

Army, Europe and Seventh Army during a period of simultaneous operations in Bosnia, Albania, and Kosovo. General McKiernan subsequently became the Coalition Forces Land Component Commander for Central Command. In March 2003, General McKiernan commanded and led all coalition and U.S. conventional ground forces in the invasion of Iraq.

As the capstone for an exceptional career of service to our country, General McKiernan distinguished himself from 3 June 2008 to 3 June 2009 while serving as the Commander, International Security Assistance Force and Commander, U.S. Forces—Afghanistan. General McKiernan was instrumental in developing the partnerships and setting the conditions necessary for achieving mission success in Afghanistan. He revamped the campaign strategy. He worked to improve command and control in that war by reorganizing the ISAF headquarters staff to better execute that strategy and working to establish a new command—U.S. Forces Afghanistan, significantly improving coordination of counterinsurgency operations across Afghanistan.

In the fall of 2008, General McKiernan articulated the need for a sizeable increase in U.S. forces in the strategically important southern region of Afghanistan to improve security and help safeguard national elections in August 2009. He was the first to recommend the need for a sizeable increase in civilian resources from the U.S. Government to bolster governance and development efforts.

General McKiernan improved operations in Afghanistan, issuing new Counterinsurgency Guidance as the campaign shifted to efforts to protect the Afghan population, obtaining legal authorities to conduct counternarcotics interdiction, improving force protection measures, and issuing new guidance that cut down on non-combatant casualties. General McKiernan worked with the Ministry of Interior to develop the Afghan Public Protection Program, which could become a blueprint for developing bottom up governance in the districts and provinces throughout the country. He worked with the Afghan Government to support a highly successful 2008–2009 voter registration program with over 4.5 million Afghans registering without major incident and prepared the plans to support a fair and credible election in August 2009. He received approval for his recommendation to accelerate the growth of the Afghan National Army to 134,000 by December 2011, and has started the planning effort to grow the Afghan National Security Forces up to 400,000 in the years to come. He also was the architect behind the plan to bring in U.S. units in 2009 that can not only conduct a rigorous counter-insurgency campaign in the south, but can build the capacity of the Afghan Army and Police by training, partnering and mentoring with Afghan Army and Police units. General McKiernan personally reinvigorated the Tripartite Commission (TPC) process with Afghanistan, Pakistan, and ISAF, and conducted bilateral meetings to improve U.S. and Pakistan relations and to make the case that both countries face a mutual terrorist threat. It is certainly my hope that General McKiernan's initiatives build momentum going into the summer of 2009.

General David D. McKiernan is a true American patriot. His leadership, keen intellect and performance throughout an intensive and demanding period of military history were instru-

mental in achieving success in mission after mission. He boldly led "America's finest" during combat operations in Desert Storm, the Balkans, the invasion of Iraq and finally in the harsh and difficult mountains and deserts of Afghanistan. I know his selfless performance of duty, courage under fire, exceptional integrity and quiet pursuit of excellence has inspired many American warriors who have served with him. I am sure he will be truly missed in Afghanistan by his troops, diplomatic colleagues, NATO and our Coalition partners, and the Government of Afghanistan. It gives me great pleasure today to recognize and salute a great American—General David McKiernan—before my colleagues. I wish General McKiernan and his lovely wife Carmen all the best that life has to offer as he concludes a most distinguished career in service to our country.

INTRODUCTION OF THE MILITARY OVERPAYMENT FAIRNESS ACT OF 2009

HON. CAROL SHEA-PORTER

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 2009

Ms. SHEA-PORTER. Madam Speaker, I rise today in support of the Military Overpayment Fairness Act. Payment errors are common in all military branches and the burden of having to quickly repay an overpayment can place a significant strain on military families.

When I had a meeting with National Guard families and asked for their most significant problems, they spoke to me about the hardships caused by overpayment errors. I heard the story of a National Guard Sergeant from New Hampshire who was injured in Afghanistan and hospitalized in Walter Reed. Due to an error by the Defense Finance and Accounting Service (DFAS), he received four months of pay in error. He immediately brought these overpayments to DFAS's attention. DFAS assured the service member that there was no error and that he was entitled to all of the money he received. The service member disputed the payments several times, but was told they were correct. Then, a year later, DFAS reversed itself and suddenly notified him that he had been overpaid. They began deducting at the rate two-thirds of his monthly paycheck. To make matters worse, by this time he had enrolled in college and still had the continued, added burden of house payments. This and other similar stories show the severity of this problem in my home state of New Hampshire and across the nation.

