

Oregon National Guard and the U.S. Army next week. I know I speak for Oregonians across the State in thanking him for his service.

General Rees hails from the small eastern Oregon town of Helix, which boasts a proud population of 184. He learned the importance of hard work at an early age, putting in long hours on the family ranch. After graduating from West Point in 1966, he completed airborne and Ranger training, preparing himself for a tour in Vietnam with the 101st Airborne Division. Upon leaving the active Army, he joined the Oregon National Guard where he commanded at every level, serving both within the State and across the country.

Those who know him were not surprised that General Rees held a number of impressive titles over his long and distinguished career. He served as the director of the Army National Guard, the vice chief of the National Guard Bureau, and as the acting chief of the entire National Guard. He also served as the chief of staff for U.S. Northern Command and the North American Aerospace Defense Command at Peterson Air Force Base in Colorado. This month, he steps down as Oregon's Adjutant General, a job he held twice before. In fact, General Rees is the longest serving Adjutant General in the United States, with over 17 years of service to four different Oregon Governors.

General Rees has always been a champion of the Guard, both locally and nationally. Policy decisions he helped shape in the early 1990s enabled the National Guard to better respond after the horrible attacks of September 11, 2001. Under his leadership, the Oregon Guard deployed to Afghanistan and Iraq. And Oregon units were able to respond rapidly in the wake of Hurricane Katrina, sending nearly 2,000 servicemembers within 72 hours.

Nobody worked harder to strengthen the synergy between the Guard and communities across our State than General Rees, or to make sure that our returning men and women receive the vital services they earned. He helped establish the Yellow Ribbon Reintegration Program, providing critical, sustaining support for Guardsmen and their families before, during, and after deployments. He led modernization efforts across Oregon, providing Guardsmen with the best equipment and facilities. He opened or improved projects across the State, including readiness centers in Pendleton, La Grande, Hermiston, Klamath Falls, Ontario, The Dalles, St. Helens, Clackamas, Gresham, Dallas and Salem. He was instrumental in helping us sign a new lease for the Portland Air National Guard Base, allowing the Air Guard to train and keep the skies safe along the west coast.

Building bridges between the Guard and foreign militaries is another legacy that General Rees will leave behind, and the Guard's State Partner-

ship Program enjoyed no stronger supporter. Under this initiative, State Guard folks are partnering with more than 60 nations to improve regional and cultural awareness, increase security cooperation, and help prevent threats from emerging. I am proud to say that under General Rees' leadership, Oregon has become one of the few States to partner with two countries simultaneously: Bangladesh and Vietnam.

I could go on and on about the contributions General Rees made on behalf of servicemembers, their families, our citizens, and the State of Oregon. So today I want to join folks across the State and the country to stand and offer our congratulations to General Rees on his distinguished career. Whether as a cavalry troop commander, a cobra gunship pilot, or the Adjutant General of the Oregon National Guard, General Rees always shouldered more than his share of the task. We will miss this dedicated soldier, talented leader, and gifted diplomat—but his is a retirement well earned. I commend General Rees for his service to our country, and I want thank his wife, Mary Len, for her tireless support along the way. After decades of service, I wish Major General Rees a long and relaxing retirement. Well done!•

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Pate, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The messages received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 2:18 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1171. An act to amend title 40, United States Code, to improve veterans service organizations access to Federal surplus personal property.

H.R. 1341. An act to require the Financial Stability Oversight Council to conduct a study of the likely effects of the differences between the United States and other jurisdictions in implementing the derivatives credit valuation adjustment capital requirement.

H.R. 1564. An act to amend the Sarbanes-Oxley Act of 2002 to prohibit the Public Company Accounting Oversight Board from requiring public companies to use specific auditors or require the use of different auditors on a rotating basis.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 1171. An act to amend title 40, United States Code, to improve veterans service organizations access to Federal surplus personal property; to the Committee on Homeland Security and Governmental Affairs.

H.R. 1341. An act to require the Financial Stability Oversight Council to conduct a study of the likely effects of the differences between the United States and other jurisdictions in implementing the derivatives credit valuation adjustment capital requirement; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 1564. An act to amend the Sarbanes-Oxley Act of 2002 to prohibit the Public Company Accounting Oversight Board from requiring public companies to use specific auditors or require the use of different auditors on a rotating basis; to the Committee on Banking, Housing, and Urban Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. HATCH:

S. 1270. A bill to amend the Internal Revenue Code of 1986 to provide for reform of public and private pension plans, and for other purposes; to the Committee on Finance.

