American Veterans, and the East Texas Arboretum, to name a few. This bank has funded a local employer, Texas Ragtime, that has 90 employees, not to mention the jobs that they helped create at Nelson's Henderson County Door and Futurematrix Medical Devices. Last year they made 503 small business loans and an additional 314 small agricultural loans.

Yet we need to know that with burdensome regulatory compliance, every dollar they spend on regulatory compliance is a dollar they cannot spend on Meals on Wheels or to create new jobs at Ragtime. The same is true for every other small financial institution across our Nation. We in Congress can never lose sight of this fact.

This same bank in Athens, Texas, like thousands across the Nation, spends close to half a million dollars a year combined each year on BSA compliance, Reg B, Reg E, Reg D, CRA, HMDA, HOEPA, Reg O, Reg X, and Reg Z, just to name a few.

If Congress cannot determine a compelling reason for any existing regulation in a modern marketplace, I believe we have a duty to modify or eliminate that regulation.

Now, I am particularly pleased about the relief this bill offers for currency transaction reports. Unfortunately, the environment we are in today has led many banks to file their CTRs, cash transaction reports, and their suspicious activity reports in a highly defensive manner. Under this legislation I believe the majority of the 13 million-plus CTRs filed annually would stop, saving many, many hours and many, many thousands of dollars in savings in filling out these forms. This would also, perhaps more importantly, allow our law enforcement officials to better direct resources and help properly evaluate the suspicious activity reports, and thus better fight crime and terrorist financing.

Mr. Speaker, finally, this bill has received rare unanimous support when it was reported out of the Committee on Financial Services. It represents the hard work of Members on both sides of the aisle. I do believe that this bill will provide substantive regulatory relief for our financial institutions, and that will put more money, more capital, in the hands of those on the front lines of community lending and help American families realize their dreams.

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

Mr. OXLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. GILLMOR).

Mr. GILLMOR. Mr. Speaker, I thank my distinguished chairman for yielding me this time, and I want to thank Chairman OXLEY and Chairman BACHUS, as well as Mr. HENSARLING and Mr. FRANK, for their diligence on this critical piece of legislation.

There is little doubt that our regulatory structure has contributed to the United States becoming the model for the world when it comes to financial services. But without the constant attention to the burdens of outdated rules and regulations, our markets can be dragged down by unnecessary costs.

I am pleased to see that the bill incorporates my compromise with Ranking Member FRANK regarding so-called industrial loan companies. It remains my belief that these institutions need to be reined in, and that the historic wall separating banking from commerce has to remain strong. There is no reason to treat one type of financial institution, an ILC, in a more favorable way than we treat other financial institutions.

So I think if this bill reaches the President's desk, which I hope it will, we have helped ensure that our depository institutions remain the most efficient in the world.

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

I want to thank Mr. HENSARLING, who was not here when I thanked Members, and I thank the gentleman for the opportunity to work with him.

I also would like to thank the subcommittee chairman, Mr. BACHUS, and thank the chairman of the full committee, Chairman OXLEY.

Mr. Speaker, I yield back the balance of my time.

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

Mr. Speaker, I again reiterate my thanks to the members of the committee for a strong bipartisan vote and a very good effort. We are encouraged now on the other side of the Capitol that they have had their hearing, and Senator CRAPO and others are working towards the same goal as the House is, and we expect that bill to pass today.

I particularly thank the gentleman from Ohio (Mr. GILLMOR) for crafting a very key compromise amendment with the ranking member, the gentleman from Massachusetts (Mr. FRANK), dealing with the ILCs, one of the tougher issues that the committee has had to deal with over some time, and yet that compromise has stood the test of time, and I congratulate particularly Mr. GILLMOR and Mr. FRANK for their diligence on that.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TERRY). The question is on the motion offered by the gentleman from Ohio (Mr. OXLEY) that the House suspend the rules and pass the bill, H.R. 3505, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. OXLEY. 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.

GENERAL LEAVE

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the legislation just passed.