I am introducing this legislation to ease the burden on servicemen and women by requiring DFAS to take into account the finances of members of the Armed Forces when pay errors are made. This bill gives the Department of Defense the flexibility to negotiate the terms of repayment, taking into account the finances of the service member, to avoid causing service members undue hardship. In addition, the bill states that not more than 10 percent of a service member's pay can be deducted monthly for an overpayment. Currently, up to two-thirds of a service member's salary can be deducted. The bill delays repayments if service members are wounded, ill, or deployed. It also has a five-year statute of limitations.

These provisions should encourage the Department of Defense to improve its accounting practices.

The men and women that serve our nation have already sacrificed for our country—there is no excuse for placing undue financial burdens on these men and women as a result of poor accounting practices. I was proud to introduce legislation to address the hardships caused by these errors. I look forward to its consideration in the House of Representatives.

VITTORRO MAESTAS

HON. ED PERLMUTTER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 2009

Mr. PERLMUTTER. Madam Speaker, I rise today to recognize and applaud Vittorio Maestas who has received the Arvada Wheat Ridge Service Ambassadors for Youth award. Vittorio Maestas is a senior at Jefferson High School and received this award because his determination and hard work have allowed him to overcome adversities.

The dedication demonstrated by Vittorio Maestas is exemplary of the type of achievement that can be attained with hard work and perseverance. It is essential that students at all levels strive to make the most of their education and develop a work ethic that will guide them for the rest of their lives.

I extend my deepest congratulations once again to Vittorio Maestas for winning the Arvada Wheat Ridge Service Ambassadors for Youth award. I have no doubt he will exhibit the same dedication he has shown in his academic career to his future accomplishments.

PERSONAL EXPLANATION

HON. J. GRESHAM BARRETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 2009

Mr. BARRETT of South Carolina. Madam Speaker, unfortunately I missed recorded votes on the House floor on Monday, June 8, 2009.

I ask that the record reflect that had I been present, I would have voted "nay" on rollcall vote No. 311 (Motion to Suspend the Rules and Agree to H.R. 1736); "nay" on rollcall vote No. 312 (Motion to Suspend the Rules and Agree to H.R. 1709); "aye" on rollcall vote No. 313 (Motion to Suspend the Rules and Agree to H. Res. 420).

INTRODUCTION OF FEE DISCLOSURE BILL

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 2009

Mr. NEAL of Massachusetts. Madam Speaker, I rise today to introduce The Defined Contribution Plan Fee Transparency Act of 2009. During the last Congress, we expected some guidance from the Department of Labor on the issue of fee transparency, but not much was

finally implemented. Therefore, I believe that Congressional action is warranted and this bill provides a strong disclosure requirement to benefit both workers and companies in understanding fees.

A few years ago, AARP conducted a survey of 401(k) participants to find out what they knew about the fees paid by their plans. Plan fees can make a huge difference in your account balance. As the Department of Labor has pointed out in a helpful guide on the issue, "Fees and expenses paid by your plan may substantially reduce the growth in your account." Literally, it pays to know what these expenses are. What the AARP found in their survey is instructive: 83 percent of participants acknowledged they do not know how much they pay in fees or expenses. Considering the number of people who have told me they do not dare to even open their 401(k) statement in this devalued market, that percentage may have increased even more!

But fees are a serious issue and one which participants need to understand from the outset. The House Education and Labor Committee has held several hearings to highlight this issue over the past 18 months, and I commend the Committee Chairman, Mr. MILLER, for his leadership and thoughtful ideas about how to address fair disclosure.

The growth in defined contribution plans offers great opportunities for workers, with alternatives and options they did not have before. Many workers, however, are simply overwhelmed with the information distributed and, because of that, may not be able to utilize these opportunities. Certainly, more disclosure is preferred. But, as AARP found out, the need to better understand this information means it must be in an easily digestible format and in plain English.

The legislation I am filing today, which updates the bill I filed last Congress, would provide for disclosure both to the worker and to the employer. Participants, or workers, would get both an enrollment notice up-front and a quarterly notice updating them on their account. At enrollment, the bill requires that for each of the plan's investment alternatives, the employer would have to disclose the alternative's objective and investment manager, its risk and return characteristics and its historic rates of return in comparison to a benchmark. In addition, the employer must indicate whether the alternative is passively managed, as with an index fund, or actively managed, plus the differences between these two investment styles and whether or not the alternative is a single-alternative investment solution, such as a lifecycle or target retirement date fund.

