so very hard.

I would ask my colleagues, we have enough time. There is time to continue this debate and to send this particular underlying bill back. There is time to make this bill compatible with the Senate before it even leaves the House. There is time, I guess if we wanted to waive the points of order, to allow a democratic substitute. But this is not the route that we should be taking. And in the name of those who we pretended to be concerned about, not only the Enron employees who spent almost 2 years with us here in the United States Congress, but other employees and workers around America, I would ask my colleagues to send this bill back and make a better bill.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 3 minutes to the gen-

tleman from South Carolina (Mr. WILSON).

Mr. WILSON of South Carolina. Mr. Speaker, I rise in strong support of this rule and of H.R. 2830, the Pension Protection Act of 2005. I sincerely appreciate the strong leadership today of Mr. HASTINGS, as he is certainly presenting this in a very positive manner. I commend Chairmen BOEHNER and THOMAS for crafting just a comprehensive and necessary legislation. This measure will both preserve and strengthen our private sector, employer sponsored retirement system for both current and former retirees.

This legislation, when enacted, will provide the most significant reform of our pension system since the initial passage of ERISA in 1974. This legislation will require higher levels of funding for single employer plans and provide the tools necessary to trustees, both labor and management, of multi-employer plans to more effectively deal with distressed plans. This legislation is the product of more than a year of hard work among Congress, the executive branch and a broad coalition of employers, labor unions and retirement system advocates. This coalition strongly supports passage of the Pension Protection Act of 2005, and it will go a long way toward preserving the benefits of millions of American workers and their families.

That is why it is so disheartening to see the Democrats and their leader NANCY PELOSI continue their just say no obstructionism by urging their Members to oppose this critical legislation. Rather than support pension reform that would aid American workers, the Democratic leadership continues its cynical and destructive strategy of opposing all substantive legislation in a futile attempt to influence public opinion against the Republican Congress. The opposition's motives could not be more transparent on this issue.

Employers, including auto makers, airlines and manufacturers, along with labor unions, including the United Auto Workers, Carpenters, United Food and Commercial Workers all support this reform measure and have urged all Members of Congress to support passage of H.R. 2830. For those Members on the other side of the aisle who demonstrate courage and reject their leadership's contemptuous call to oppose this legislation, you will be rewarded by the gratitude of your constituents and all Americans for doing the right thing.

I urge all Members to support retirement security reform and vote yes on H.R. 2830.

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

Let me just again say to the gentleman from South Carolina who just spoke, what we are asking for here is an opportunity to offer what we think is best. We disagree with you. We disagree with your approach. Not only do we disagree with your approach, the AARP disagrees with your approach.

AARP,

December 12, 2005.

DEAR REPRESENTATIVE: AARP is writing to express its opposition to a number of critical elements of H.R. 2830, the Pension Protection Act of 2005, scheduled for House consideration this week. We share the goal of enacting new pension funding rules that will require employers to fully fund their pension plans and provide new revenue for the Pension Benefit Guaranty Corporation. These changes are long overdue and should be enacted into law as soon as possible. However, we cannot support legislation that would clarify the legal status of cash balance pension plans without providing protections for older, long-service workers involved in cash balance plan conversions and without including a prohibition on all discriminatory age based "wearaway." We are also deeply concerned that this bill would, for the first time, permit defined contribution pension plans to provide investment advice subject to inherent financial conflicts.

1. Cash Balance Pension Plans

AARP believes that cash balance plans have a role to play in the private pension system if—and only if—they are designed and adopted in a manner that protects the millions of older workers who have given up wages in exchange for traditional defined benefit pensions.

Cash balance pension plan conversions change the rules in the middle of the game, and older, longer-service workers are at considerable risk. They generally lose out on larger late career benefits, have less time to accumulate benefits under the new cash balance formula, and are less able to leave their current job if benefits are cut because they typically have fewer job prospects.

H.R. 2830 does not protect older and longer-service workers that are involved in cash balance pension plan conversions. The bill represents a step back from the Administration's legislative proposal, which would eliminate wearaway (both normal and early retirement) and provide transition rules to protect some benefits for current workers. The recently passed Senate bill includes similar protections. The current legislation clearly fails to recognize the need for transition rules to protect promised benefits and fails to protect the most vulnerable older, longer service workers.

H.R. 2830 would not only lower the bar for transition protections for older workers set in the Administration proposal, but would lower it substantially below the "best practices" followed by companies involved in conversions over the past few years. Many employers—recognizing the harm to older workers—have adopted transition rules, such as the choice to remain under the old plan formula, or have "grandfathered" older, longer service workers under the traditional plan. As recent reports by both the General Accounting Office and AARP confirm, most employers have adopted transition practices designed to protect the benefits that older and longer serving employees have earned. Any legislation should ensure these protections for older workers, not undercut them.