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

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2830, PENSION PROTECTION ACT OF 2005

Mr. MCKEON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table 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, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

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

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. GEORGE MILLER OF CALIFORNIA

Mr. GEORGE MILLER of California. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. George Miller of California moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 2830 be instructed—

(1) to agree to the provisions contained in section 403 of the Senate amendment (relating to special funding rules for plans maintained by commercial airlines that are amended to cease future benefit accruals) and section 413 of the Senate amendment (relating to plan benefits guaranteed when regulations prescribed by the Federal Aviation Administration require an individual to separate from service after attaining any age before 65);

(2) to insist on the provisions contained in section 907 of the bill as passed the House (relating to direct payment of tax refunds to individual retirement plans);

(3) to insist on the provisions contained in section 902 of the bill as passed the House (relating to making the saver's credit permanent); and

(4) to insist on a conference report that imposes the smallest additional funding requirements (permitted within the scope of conference) on companies that sponsor pension plans if there is no reasonable likelihood the termination of the plan would impose additional liabilities to the Pension Benefit Guaranty Corporation or there is no reasonable likelihood the plan sponsor would terminate the plan in bankruptcy.

□ 1330

The SPEAKER pro tempore (Mr. TERRY). Pursuant to clause 7 of rule XXII, the gentleman from California (Mr. GEORGE MILLER) and the gentleman from California (Mr. MCKEON) each will control 30 minutes.

Mr. MCKEON. Mr. Speaker, I reserve all points of order against the motion.

The SPEAKER pro tempore. A point of order is reserved.

The Chair recognizes the gentleman from California.

(Mr. GEORGE MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, Members of the House, we offer this motion to instruct, because today, all across America, employees are worried sick about their retirement nest egg. They have seen big airlines like USAir and United cut and run on their obligations to pay the promised pension benefits and are wondering if they are next. They have seen major companies like Verizon, IBM, Motorola, Northwest, Delta, Sears Roebuck Company, Alcoa, Hewlett Packard, Lockheed Martin freeze their plans. We just read that General Motors will close its defined benefit plan to new management hires and give them a 401(k) instead. These are devastating developments that need urgent action by this Congress.

Unfortunately, this House bill makes none of these provisions better. In fact, it may make some of them worse. This motion addresses two urgent issues. First, it provides needed help to the airline pension plans hurt by 9/11 and skyrocketing fuel prices from terminating. It would be devastating to hundreds of thousands of workers across this Nation if more airlines were permitted to dump their plans into the PBGC. When this happens, the big losers are the employees.

Look at the pilots of United, for example. They had a vested pension benefit cut in half. The average pilot lost $1,270. Here is what you see what happens when an airline or any employer is allowed to simply dump the plan into the Pension Benefit Guaranty Corporation, the government body that is set up to protect pensions. You see here that the pilots, 14,000 pilots, and 6,000 of them were retirees who lost 50 percent of their benefits, they lost $1,370 a month for the rest of their lives, for the rest of their lives. Management, employees and ticket sellers and others; 42,000 of them, 12,000 retirees lost $221 for the rest of their lives as did the machinists and the ground crews, who lost $493. That is because the company made essentially a unilateral decision simply to dump this plan without justification into the PBGC.

There are other actions that could be taken. The reason that we are here today is because a number of airlines have said, let us see if we can work with our employees if we can stretch out these plans, if we can keep from terminating them. We can work through these difficult times for the airline industry, that there may be a way to do this and get away from the tragedy that happened to these retirees and to their families.

Let us just be very clear about this. These are not 401(k) investments that went wrong in a bad market, these pension plans that were dumped into the PBGC. They were rock solid pension benefits that were stripped away from these employees and retirees for the convenience of United executives and shareholders.

While these employees, the pilots, flight attendants, machinists and others, were losing millions of promised benefits, the majority party in this Congress didn't fight for them, didn't lift a finger for them, didn't even offer a fair hearing to the people who were going to be most impacted by the decisions by people like United. This is a national disgrace.

This motion accepts the Senate provision that gives these airlines the ability to keep their plans going while stretching out payments. Freezing plans is a lot better than terminating. Go ask the ticket agents, the pilots and the mechanics at United whether they would have rather had their pension plan frozen while the airline worked through its difficulty, or whether they would have it terminated.

The motion would also support the Senate provision to provide full Pension Guaranty Corporation retirement protection up to the maximum guaranteed amount, about $47,000, by the Federal Government, for those pilots who are required by the Federal Government to retire at age 60. This was a double hit to these pilots. The Federal law said they had to retire at age 60, and then the Pension Benefit Guaranty Corporation told them, because you had early retirement at age 60, you are going to lose even more of your pension every year. We should protect those pilots. They had no way to protect themselves.