Regarding fees, the bill requires employers to disclose to employees at enrollment the annual operating expenses for each investment alternative (together with a translation of these asset-based fees into illustrative dollar amounts), whether such fees pay for services beyond investment management, such as plan administration, and whether there are additional charges for buying or selling the particular alternative, such as redemption fees. In addition, participants must be provided with information about any separate fees they will be charged for plan administration as well as a notice that certain plan services they may decide to use could have separate charges associated with them, such as investment advice programs, brokerage windows, or plan loans. Accompanying these disclosures would be a

statement that participants should not select investments based solely on fees but based on careful consideration of a range of factors including the alternatives' risk level, returns and investment objectives. The bill requires this information about plan investments to be provided to employees annually as well.

In addition to this enrollment notice, each quarter, participants would receive information about the investments they had selected and the fees applicable to their accounts. This quarterly notice would describe which investment alternatives the individual participant was invested in, what percentage of the participant's total account each alternative represented, the risk and return characteristics of each such alternative and whether such alternatives were passively or actively managed. The statement would also summarize for participants what asset classes their account is invested in, with percentage breakdowns. On fees, the quarterly notice must describe the annual operating expenses (with dollar examples) and any sales charges for the alternatives the participant has selected, any separate charges for plan administration and any deductions for participant-initiated services. In addition, to assist employees who may want to make investment changes, the notice must tell participants how to access investment characteristic and fee information for alternatives in which they are not invested.

My bill also requires service providers to disclose to employers various fee and expense information in advance of a contract. This will ensure that employers have the information they need to bargain effectively with plan service providers and to keep costs at reasonable levels for participants.

Providers must give the employer an estimate of total fees, a detailed and itemized list of all the services to be provided under the contract and a schedule of any transaction charges that participants may face. Providers that offer multiple bundled services must separate the fees charged under the contract into fees for investment management and fees for administration and recordkeeping and must also disclose fees paid to intermediaries or other third-parties. Providers must also disclose whether they expect to receive payments from third-parties in connection with providing services to the plan, also referred to as revenue-sharing, and if so, must name those parties and the amount expected to be received from each. This revenue-sharing information is critical so that employers understand how their providers are being paid and whether any such financial relationships give rise to potential conflicts of interest. Providers will likewise have to disclose whether they may benefit from the offering of proprietary investment products or those of third parties and must tell employers if the investment products offered to the plan are available at other price levels. Plan service providers must also provide this detailed disclosure statement to employers every year the contract is in place and prior to any material modification of the contract. In addition, employers must make such statements available to plan participants upon written request so that those employees who want to delve into the details of the plan's financing can do so.

The Department of Labor's guide on 401(k) fees states that fees and expenses generally fall into three categories: plan administration, investment, and individual services fees. By

requiring all service providers, whether they just provide recordkeeping or if they perform it all, to disclose fees in broad categories, such as these, companies and employees can better evaluate what they are getting for what price they pay. It is my understanding that some service providers are already disclosing more than what is required. I hope that we can capture those "best practices" and implement them across the board so that all workers and employers have the best data available.

Additionally, my bill would apply not only to 401(k) plans, but to all tax-preferred, participant-directed defined contribution plans, including 403(b) plans and governmental 457(b) plans. The amendments contained in the bill are all within the Internal Revenue Code, and therefore, penalties for not complying will be taxes assessed per violation per day, subject to a cap. The bill is forward-thinking, pushing electronic delivery as much as possible. I hope to work with the Chairman of the Ways and Means Committee, Mr. RANGEL, to address this issue within the Committee very soon as I know he shares my concern that the taxpayers' interests be protected.

Despite the fact that 8 in 10 participants do not know what fees are charged, there is some good news out there too. According to a survey released in April by Deloitte, the International Foundation of Employee Benefit Plans, and the International Society of Certified Employee Benefit specialists, the average expense ratio for plan investments was down from the prior survey period. Clearly, the attention to fees is having some impact resulting in lower costs.

It is my hope that this bill will provide much more information about plan fees and expenses in a useful way without overwhelming recipients. I urge my colleagues to join me in this effort.

STEM EDUCATION COORDINATION
ACT OF 2009

SPEECH OF

HON. MAXINE WATERS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 2009

Ms. WATERS. Madam Speaker, I add my support of House Resolution 1709, providing for the creation of a committee under the National Science and Technology Council to coordinate federal programs in support of science, technology, engineering and mathematics education. This legislation will synchronize programs at the National Science Foundation, the Department of Energy, the National Aeronautics and Space Administration, the National Oceanic and Atmospheric Administration, the Department of Energy and Education—all organizations with a vested interest in the promotion of STEM (science, technology, engineering and mathematics) education. This committee will provide a forum for our federal agencies to coordinate STEM activities and determine new ways to advertise programs to elementary and secondary students, eliminating two large roadblocks in the promotion of programs already provided by these agencies. I commend my colleague Representative BART GORDON, for bringing this important measure before the House.