2. Investment Advice

AARP shares the Committee's goal of increasing access to investment advice for individual account plan participants, but we oppose the elimination of the conflict-of-interest protection. The approach advanced in this bill would, for the first time, permit plans to provide advice subject to inherent financial conflicts. This is inconsistent with the Employee Retirement Income Security Act's (ERISA) longstanding protections for plan participants. While we agree that individualized advice can be helpful, such advice must be subject to ERISA's fiduciary rules, be based on sound investment principles, and be protected from conflicts of interest.

H.R. 2830 would turn back the clock and replace ERISA's prohibition on conflicts of interest with a weak disclosure model—an inappropriate and unnecessary step given today's marketplace. Over half of existing plans already provide investment advice to their employees through financial institutions and firms that do not have a financial conflict. In fact, most large financial service providers have already developed alliances with independent advisors to make such advice available.

Rather than permit advice subject to financial conflict, Congress should encourage more employers to provide independent advice by addressing the key barrier—employer liability. Potential employer liability is by far the most important reason that advice is not offered. Congress should clarify that the employer would not be liable for specific investment advice so long as the employer undertook due diligence in selecting and monitoring the independent advice provider. It is in the best interest of both the plan and participants to enhance the independent advice market, and we urge Congress to adopt this approach.

AARP urges you to stand with us in opposition to these critical provisions in H.R. 2830 in order to provide protections for older workers that are necessary, reasonable and fair, and to ensure that employers provide quality investment advice without the potential for conflict. If there are additional questions or you need further information, please feel free to call me or have your staff contact Frank Toohey at (202) 434-3760.

Sincerely,

WILLIAM D. NOVELLI,
Chief Executive Officer.

Mr. MCGOVERN. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan (Mr. LEVIN).

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Speaker, I mostly want to talk about substance. But you know it is so hypocritical for anybody on the majority side to come here and say that the minority is just saying no when you will not allow us to put on the floor a substitute to which we want to say a resounding yes. That is really hypocrisy. This is too important a subject to be governed by the tyranny of the majority. We need to strengthen and to save defined benefit plans in this country. This is the question. Will this bill do that? And I think the answer is basically, in all likelihood, it will not strengthen and preserve, but it will weaken and over time eliminate.

Look, when it came to Social Security your mantra was save, strengthen Social Security. And the President, in this Chamber, used those terms, when the real purpose was not to save and strengthen Social Security. The purpose was to replace it. And there is a legitimate issue here, whether what you are proposing here, when combined with the Senate's and with the administration's position, will it preserve and strengthen defined benefit plans or will it likely undermine?

□ 1115

And the answer, I think, is that it will do the latter.

When we come to the general debate, I am going to be talking about a num-

ber of the factors. There are four key factors at play in this bill. They are technical, but they are vital: the yield curve, the credit balance issue, the credit rating or how assets are evaluated, and the averaging and smoothing issues.

As to just one of them, the yield curve provision in this bill, the people who work with these issues, the chief financial investment people, 60 percent, say essentially that most of the pension plans are going to either be frozen or they are going to be eliminated. That is what 60 percent of these officers say will be the result.

So you are not going to be protecting workers from underfunded pension plans. What you are going to be doing, essentially, is putting in place rules that will make it difficult for pension plans to exist and, therefore, they will be withdrawn, if not, frozen. So that is really the basic issue here. And it is heightened because of the administration's position. They want to so tighten the rules that it will be hard for any of these defined benefit plans to survive.

So this is the basic issue, whether in this country we want to try to preserve defined benefit plans. Most of them are not in trouble. Many of them would be placed in trouble through a combination of the provisions in this bill and in the Senate bill.

So I want to close with this: What you are saying, and you have said it on the floor, is leave it to the conference committee. For example, there is no protection for airline workers here at all. Leave it to the conference committee. What you have said to a few of the people is we will make some adjustments here in this bill, but there is no assurance that those adjustments will prevail. So in a word, what you are trying to do is not protect defined benefit plans, but through these provisions and those in the Senate bill, with the help of the administration, you are going to accelerate their demise. That is our position. And it is worthy of discussion. It is worthy of debate, and it is worthy of your giving us a substitute that would make sure that defined benefit plans can survive in the United States of America for the workers of this country.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 3 minutes to the gentlewoman from North Carolina (Ms. FOXX).