This motion also makes it clear that the bill's onerous funding requirements do not apply to companies that pose no risk of termination or liability to the Pension Benefit Guaranty Corporation. Forcing healthy plans out of the system does not make our pension system more secure, it makes it less secure. The House bill as written will give a financial hit to company pension plans that do not face the risk of termination and don't threaten the solvency of the Pension Benefit Guaranty Corporation.

Finally, this motion supports the commonsense provision that will encourage savings through the savings credit to allow people to deposit a portion of their tax refunds into savings accounts. Let us keep these airline plans going so hundreds of thousands of employees at Delta, Continental, Northwest Airlines are not put in the same position as the employees of United, and I urge the Members to support this motion to instruct.

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

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

Mr. Speaker, let us be clear this motion to construct is nothing less than an attempt to undermine bipartisan efforts on the pension reform. The Democrat motion to instruct is hypocrisy at the highest level. They want these plans to be well funded, as we all do, yet want to mask the health of pension plans and make them look better funded than they really are. The result will be status quo. Plans will continue to freeze or terminate, and employees will continue to lose their hard-earned benefits.

I would like to point to a colloquy between the majority leader and the gentleman from Georgia, (Mr. PRICE) on the floor on December 15 of 2005. During the colloquy, the majority leader pledged to work on a responsible and appropriate solution to addressing the airline pension issue in conference, which is what we plan on doing. The time has arrived, and we are about to debate the Senate airlines provision on the merits.

The Democrat motion to instruct is an attempt to undermine the conference process and should be seen as nothing more than an effort to weaken and, in fact, derail pension reform. Again, an examination of legacy airline relief is appropriate in conference, which we will do. Examining the process is the Democrats' attempt to end run around the rules for their benefit. I urge you to reject the motion to instruct and let us get our work done.

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

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. CARDIN) of Ways and Means.

Mr. CARDIN. Mr. Speaker, let me thank Mr. MILLER for yielding this time.

Mr. Speaker, we do need pension legislation. We need pension legislation that will protect the worker, that will reform the PBGC, the guaranty fund, and will encourage companies to maintain and strengthen their pension plans. The Miller motion to instruct encourages us to be able to accomplish those goals.

Mr. MILLER has already talked about the provisions related to the airline industry that is very, very important. He mentioned the fact that we have to help younger workers and lower-wage workers by the refundability, by the savers credit, making permanent, and by dealing with split refunds of taxes.

Let me deal with one provision that Mr. MILLER covered very quickly, which I think is important, that is, encouraging companies to continue their defined benefit pension plans. If we put more and more burdens on companies that are well funded, that are in no danger of going into bankruptcy, these companies are going to freeze their plans, they are going to terminate their plans. Why would they stay around in the defined benefit world if we put more and more restrictions and more onerous funding rules that are unnecessary?

The Miller motion is commonsense and asking us to be very careful on new requirements that we place on plans that are properly funded, plans that present no danger to the guaranteed fund. We are in danger of losing more and more defined benefit plans which are well managed, where the employees are guaranteed a certain annuity payment, and we don't want our legislation to be responsible for the termination of more plans.

I would urge my colleagues to support this motion. I would urge my colleagues to make sure that in the pension legislation that comes out of conference, that we have legislation that, yes, we will protect our workers, and, yes, we will protect the guaranteed fund, but we will also make it easier for companies to maintain and expand pension plans for their employees. That is the best way that we can help provide security for all Americans on their retirement. I urge my colleagues to support the motion.

The SPEAKER pro tempore. Does the gentleman from California continue to reserve his point of order?

Mr. MCKEON. I continue to reserve that point of order.

Mr. Speaker, I now yield such time as he may consume to our subcommittee chairman of the Employee-Employer Relations Subcommittee, the distinguished gentleman from Texas (Mr. SAM JOHNSON).

Mr. SAM JOHNSON of Texas. Mr. Speaker, I rise in opposition to the Democratic motion to instruct conferees. You know, I voted for a bill that will strengthen pension plan funding. I want pension plans to have the right amount of money to pay benefits as promised. It is crazy to require overfunding, but it is also crazy to allow more time for them to recover. I mean, if, in fact, those plans were well managed, as the gentleman just said, we wouldn't be in this fix we are in.