ADDITIONAL COSPONSORS

S. 234

At the request of Mr. REID, the name of the Senator from Vermont (Mr. SANDERS) was added as a cosponsor of S. 234, a bill to amend title 10, United States Code, to permit certain retired members of the uniformed services who have a service-connected disability to receive both disability compensation from the Department of Veterans Affairs for their disability and either retired pay by reason of their years of military service or Combat-Related Special Compensation, and for other purposes.

S. 323

At the request of Mr. DURBIN, the name of the Senator from Missouri (Mr. BLUNT) was added as a cosponsor of S. 323, a bill to amend title XVIII of the Social Security Act to provide for extended months of Medicare coverage of immunosuppressive drugs for kidney transplant patients and other renal dialysis provisions.

S. 325

At the request of Mr. TESTER, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 325, a bill to amend title 38, United States Code, to increase the maximum age for children eligible for medical care under the CHAMPVA program, and for other purposes.

S. 327

At the request of Mr. BARRASSO, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S.

327, a bill to authorize the Secretary of Agriculture and the Secretary of the Interior to enter into cooperative agreements with State foresters authorizing State foresters to provide certain forest, rangeland, and watershed restoration and protection services.

S. 346

At the request of Mr. TESTER, the name of the Senator from Colorado (Mr. BENNET) was added as a cosponsor of S. 346, a bill to amend title 10, United States Code, to permit veterans who have a service-connected, permanent disability rated as total to travel on military aircraft in the same manner and to the same extent as retired members of the Armed Forces entitled to such travel.

S. 395

At the request of Mr. DURBIN, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 395, a bill to amend the Animal Welfare Act to provide further protection for puppies.

S. 403

At the request of Mr. CASEY, the name of the Senator from Alaska (Mr. BEGICH) was added as a cosponsor of S. 403, a bill to amend the Elementary and Secondary Education Act of 1965 to address and take action to prevent bullying and harassment of students.

S. 415

At the request of Ms. LANDRIEU, the name of the Senator from North Dakota (Mr. HOEVEN) was added as a cosponsor of S. 415, a bill to clarify the collateral requirement for certain loans under section 7(d) of the Small Business Act, to address assistance to out-of-State small business concerns, and for other purposes.

S. 424

At the request of Mr. BROWN, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 424, a bill to amend title IV of the Public Health Service Act to provide for a National Pediatric Research Network, including with respect to pediatric rare diseases or conditions.

S. 462

At the request of Mrs. BOXER, the names of the Senator from Indiana (Mr. DONNELLY) and the Senator from North Carolina (Mrs. HAGAN) were added as cosponsors of S. 462, a bill to enhance the strategic partnership between the United States and Israel.

S. 535

At the request of Mr. RUBIO, the name of the Senator from Texas (Mr. CORNYN) was added as a cosponsor of S. 535, a bill to require a study and report by the Small Business Administration regarding the costs to small business concerns of Federal regulations.

S. 539

At the request of Mrs. SHAHEEN, the name of the Senator from New Hampshire (Ms. AYOTTE) was added as a cosponsor of S. 539, a bill to amend the Public Health Service Act to foster

more effective implementation and coordination of clinical care for people with pre-diabetes and diabetes.

S. 541

At the request of Ms. LANDRIEU, the names of the Senator from Rhode Island (Mr. REED) and the Senator from New Hampshire (Mrs. SHAHEEN) were added as cosponsors of S. 541, a bill to prevent human health threats posed by the consumption of equines raised in the United States.

S. 557

At the request of Mrs. HAGAN, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 557, a bill to amend title XVIII of the Social Security Act to improve access to medication therapy management under part D of the Medicare program.

S. 569

At the request of Mr. BROWN, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 569, a bill to amend title XVIII of the Social Security Act to count a period of receipt of outpatient observation services in a hospital toward satisfying the 3-day inpatient hospital requirement for coverage of skilled nursing facility services under Medicare.

S. 629

At the request of Mr. PRYOR, the name of the Senator from Nebraska (Mr. JOHANNES) was added as a cosponsor of S. 629, a bill to amend title 38, United States Code, to recognize the service in the reserve components of the Armed Forces of certain persons by honoring them with status as veterans under law, and for other purposes.

S. 642

At the request of Mr. ENZI, the name of the Senator from New Mexico (Mr. HEINRICH) was added as a cosponsor of S. 642, a bill to amend the Public Health Service Act and title XVIII of the Social Security Act to make the provision of technical services for medical imaging examinations and radiation therapy treatments safer, more accurate, and less costly.

S. 783

At the request of Mr. WYDEN, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 783, a bill to amend the Helium Act to improve helium stewardship, and for other purposes.