Ms. FOXX. Mr. Speaker, I rise in strong support of this rule and the Pension Protection Act. Over the past several years, we have all witnessed some disturbing occurrences as we have seen far too many hardworking Americans contribute money into a pension plan, only to find their benefits dwindle or depleted entirely.

We must find ways to ensure that employers keep their promises to their retiring workers. I believe we have done so in this bill. Chairman BOEHNER and THOMAS are to be applauded for their determination to make this hap-

pen. They have spent countless hours in negotiations with employers, employees, unions, and all other parties who have a dog in this fight. The resulting bill we consider here today does exactly what its title says: It further protects the pensions of America's workers.

As I see it, the two most important parts of the Pension Protection Act are provisions to require more accountability and provisions that ensure fiscal responsibility. This bill strengthens current law and requires more accountability on the part of employers in funding their workers' benefit plans. It requires employers to put more cash contributions into worker pension plans. It closes loopholes allowing underfunded plans to skip pension benefits, and it calls for more transparency about the status of workers' pension plans. How can anyone oppose instilling more accountability into the pension system?

The Pension Protection Act is supported by a broad coalition of labor unions and employers like the United Auto Workers, the Brotherhood of Carpenters, the U.S. Chamber of Commerce, and the Financial Services Roundtable. The bill includes a broad package of multiemployer reforms sought by unions and employers. In addition to these reforms, the bill ends excessive compensation for executives if an employer plan is severely underfunded. It also insists on more accountability by prohibiting employers and unions from offering pension benefit increases when plans are already severely underfunded.

The Pension Benefit Guaranty Corporation is suffering from a \$23 billion deficit. Unless we want all taxpayers to pony up and bail out the PBGC, we must demand reforms to place the defined benefit system on more solid ground. We must continue to fight for fiscal responsibility.

I urge my colleagues to support this bill.

Mr. MCGOVERN. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, there are numerous problems with this bill. This bill, as Republicans have drafted it, makes the pension crisis worse. This bill would cause many employers to freeze or terminate pensions. This bill does nothing to protect the struggling American Continental, Delta, and Northwest Airline employees and retirees. This bill does not stop companies from dumping pension plans in bankruptcy or protect the United Airline employees and retirees. The bill would freeze and cut worker pension benefits. The bill does not ensure fairness between workers and executives. I mean, I could go on and on and on.

The bottom line is that many of us who have been on the side of workers consistently have deep concerns about this bill and what its impact will be on working families. We think that this bill should not only be much better, but, in fact, this bill, as it stands, will

be harmful to American families. And there will be a debate about that, but absent from the debate will be what we want to propose, what others in this House want to propose, what other ideas may be.

Let me just say to my friends on the other side of the aisle that you are not perfect. You are not always right. In fact, you are usually wrong. And when it comes to workers, you are usually wrong, in protecting workers' rights. To allow a bill this important to come to the floor without a single amendment being made in order, to allow this bill to come to the floor and shut us out and gag us is unconscionable.

For the life of me, I cannot understand what the hesitation is by the leadership on that side of the aisle to allow us to be able to deliberate on this bill, to have a give and take, to be able to offer an amendment, to be able to have an up-or-down vote.

The distinguished chairman of the Education Committee, when he was before the Rules Committee last night, said he had no problem with our offering an alternative. I commend him for that. I mean, that is the way this should be. We disagree. We have honest disagreements. We should be able to work them out in a deliberative way on the House floor. But here we are on a bill that impacts millions and millions of Americans, a bill that we believe adversely impacts millions of Americans, and we are totally shut out of this. It is not because of lack of time. We have plenty of time today. And the immigration bill seems all messed up; so we even have more time than we thought. But the fact of the matter is this important kind of legislation should not come to the floor under a closed process. This is outrageous. This has become the norm in this House.

And I would simply say to my colleagues on the other side of the aisle, someday the tables are going to turn. You are going to be in the minority again, hopefully sooner rather than later. I hope nobody over there cries and shouts and complains if a bill comes to the floor under a closed rule. Defeat this rule.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 6 minutes to the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Speaker, I appreciate my colleague from Washington for yielding me this time.

And I appreciate the concern that my colleague from Massachusetts has raised. Now, if this bill was as bad as the gentleman has tried to define it, why would we bring it to the floor? Why would any Member of this House seek to bring a bill to the floor that would hurt American workers?

Mr. MCGOVERN. Mr. Speaker, will the gentleman yield?

Mr. BOEHNER. I yield to the gentleman from Massachusetts.

Mr. MCGOVERN. I can say why do you bring most of the bills that you

bring to the floor that I think adversely impact American workers, from repealing worker protections and worker benefits.