Too many companies make bigger promises than they can pay for, and they dump their underfunded pension plans on the PBGC. We are facing an ocean of red ink at the PBGC, and we need to be sure that companies put their money where their mouth is.

I think that since we marked up our bill, we have heard from many sources that some of the bill needs to be modified in conference. We need to go to conference without restrictions. We need to be able to negotiate with our colleagues from the Senate to get a great bill signed into law. This Democrat motion would weaken the House bill, and I can't support pretending that plans aren't healthy.

We need to be very clear with the pension plan sponsors and employees who are expecting benefits out of these plans there needs to be adequate funding to make good on the private promises. Unfortunately, fewer Americans every year are lucky enough to have one of these defined benefit plans. We are backed up by the Federal Government.

We need to strike the right balance in pension funding rules so that the correct amount of money is there to pay benefits. The House bill is pretty close to the right answer. We should oppose the Democrat motion to undermine the good work of this House that was passed by a vote of 294 Members, and let us work with the Senate for a great bill.

Mr. MCKEON. Mr. Speaker, I withdraw my reservation of the point of order.

The SPEAKER pro tempore. The reservation is withdrawn.

Mr. GEORGE MILLER of California. Mr. Speaker, I recognize the gentleman from Massachusetts (Mr. TIERNEY) for 3 minutes.

Mr. TIERNEY. Mr. Speaker, this is yet another example of the government under this majority in the House, and the Senate and the Republican White House of failing to live up to its role to protect the American people from circumstances beyond their control.

We have troops over in Afghanistan and Iraq that are not protected in the manner in which they should be protected. We have people down in Louisiana and Mississippi and other areas affected by the storm, Katrina, who are not getting the attention and the protection that they deserve and their situation warrants.

Here we have a failure of the government to step forward and to protect the American working family, who has paid into pension funds, expected them to be protected, expected something to be there after 20, 25 or 30 years of work and contributing to these funds, only to find out that management people, CEOs, walk into bankruptcy court and somehow wipe out the workers' interest while they end up with golden parachutes and protection for benefits once they come out of bankruptcy.

Mr. Speaker, Mr. MILLER and I and others have been fighting this issue for the working people for some time. In committee we offered an amendment that would allow the Pension Benefit Guaranty Corporation, that corporation, an entity which would protect workers. We wanted that to intervene earlier to be able to work with companies to make sure that they first exhausted all of their possible remedies by permitting them to terminate plans and go into bankruptcy only after they had done that.

We presented a substitute for this bill, but we weren't allowed to have a vote on it. Our colleagues in the majority, I think, speculate or were afraid that Members of their party would have joined in this motion, because it would have improved the bill. Companies should first have to exhaust every possible remedy to create financing and be creative in order to save and restore pensions before they are allowed to go into bankruptcy court and wipe them out while enhancing the position of the CEOs and other management people.

□ 1345

We are fighting here, Mr. Speaker, to protect the retirement security of American families. We are protecting benefits of airline employees and seeking to encourage retirement savings.

Both the Congressional Budget Office and the Pension Benefit Guaranty Corporation say that H.R. 2830 would actually add to the Pension Benefit Guaranty Corporation's deficit. They say the bill would actually chase companies out of the defined benefit system, that traditional benefit system that people have come to rely on, and it would leave workers with fewer choices actually than the plans for retirement that they have now.

This motion to instruct conferees would at least address some of those issues, Mr. Speaker. It would protect the pension benefits of airline employees by asking to support the Senate provision, to keep American and Continental and Delta and Northwest from terminating their plans at the expense of employees and taxpayers, giving them additional time to actually work on their plans.

It would support the Senate provision to provide full Pension Benefit Guaranty Corporation retirement protections for pilots that are forced to retire at age 60. As Mr. MILLER says, they are getting a double-whammy now, and they should not have to face that situation.

The motion would also make permanent the Saver Tax Credit, urging conferees to accept the House provision for the credit that provides a matching contribution for low- and moderate-income workers, and make sure that that provision, which is used now by 5.3 million people both in 2002 and 2003, to continue on, and support the House provisions to split the tax refund for automatic forwarding to a retirement account and to provide for the protection of traditional plans, dropping new funding provisions in either the House or Senate bill that would encourage companies to terminate or freeze.