S. 913

At the request of Mrs. SHAHEEN, the name of the Senator from Minnesota (Mr. FRANKEN) was added as a cosponsor of S. 913, a bill to amend the National Oilheat Research Alliance Act of 2000 to reauthorize and improve that Act, and for other purposes.

S. 971

At the request of Mr. WYDEN, the name of the Senator from Minnesota (Mr. FRANKEN) was added as a cosponsor of S. 971, a bill to amend the Federal Water Pollution Control Act to exempt the conduct of silvicultural activities from national pollutant discharge elimination system permitting requirements.

S. 999

At the request of Mr. CARDIN, the name of the Senator from Ohio (Mr. BROWN) was added as a cosponsor of S. 999, a bill to amend the Older Americans Act of 1965 to provide social service agencies with the resources to provide services to meet the urgent needs of Holocaust survivors to age in place with dignity, comfort, security, and quality of life.

S. 1068

At the request of Mr. BEGICH, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of S. 1068, a bill to reauthorize and amend the National Oceanic and Atmospheric Administration Commissioned Officer Corps Act of 2002, and for other purposes.

S. 1072

At the request of Ms. KLOBUCHAR, the name of the Senator from New Hampshire (Ms. AYOTTE) was added as a cosponsor of S. 1072, a bill to ensure that the Federal Aviation Administration advances the safety of small airplanes and the continued development of the general aviation industry, and for other purposes.

S. 1158

At the request of Mr. WARNER, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from Texas (Mr. CORNYN) were added as cosponsors of S. 1158, a bill to require the Secretary of the Treasury to mint coins commemorating the 100th anniversary of the establishment of the National Park Service, and for other purposes.

S. 1166

At the request of Mr. ISAKSON, the name of the Senator from New Hampshire (Ms. AYOTTE) was added as a cosponsor of S. 1166, a bill to amend the National Labor Relations Act to provide for appropriate designation of collective bargaining units.

S. 1171

At the request of Mr. MORAN, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 1171, a bill to amend the Controlled Substances Act to allow a veterinarian to transport and dispense controlled substances in the usual course of veterinary practice outside of the registered location.

S. 1181

At the request of Mr. ENZI, the name of the Senator from Pennsylvania (Mr. TOOMEY) was added as a cosponsor of S. 1181, a bill to amend the Internal Revenue Code of 1986 to exempt certain stock of real estate investment trusts from the tax on foreign investments in United States real property interests, and for other purposes.

S. 1229

At the request of Mr. WHITEHOUSE, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of S. 1229, a bill to amend the Truth in Lending Act to empower the States to set the maximum annual percentage rates applicable to consumer credit transactions, and for other purposes.

S. 1238

At the request of Mr. REED, the names of the Senator from Washington (Ms. CANTWELL), the Senator from Massachusetts (Mr. COWAN) and the Senator from Colorado (Mr. BENNET) were added as cosponsors of S. 1238, a bill to amend the Higher Education Act of 1965 to extend the current reduced interest rate for undergraduate Federal Direct Stafford Loans for 1 year, to modify required distribution rules for pension plans, and for other purposes.

S. 1241

At the request of Mr. MANCHIN, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 1241, a bill to establish the interest rate for certain Federal student loans, and for other purposes.

S. 1251

At the request of Mr. REED, the name of the Senator from Vermont (Mr. SANDERS) was added as a cosponsor of S. 1251, a bill to establish programs with respect to childhood, adolescent, and young adult cancer.

S. RES. 151

At the request of Mr. CASEY, the name of the Senator from Texas (Mr. CORNYN) was added as a cosponsor of S. Res. 151, a resolution urging the Government of Afghanistan to ensure transparent and credible presidential and provincial elections in April 2014 by adhering to internationally accepted democratic standards, establishing a transparent electoral process, and ensuring security for voters and candidates.

S. RES. 191

At the request of Mr. ENZI, the name of the Senator from North Dakota (Mr. HOEVEN) was added as a cosponsor of S. Res. 191, a resolution designating July 27, 2013, as "National Day of the American Cowboy".

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH:

S. 1270. A bill to amend the Internal Revenue Code of 1986 to provide for reform of public and private pension plans, and for other purposes; to the Committee on Finance.

Mr. HATCH. Mr. President, I rise to speak about the pension reform legislation I am introducing today. I am taking this step for a simple reason: America cannot continue sleepwalking into the financial disaster that awaits us if we do not get the public pension debt crisis under control.