Mr. BOEHNER. Mr. Speaker, reclaiming my time, I think the gentleman is well aware that there is a crisis in America when it comes to the issue of protecting people's pensions. And I think all of us on both sides of the aisle have a responsibility to work hard, to develop legislation that will, in fact, protect American workers and retirees in the pensions that they have been promised.

Over the last 5 or 6 years, I have spent hundreds and hundreds of hours meeting with stakeholders from companies that offer plans voluntarily to union members and others, trying to craft a bill. We have worked with Members on both sides of the aisle in order to develop this legislation.

So what are the goals here? The goals here are, very simply, to make sure that those companies who offer defined benefit pension plans continue to keep them. Secondly, for companies who make promises to their workers, there ought to be some insurance that they will keep the commitments that they have made to their workers. And, thirdly, to the Pension Benefit Guaranty Corporation that ensures that these pension payments will be made, we need to strengthen the financial condition at the PBGC to avert a possible taxpayer bailout in the future.

What does this underlying bill do? It will, in fact, ensure that there is more money contributed to these pension plans, whether it is restricting the use of credit balances, whether it is using a more accurate interest rate to determine what those obligations are, whether it is closing down the amount of averaging that goes on. There are a number of provisions that we will talk about when we get into this bill that will strengthen these pension plans by moving more money into them.

The second part of this is to reduce the long-term exposure to the Pension Benefit Guaranty Corporation that is, in fact, facing a deficit. We not only increase premiums paid by employers to the Pension Benefit Guaranty Corporation as part of strengthening them; but long term, by requiring companies to fully fund their plans at 100 percent, we will, in fact, reduce the exposure of the PBGC long term to a taxpayer bailout.

Now, we are going to hear a lot of debate today as this bill comes up from those who have their own views as to how this should work, and I would ask my colleagues let us not make perfect the enemy of the good. We have a very good, sound bill that we are bringing to the floor, supported by many employer groups, supported by virtually every major labor group in America as well. There is a finely tuned balance in this bill, and I do, in fact, believe that it will pass today with broad bipartisan support.

Now let me address one other issue. And that issue is the fact that there is

no substitute today. As the gentleman knows, in the Rules Committee last night and in a letter to the Rules Committee yesterday, I asked them to make a substitute in order. There was a question posed to me last night about supporting such a measure. And I said I would support not only amendments, but also a substitute as long as it did not contain tax issues in there that were unrelated or dealt with the tax side of this bill. I do not know whether the substitute had these or not. But all I can say is that there is no one in this House who has argued more for a fair, open debate than I have.

I have been in the minority. I have been in your position. I have made the arguments that you are making, and I do believe that when we stymie debate in the House, we short circuit our constitutional responsibilities.

I am sorry there is not a substitute here. I am not sure why, but I am sure there are very good reasons. Whether there are tax issues involved in what you were offering, I do not know.

But the fact is that it is a good underlying bill. We are going to have a very healthy debate about it today. And I would urge my colleagues, on behalf of American workers, that we have a responsibility to pass this bill now.

Is it perfect? I am sure it is not, but I do believe when this bill passes here today with bipartisan support, we will get to a conference with the Senate where we will hammer out the differences between the House and Senate bill. But the longer this House waits to move this bill, the longer we make arguments, that we make perfect the enemy of the good, the more we are jeopardizing the retirement security of American workers. And I believe that we have to act now, get ourselves to conference, and get a bill passed that brings comprehensive reform to our pension laws.

□ 1130

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this debate has been on the rule to deal with a very important bill that has been talked about on both sides that needs to be addressed. I would just simply point out that there will be a motion to recommit, which has always been part of what the Republican majority has suggested on every major piece of legislation since we have been in control.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered. The SPEAKER pro tempore (Mr. ADERHOLT). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MCGOVERN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered. The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the

Chair's prior announcement, further proceedings on this question will be postponed.

PROVIDING FOR CONSIDERATION OF H.R. 4437, BORDER PROTECTION, ANTITERRORISM, AND ILLEGAL IMMIGRATION CONTROL ACT OF 2005

Mr. GINGREY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 610 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 610

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 4437) to amend the Immigration and Nationality Act to strengthen enforcement of the immigration laws, to enhance border security, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed two hours equally divided among and controlled by the chairman and ranking minority member of the Committee on the Judiciary and the chairman and ranking minority member of the Committee on Homeland Security. After general debate the bill shall be considered for amendment under the five-minute rule. The amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill, modified by the amendment printed in part A of the report of the Committee on Rules accompanying this resolution, shall be considered as adopted in the House and in the Committee of the Whole. The bill, as amended, shall be considered as the original bill for the purpose of further amendment under the five-minute rule and shall be considered as read. All points of order against the bill, as amended, are waived. Notwithstanding clause 11 of rule XVIII, no further amendment to the bill, as amended, shall be in order except those printed in part B of the report of the Committee on Rules. Each further amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such further amendments are waived. After disposition of the further amendments printed in part B of the report of the Committee on Rules, the Committee of the Whole shall rise without motion. No further consideration of the bill shall be in order except pursuant to a subsequent order of the House.

