

## EXTENSIONS OF REMARKS

PROVIDING FOR CONSIDERATION OF SENATE AMENDMENT TO H.R. 88, SHILOH NATIONAL MILITARY PARK BOUNDARY ADJUSTMENT AND PARKER'S CROSSROADS BATTLEFIELD DESIGNATION ACT; PROVIDING FOR PROCEEDINGS DURING THE PERIOD FROM DECEMBER 24, 2018, THROUGH JANUARY 3, 2019

SHILOH NATIONAL MILITARY PARK BOUNDARY ADJUSTMENT AND PARKER'S CROSSROADS BATTLEFIELD DESIGNATION

SPEECH OF

**HON. VIRGINIA FOXX**

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, December 20, 2018*

Ms. FOXX. Mr. Speaker, I commend Chairman BRADY and Leader MCCARTHY for their work related to the retirement security title of this bill, which includes significant and long-overdue reforms that expand access to workplace retirement plans, improve participant savings, and increase transparency in those plans.

The Ways and Means Committee and the Committee on Education and the Workforce have a long history of working together to improve and strengthen America's employer-sponsored retirement system.

Given our shared jurisdiction over many of these matters, each Committee brings a unique perspective to the table, further strengthening the resulting legislation.

The House Amendment to Senate Amendment to H.R. 88—Retirement, Savings, and Other Tax Relief Act of 2018 includes many reforms that have benefited from the work of both committees. Several provisions were the subject of a hearing in the Education and the Workforce Committee earlier this Congress, such as the authorization of open multiple employer plans, and the clarification of an existing safe harbor for offering annuity products in a defined contribution plan.

However, the Retirement, Savings, and Other Tax Relief Act of 2018 overreaches by including a provision allowing for premium reductions for certain cooperative and small employer charity pension plans (CSEC plans), an issue which falls entirely under the jurisdiction of the Education and the Workforce Committee, and which stands in stark contrast to the spirit of this otherwise sensible legislation.

As Chairwoman of the committee of jurisdiction, I welcome this opportunity to provide background on the cooperative and small employer charity premiums provision.

In 2006, Congress passed the Pension Protection Act, which included provisions to improve the funding of defined benefit pension plans sponsored by a single employer, in order to ensure the solvency of these plans and the retirement security of plan participants. The law exempted certain entities from these improved plan funding requirements.

The Pension Protection Act also increased insurance premiums paid to the Pension Benefit Guaranty Corporation by single-employer plan sponsors because the PBGC-administered single-employer insurance program was under extreme stress—it had gone from a \$7 billion surplus in 2001 to a \$22 billion deficit in 2005. Unlike the Pension Protection Act funding rules, the increased PBGC premiums applied equally to all single-employer plan sponsors.

Mr. Speaker, PBGC premiums for single-employer plans take two forms—a flat-rate, per participant premium; and an additional risk-based variable rate premium. While plan sponsors cannot control the level of the flat-rate premium, they have complete power over the amounts owed for the variable rate premium.

The variable rate premium is higher for severely underfunded plans than for well-funded plans, reflecting the higher risk underfunded plans present to PBGC, which steps in to pay benefits if a plan terminates. If a plan sponsor improves the funding of its plan, then its PBGC premium levels will go down.

The structure of this variable rate premium not only prevents sponsors of well-funded plans from subsidizing the benefits of other companies' employees, but also serves as an additional incentive for all plan sponsors to fund their plans properly.

As such, this variable rate premium is an especially crucial incentive for proper plan funding in certain cooperative and small employer charity plans that are exempt from the Pension Protection Act's more stringent funding rules.

For 2018, all single-employer plan sponsors pay a flat-rate premium of \$74 per participant, and a variable rate premium is assessed at 3.8 percent of a plan's unfunded vested benefits, capped at \$523 per participant. In exchange, the PBGC insures benefits up to \$67,295 annually for a 65-year old retiree.

Now, a number of organizations that already enjoy funding relief under current law have asked for an additional reprieve from premiums that protect their workers' pension plans.

The bill before us grants certain groups this additional break—both the flat-rate premium and the variable-rate premium are reduced exclusively for these entities to pre-Pension Protection Act levels. While all other single-employer plans would continue to pay the current premium amounts, these plans would pay only a flat-rate of \$19 per participant and a variable rate premium assessed at 0.9 percent of a plan's unfunded vested benefits. Further, the provision allows these plans alone to use higher interest rates to assume higher funding levels when determining premium amounts, while other single-employer plans must use long-standing specified assumptions that result in more sound funding estimates. As a result, many underfunded CSEC plans would not have to pay any variable rate premium under this provision.

Funding levels in many plans that would qualify for premium relief under this provision

have fallen in recent years, resulting in increased risk-based variable rate premiums. According to PBGC data, for purposes of determining the variable rate premium, the plan sponsored by Girl Scouts of USA was only 64 percent funded in 2017—but as noted above, this provision would allow the plan to assume a 76.6 percent funding level; the Boy Scouts plan was only 75 percent funded in 2017, but under this provision the plan could assume 88 percent funding. Other plans are in a similar situation. For example, in 2017 Hawkeye Insurance Association was only 56 percent funded and Lincoln Center for the Performing Arts' plan was only 58 percent funded.