The bill I introduce today is called The Secure Annuities for Employee Retirement Act of 2013—the SAFE Retirement Act, for short. In addition to public pension underfunding, the SAFE Retirement Act addresses two other critically important aspects of retirement policy: 401(k) plan coverage and access to professional investment advice for workers and retirees. I will briefly address each part in turn.

I have been working on the public pension underfunding problem, which I

call the pension debt crisis, for some time. Two years ago, I stood before this Senate and described the financial challenge public pension plans pose to Americans. I described how the gap between the pensions that have been promised to workers by State and local governments and the money set aside was as much as \$4.4 trillion short by some estimates, more than the total amount of municipal bond debt nationwide.

I explained that the problem of public pension underfunding existed before the 2008 recession and any attempt to lay blame for the problem at the feet of Wall Street or big business or some other group was just blame shifting.

I observed how the business world long ago recognized that traditional pension plans—defined benefit plans—had become unsustainable for most private companies and that most had moved toward 401(k)-style plans—or defined contribution plans—because costs are lower and more predictable and they fit well within an increasingly mobile and dynamic workforce. As usual, governments have been slow to innovate, slow to adapt, and when they have acted, their actions have been too limited to solve the problem.

I said at the time I had not settled on the best solution, but that I was working hard and talking to the experts about the best way to proceed. That is what we did.

Last year, after extensive study, I delivered a report about the public pension debt problem titled "State and Local Government Defined Benefit Plans: The Pension Debt Crisis that Threatens America." The study showed that public pension underfunding is a longstanding problem and that the current pension debt crisis goes back more than a decade, if not further. The report explained why public pension debt is a Federal concern, reviewed previous Federal attempts at legislation and more recent State legislative measures focused almost exclusively on new employees and the attempt by the Government Accounting Standards Board to restore a level of discipline to public pension accounting.

At the end of the report, I laid out four essential goals for public pension reform. First, public pension plans must be affordable for public employers and taxpayers. Second, plans must be structured so taxpayers in the future have no liability for past years of employee service. Third, public plans should provide retirement income security for employees. Finally, fourth, a Federal bailout of the States must be avoided at all costs.

As you will see, I listened to people on all sides of the public pension debate, including employee groups who want public plans to provide lifetime income. I could have merely recommended that State and local governments move to a 401(k)-style plan, but I settled instead on a policy of trying to achieve retirement income security as well.

Despite numerous legislative initiatives enacted at the State and local level, the public pension debt crisis has gotten worse, not better. In my report, I warned that examples such as Prichard, AL, Vallejo, CA, and Central Falls, RI, were only the beginning. Sadly, I was right. Since that time, we have witnessed the pension debt crisis descend on much larger cities such as San Jose, CA, Stockton, CA, San Bernardino, CA, and Detroit, MI. Does anyone doubt that a State could be next? How many times does the credit rating of Illinois have to be downgraded before we act? How long can Rhode Island hold out when it is expected to save its struggling cities while it struggles with its own State pension crisis?

The problem is getting more serious every day, and the four goals I outlined in my report cannot be reached merely by fine-tuning the existing pension structures available to public employers. A new public pension design is needed, one that provides cost certainty for State and local taxpayers, retirement income security for State and local employees, and does not include an explicit or implicit government guarantee.

I am pleased to say I believe I have designed such a plan. Title I of the SAFE Retirement Act creates a new pension plan called an annuity accumulation retirement plan. I call it the SAFE Retirement Plan.

The concept of the SAFE Retirement Plan is simple: take advantage of the lifetime income that fixed annuities can provide while mitigating the volatile effect of interest rates on pension levels by purchasing an annuity contract for each worker every year during their career so a worker builds a solid pension year by year during their entire working life.

With a SAFE Retirement Plan, employees receive a secure pension at retirement for life that is 100-percent vested, fully portable, and cannot be underfunded. Employers and taxpayers receive stable, predictable, and affordable pension costs. Underfunding is not possible. The life insurance industry pays the pensions and bears all of the investment risk. Unlike current public pension plans, the SAFE Retirement Plan will be protected by a robust and multi-faceted State insurance regulatory system built to ensure financial strength and solvency and backed by a State law-based consumer safety net. Rather than repairing their pension plans, States that adopt the SAFE Retirement Plan will be upgrading their pension plans.

Remember, there is no Pension Benefit Guaranty Corporation backing State and local pension plans, and there never will be. Corporations that sponsor pension plans pay premiums to the PBGC, and their workers and retirees receive a level of insurance in the event the plan does not have assets sufficient to pay promised benefits.

State and local workers enjoy no such protection, so another solution is