The SPEAKER pro tempore. The gentleman from Georgia (Mr. GINGREY) is recognized for 1 hour.

Mr. GINGREY. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida (Mr. HASTINGS), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 610 is a structured rule. It provides 2 hours of general debate, equally divided among and controlled by the chairman and ranking minority member of the Committee on the Judiciary and the chairman and ranking minority member of the Committee on Homeland Security. It waives all points of order against consideration of the bill. It provides that the amendment in the nature of a substitute recommended by the Committee on the Judiciary and now printed in the bill, modified by the amendment printed in part A of the Rules Committee report accompanying the resolution, shall be considered as adopted in the House and in the Committee of the Whole and shall be considered as read. It waives all points of order against the bill, as amended.

This resolution makes in order only those amendments printed in part B of the Rules Committee report. It provides that the amendments printed in part B of the report may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. It waives all points of order against amendments printed in part B of the report, and it provides that after disposition of the amendments printed in part B of the report, the Committee of the Whole shall rise without motion, and no further consideration of the bill shall be in order except by a subsequent order of the House.

Mr. Speaker, I rise today in support of House Resolution 610 and the underlying H.R. 4437, the Border Protection, Antiterrorism, and Illegal Immigration Control Act of 2005.

Today, this Congress continues an ongoing and difficult debate. The need for fundamental immigration reform is critical and long overdue. In 1986, President Reagan pushed for reforms to address this problem. In 1996, the 104th Congress pushed for more reforms to address the problem. Now here we are 10 years later. This Congress once again has an opportunity to debate how to best secure our borders and remove incentives for illegal immigration by enacting meaningful changes.

I want to thank Chairman SENSENBRENNER and Chairman KING for this bill to close our borders to illegal immigrants and potential terrorists.

Mr. Speaker, since the attacks of September 11, 4 years ago, the debate on immigration is a fundamentally different debate. Border security is no longer just a legal or economic issue, which of course it still is. Secure borders now are also a matter of national security.

Procrastination and ignoring the problem will simply not make it go

away. Every day we put off debating and passing comprehensive reform creates more and more opportunities for illegal immigrants to break our laws and violate our borders with the social, economic and political repercussions. For instance, there are an estimated 376,000 illegal immigrants who live in my home State of Georgia and bear an incredible toll on our social services and health care system.

The burden of illegal immigrants continues to increase for the American citizens as hospitals and schools are filled with illegal immigrants who cannot pay for their education and medical expenses.

Mr. Speaker, some of our schools continue to struggle simply because of the inherent burden of some illegal immigrants who require extensive remedial education at the expense of the American taxpayer and our schoolchildren. Regardless of their intention, this effect on our schools highlights the fact that illegal immigration is not a victimless crime.

As this Congress continues to contemplate ways to relieve escalating medical costs, part of that expense is to reimburse doctors, nurses and hospitals who have treated illegal immigrants who could not pay their medical bills. I am a firsthand witness to doctors who have treated patients, only to have them skip out on a medical bill because they are here illegally and they do not want to be traced.

Mr. Speaker, illegal immigration also endangers the lives of the immigrants themselves. I do not think this can be stated too forcefully; illegal immigration also endangers the lives of the immigrants themselves. Just ask the families of the 19 illegal immigrants who were found dead in the back of a tractor-trailer truck in Victoria, Texas, in May of 2003. As long as incentives for human border smuggling persist, we will continue to see people manipulated, abused and, yes, even killed through this deplorable process.

As I mentioned earlier and as is clearly evidenced and described, illegal immigration is not a victimless crime, and H.R. 4437 goes a long way to combating it on multiple fronts, from the provision against illegal immigrants themselves to those who would either incentivize or aid them in illegally entering this country.

First, Mr. Speaker, this bill will make illegal immigration into this country a felony offense, thereby increasing the penalties for jumping the border. H.R. 4437 will combat the economic incentives for illegal immigration by transferring the current employment verification system that validates Social Security numbers from a voluntary program to a mandatory program.

□ 1145

This bill also would increase civil and criminal penalties for those employers who knowingly and repeatedly employ or hire an illegal worker. Further, this