Mr. Speaker, all those things are necessary to improve this bill, and I ask for support for the Miller amendment.

Mr. MCKEON. Mr. Speaker, I yield such time as he may consume to the subcommittee chairman of Select Revenue from the Ways and Means Committee, the gentleman from Michigan (Mr. CAMP).

Mr. CAMP of Michigan. Mr. Speaker, I thank the chairman for yielding, and I rise to oppose this Democrat motion.

This motion takes some parts of our tax agenda and says they are important, like the savers credit, the direct payments of tax refunds to IRAs, but ignores so many other parts of our bill that are critical, like the permanency of the pension and IRA provisions, many of which were in the Portman-Cardin legislation which this House has debated long before, I noticed Mr. CARDIN was here earlier, and long-term care insurance, which is a critical issue, and FSA rollover, which many of my friends on the other side are vitally interested in as well. So this motion to instruct is really incomplete, and I would urge all Members to vote against it.

With regard to airlines, I am vitally interested in the viability of our airline industry and certainly their ability to provide pensions for their employees. But I think to simply accept the Senate language would not allow us to go to conference and deal with the airline issues in a comprehensive and thorough way in conference.

So I would urge Members, especially those Members interested in the airline issue, to oppose this motion to instruct.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. ANDREWS), a member of the committee.

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

Mr. ANDREWS. Mr. Speaker, I thank my friend for yielding, and I rise in support of this motion.

This motion asks the Members three questions. The first question is whether we should take the position that before airline pension plans of companies that are in real trouble terminate their pension plans, whether those companies should be required to take every reasonable step prior to that termination; whether we should be able to put those companies in a position where they can stretch out their payments to the pension plan, look for other ways they can fund the pension plan, and meet their pension obligations to their retirees.

I would suggest, Mr. Speaker, the answer is yes, we should require that the law do that, which is why this motion takes the right course.

The second question that this motion asks is with respect to healthy pension plans. Should it be the principles of the new law that we should operate with care and avoid new funding requirements on these healthy pension plans which are more likely to push them into disrepair and trouble?

I would suggest that the answer is yes, we should. The guiding principle, as the conference proceeds in writing this new law, should be to first do no harm to the healthy defined benefit plans that exist. So I think this motion correctly answers that question and follows the right path.

Finally, this motion raises the question as to whether we should permanently enshrine in the law the savers credit. The savers credit has been used by more than 5 million Americans in recent years. These are Americans who wait on tables, fix engines, work in child care centers, who have managed to squeeze out just a little bit of what is left out of their paycheck to put it away into a retirement plan. Wisely, Uncle Sam matches a part of that small savings from that worker to try to encourage more people to do that. This is good for those families, it is good for the country's economy, it is good for the Social Security system.

That credit is due to expire at the end of 2008. This resolution raises the question as to whether we should let that credit expire. We think the answer is no, we shouldn't let that credit expire, it should be permanently enshrined into law.

So I think those are three eminently reasonable propositions. We should encourage airlines not to terminate their plans if there is a reasonable and viable alternative; we should go to well-funded healthy plans and do no harm to them as we write new rules about funding pension plans; and, finally, we should take this very useful provision, supported by both the Republican and Democratic parties, that more than 5 million Americans have used, and keep it in the law.

For these reasons, I would urge my colleagues to vote ''yes'' on the Miller motion.

Mr. MCKEON. Mr. Speaker, I yield such time as he may consume to the chairman of the Ways and Means Committee, the gentleman from California (Mr. THOMAS).

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

Mr. THOMAS. Mr. Speaker, I would feel a whole lot better about this debate if it were being carried out in October or November and we had a chance to actually make some permanent changes in pension law prior to the first of the year. We are now in March. Frankly, we have been very lucky that the real world hasn't reacted in a way that would make our job even that much more difficult.

The gentleman from New Jersey, in his usually scholarly fashion, has laid out what we ought to do. I would like to remind the gentleman that the House bill contains the Savers Credit. We put it in. We obviously support the Savers Credit. Why there is a need now to reaffirm the fact that we support the Savers Credit is beyond me. The House has voted for it. It is the House position. Do you need to then put another nail in it?

But, interestingly, you only mentioned that. You didn't mention the other really good provisions that are in there. I think they all should be given equal weight and we should support it.

In terms of the airlines, the House bill is silent on airlines. I think that is, frankly, the smartest position we should be in. Do you think that based upon the conferee, the gentleman from Michigan's statement, that we aren't vitally concerned about airlines? I think what we ought not to do is to begin drawing lines in the sand. And, by the way, they aren't even lines in the sand, because this particular bill has no bearing of any meaning to the conferees. It is basically a political statement on the part of the minority in which they wish to select certain provisions and highlight those over others.

You have every right to offer it, we have every responsibility to reject it, because it means then other provisions that you chose not to pick, which you were not successful on, should not be dealt with in conference, and that isn't the way the world works. The majority will carry forward, not just the Savers Credit, but the other good components in the bill.

You can be assured that we are very, very concerned about airlines. We are so concerned that we didn't spend time spinning our wheels on the floor trying to determine who should be rewarded and who should not. We are going in there with total flexibility to try to solve the problem, and we will do the best we can to address the problem.

I will just have to tell you that to the degree we play political games, as indicated by the gentleman from Massachusetts' speech in terms of class warfare, once again we may run the chance of failing in the conference. We cannot afford that chance. And if we are successful in conference, we are going to have to convince the administration to sign the bill.

This is the time to be prudent, to turn down that wick of partisan rhetoric, get serious about trying to begin to solve an institutional, demographic, and economic structural problem. I want to go to conference with maximum flexibility in taking the House position and solving the other problems that need to be solved.

Please. You have every right to offer it. We should reject it. Let us get on to the conference so we are dealing with real issues instead of imagined political ones that continue to seem to be the primary motivation of the minority party in this House.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 3 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, contrary to what the chairman said, this isn't games playing. This is not partisanship. This is a plea for serious attention to a real problem on a bipartisan basis.

Yesterday, General Motors announced that it will freeze its guaranteed benefit pension plan for salaried employees and replace it with a defined contribution plan in which employees take the risk.

This is what we are saying in part four of our motion: If the conferees follow the direction set by the current House and Senate pension bills, there will be far more announcements like GM's in the future.

The changes in both the House and Senate bills would dramatically increase the chances of companies having to make large, unexpected contributions by making pension funding more volatile, the risk that GM, struggling with manufacturing challenges the U.S. Government has failed to consider, decided it could not afford.

It would mean companies facing challenges even less serious than General Motors' will make the same decision GM did. In a survey, 60 percent of chief investment officers for large pension plans said that changes like those in the House and Senate bills would lead them to cut benefits or freeze or terminate their pension plans. Despite our repeated requests, the administration has failed to tell us how their proposals would affect specific industries.

Our motion includes a critical provision instructing conferees to drop those provisions which would encourage healthy companies to freeze or terminate their pension plans. Those provisions include the shift to a yield curve, take away what is called smoothing, classifying companies as at-risk based on credit ratings, as in the Senate bill, and provisions regarding advanced funding.

Look, we are putting our motion forward for a simple reason: If your goal is to force employees to terminate their pension plans, leaving their workers on their own to face a risky and uncertain future, vote against the motion. But if your goal is to preserve the defined benefit pension system for workers, as well as the continued competitiveness of the companies they work for, do in fact vote for this motion to instruct.

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

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

□ 1400

Mr. KUCINICH. Mr. Speaker, I have heard from hundreds of workers about H.R. 2830. Over 400 UAW members called my office to express their concerns about 2830 as it has been reported out of committee.

I was not alone in hearing from concerned workers. Workers from across America called congressional offices and asked for protection for their pension benefits.

Now, my vote in favor of the Pension Protection Act in December was cast to codify the improvements negotiated by auto workers and to enable the steel workers to press for further improvements in the conference committee. I have some hope there is a process for making additional improvements. But my vote was conditioned on the expectation that the bill would be substantially improved in the conference committee. I will need to see significant further improvements before voting again.

There are still some serious problems with H.R. 2830, and these problems must be addressed to ensure that all workers' pensions are protected. One such problem, which I hope will be fixed in the conference committee, concerns the rules affecting plant shutdown benefits for companies with small numbers of facilities.

The rules are biased against such companies, which will be faced with onerous funding requirements in the event of the shutdown of a facility. The workers, of course, would be the ultimate bearers of the burden, since older workers would lose the shutdown benefits that enable them to fully vest in the event of a plant shutdown.

Mr. Speaker, I encourage the conferees to adopt further shutdown benefit reforms. Conferees must also address the issue of cash balance plans. This bill does a great disservice to older workers by denying the reality that conversions from traditional defined benefit plans to cash balance plans harm older workers.

A report released in early November by the GAO found that a majority of older workers experienced deep cuts in their pension when converted from a traditional plan to a cash balance plan, without transition protection. This is not only unfair, it is wrong. Providing transition protection for older workers should not be a choice for employers, but a requirement, and any change in the plans must protect the accrued benefits of employees, and the conference report should reflect that reality.

Finally, I strongly support a provision to help airlines avoid terminating their pension plans by giving them additional time to fund their workers' plans. Section 403 of Senate bill 1783 will give airlines the time they need to meet their pension obligations, and that is a good provision, and we ought to support that. You know, then there will not be any bankruptcy movements because of pensions. There will not be any dumping of pension obligations on the PBGC, and there will not be any jettisoning of obligations to workers who have worked a lifetime and expect their pension benefits. And that kind of a provision will serve the workers and the American taxpayers.

I want to say that we have an obligation here of the American retirees to support full PBGC retirement protection for pilots who are forced to retire at age 60. Workers should not be punished for retiring at the age of 60 when safety regulations require them to stop flying. The American people are waiting to see if we care for those who have put in their time. They deserve their security.

This Congress has an obligation to America's retirees. We see corporations all over the country trying to throw their obligations onto the Pension Benefit Guaranty Corporation, but when we have some companies that are trying to do the right thing, as we do with the Senate provision that recognizes that American Airlines is trying to do the right thing, then we should provide them with the help that they need to meet their pension obligations.

This is a moment of truth for this Congress. Are we going to be true to our commitment to the American workers? Are we going to say to people who worked a lifetime, deserve the commitment that corporations made to them, that they are going to get the pension that they spent their lifetime for?

There are a lot of people who are watching this debate, asking if Congress is going to do the right thing. I strongly support Mr. MILLER's work here, and I hope this Congress will agree with this legislation.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota (Mr. POMEROY), a member of the Ways and Means Committee.

Mr. POMEROY. Mr. Speaker, pensions are being frozen every day. Workers are having their retirement benefits reduced, yet the administration supports proposals which will dramatically accelerate the freezing of pensions.

When I asked the Department of Labor how many pensions will be frozen as a result of their proposals, they could not answer. They said they had not even modeled or considered the implication.

Well, the CFOs of the Nation have considered it, and a gathering of them have said these proposals will have long-term consequences for current and future workers, with the potential to damage the retirement security of millions of Americans. Indeed this same group estimates 60 percent of existing pension plans may be frozen. That is what this looks like on a chart: 29,700 pension plans in force, 17,800 of them to be frozen under the 60 percent proposal. The administration has not considered it.

That is why the motion to recommit is so important. We say that fully funded pension plans should not face dramatically severe additional funding requirements, they are already fully funded. Why would you want to punish employers who have funded pension plans? One very clear reason: to end pensions. And that is really what is at stake. They want to move from a defined benefit pension guarantee to defined contribution 401(k)s. It is as simple as that.

We should resist that. Pensions ensure that the risk of participating is universal. The workers participate. They ensure that the risk of investing is handled collectively. They ensure that you are not going to outlive your assets in retirement. That is what pensions provide. That is why we should be able to agree on a bipartisan basis to continue these pensions.

But yet just last week at the Nation's Savers Summit, I heard a committee chairman say he prefers the 401(k) to pensions. Why, he was asked? Because it is part of the ownership society.

Oh, we get it. You own your risk. You own your risk of investing appropriately. And you own the risk that you are not going to outlive the assets as you live on to retirement years.

We ought to be doing everything we can to keep workers' pensions. We all ought to feel some failure when we read, like today's headlines, GM to cut retirement costs, following, as the article notes, not just troubled companies, but healthy as well. Verizon, IBM, Motorola, the trend continues and will be accelerated dramatically by this bill which seeks to push all of the Nation's pension plans into termination in favor of 401(k)s.

Pass this motion to recommit.

Mr. GEORGE MILLER of California. Mr. Speaker, I have no further requests for speakers. I believe I have the right to close. Is that correct?

The SPEAKER pro tempore (Mr. TERRY). The gentleman is correct.

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

Mr. Speaker, we have no further speakers either. You know, it has been decades since we have had real, meaningful pension reform. And we could sit here and we could talk. It kind of reminds me of fiddling while Rome burned.

I think the time to move is now. We passed the bill with 294 Members of our House voting for it. Now it is time to go to conference, meet with the other body, get this resolved so we can help all of these people that we are all talking about.

I would ask that my colleagues reject this motion to instruct, and we get on with the business of the conference.

Mr. Speaker, I yield back the balance of my time.

Mr. GEORGE MILLER of California. I yield myself such time as I may consume.

Mr. Speaker, Members, this is a very straightforward proposition. This is about whether or not this House of Representatives will go on record to try and give the airlines the ability, the time, and the means by which they may treat their employees better by holding onto their current pension plans; whether they freeze them or they take some other action in conjunction with their employees so that their employees will not be thrown for the loss that the United employees saw when that company decided that it would use the PBGC, the Pension Benefit Guaranty Corporation, just as a convenient tool to discharge in bankruptcy those employees' pension plans that devastated those employees, the United employees, and devastated their families.

Why are we doing this on this legislation? Because it is very interesting, through the course of this legislation during the consideration in the committee and on the floor, we could never quite get a vote on airlines. Now we are going into a conference committee, and the Republicans say, oh, everything is going to be just fine. And yet we know that already this conference committee is starting to attract attention, that this may be a vehicle for other measures that are unable to move in this Congress.

And so we do not know what is going to be in play. So we wanted to make sure that the Members of the House have the opportunity to say that these airlines ought to be able to try and work this out.

The other factor is that time is running against these airlines. They are going to have to declare and make a decision relatively soon.

We do not know if this conference is going to be committed. So it is just a question for the Members, do you or do you not want to be able to be on record to suggest that this would be better treatment for these employees, hopefully for these companies, than what happened under the United pension plan.

You saw what Mr. POMEROY said: many, many business executives, people involved in the pension business, have looked at this bill, and they have said that this bill is going to make it more difficult, make it more costly and probably lead to additional terminations.

The Pension Benefit Guaranty Corporation, the people that handle this problem when all else fails, told us this is worse than current law. Now, you can ride that animal if you want, but you may also, if you are deeply concerned about the airline employees in your area, you may also want to vote for this motion to instruct so we send a clear message to the House conferees and the committee, have refused to have this vote at any stage of the process, that we be allowed to have a vote, and that we support the effort of having the airlines be able to work this provision out.

That is what this motion to instruct does. It is important. It is important to the airlines. It is important to the employees. It is important to their families. It is important to how we look at solving this difficult problem of holding onto people's retirement nest eggs and to the pension plans that they are currently in.

This is presented as some great pension reform. It really does little or nothing to forestall the trend that we now see developing in terms of the termination of pension plans and people losing their retirement nest eggs.

Mr. Speaker, I would urge the House to support the motion to instruct.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from California (Mr. GEORGE MILLER).

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

Mr. GEORGE MILLER of California. 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, further proceedings on this question will be postponed.

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 4167, NATIONAL UNIFORMITY FOR FOOD ACT OF 2005

Mr. GINGREY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 710 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 710

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 further consideration of the bill (H.R. 4167) to amend the Federal Food, Drug, and Cosmetic Act to provide for uniform food safety warning notification requirements, and for other purposes. No further general debate shall be in order. The bill shall be considered as read. The bill shall be considered for amendment under the five-minute rule. Notwithstanding clause 11 of rule XVIII, no amendment shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such 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 amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1415

The SPEAKER pro tempore (Mr. TERRY). 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 gentlewoman from New York (Ms. SLAUGHTER), 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. GINGREY asked and was given permission to revise and extend his remarks.)

Mr. GINGREY. Mr. Speaker, House Resolution 710 provides for further consideration of the bill under a structured rule. Having discussed this last week on general debate, it provides that no further general debate shall be in order, it makes in order only those amendments that are printed in the report, it provides that the amendments printed in the report may be offered only in the order that they are printed in the report, may be offered only by a Member designated in the report, and 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 an amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The rule waives all points of order against the amendments printed in the report and provides one motion to recommit with or without instructions.