There has been a trend in recent years of certain companies and organizations looking to pension policies for financial relief when they are confronted with difficult situations. Congress should not set the precedent that when a company faces hard times, it can turn to its employees' pensions for a quick fix.

Federal pension laws must reflect the purpose for which pension promises are made—they are not offered gratuitously, but as a form of compensation to employees. As such, any changes to federal pension laws should have a long-term, sustainable focus, taking into account all parties, and especially the interests of workers and retirees.

Employees of charitable organizations often make great personal sacrifices to do important work that benefits local communities; as much as anyone, these employees deserve a sound pension system and a secure retirement.

Once pension promises are made, workers must be able to rely on them being kept.

The current variable-rate premium puts the responsibility for premium levels in the hands of plan sponsors, and rewards plan sponsors that care for their employees by maintaining well-funded plans; it additionally serves as a strong disincentive for sponsors to allow their employees' plans to fall to dangerous funding levels. In the aggregate, cooperative and small employer charity plans that would qualify for premium reductions under the bill are underfunded by about \$5 billion according to PBGC.

A premium reduction benefiting a select few, as provided for in this bill, hands a select group of employers the same insurance at a lower price, at the expense of other employers that also sponsor single-employer plans. Under this provision, PBGC would lose over a billion dollars in premium revenue over the next ten years.

It allows a select group of employers to minimally fund promises made to their employees without consequence. Because these groups are exempt from Pension Protection Act rules designed to result in higher plan funding levels, the variable rate premium plays an important role in policing funding levels. PBGC estimates that it is likely that no cooperative and small employer charity plan would owe variable rate premiums under this provision.

Finally, this cooperative and small employer charity provision sends the wrong message to workers and retirees that when it comes to pension policy, Congress is willing to tip the

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Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

scales in favor of certain employers over the retirement security of their employees.

Because the good in the bill before us today as a whole outweighs the harm of this one provision, I will be voting yes on the underlying bill. But my "yes" vote on this bill is not an endorsement of the CSEC provision which I strongly oppose for the reasons I've just discussed.

#### TRIBUTE IN HONOR OF DANNY HOWARD

#### HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Friday, December 21, 2018*

Mr. ROGERS of Kentucky. Mr. Speaker, I rise today to pay tribute to my dear friend, Danny Howard, upon his retirement after dedicating 24 years of public service as Mayor of Harlan, a historic coal mining town in Kentucky's Appalachian region.

Learning from his father, who served as a long-time magistrate and Sheriff for Harlan County, Danny wanted to serve the beloved small coal town where he was born and raised. Despite his father's warning that the "spot doesn't pay," my friend moved forward with his courage of conviction to help the people of Harlan and was elected in 1993.

It was not the first time Danny Howard chose Harlan. An alumnus of Harlan High School, he graduated in 1973 from Mercer University College of Pharmacy in Atlanta, Georgia. At a time when many young people were moving away from small towns in the Appalachian coal fields, he and his wife, Debby Webb Howard, returned to Harlan to start their family. They raised two children, Seth Howard and Whitney Howard Mendiondo in the shadow of the mountains. Since then, the Howards have never had an empty nest, with Earl Raglin and Jordan Foster joining their family in 1995 and 2006, and generously opening their home to three other children over the years.

Danny not only served people from his post at City Hall, but also as a practicing pharmacist. He is known for his personable style, often walking around the counter to give customers an entertaining dose of local tales and jokes that demonstrate his love for his small hometown. His genuine interest in others always shines through, winning people from all walks of life.

As Mayor of Harlan, Danny has always faced a challenging economy with a small municipal budget strapped by a shrinking tax revenue and a deteriorating infrastructure. However, he has worked diligently for economic development projects, infrastructure improvements, flood control, environmental cleanups and much more. In fact, we became close friends through our work together for the Eastern Kentucky PRIDE program, removing illegal dumps from our hillsides, cleaning up litter along our roadways, and expanding access to clean water and sanitary sewer across the county. He has also been a trusted partner for first responders and Operation UNITE, supporting narcotics investigations, treatment and education efforts across the city to combat the drug epidemic.

Additionally, Danny effectively boosted tourism and community development efforts,

through the establishment of the Harlan Tourism Commission and construction of The Harlan Center in the heart of the city. Today, the tourism industry has an annual economic impact of approximately \$18 million.

Danny's expertise in both city management and pharmaceuticals have been highly coveted by numerous boards and commissions, including the Housing and Urban Development Board on which he served many years. He worked tirelessly, advocating for projects that would provide housing for those most in need.

Without question, Danny Howard's loyal leadership will have a long-lasting impact in the City of Harlan and throughout the county. I wish Danny, his wife, Debby, and their family many blessings, joy and peace in the years ahead.

#### HONORING THE 150TH ANNIVERSARY OF EMINENCE, MISSOURI

#### HON. JASON SMITH

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Friday, December 21, 2018*

Mr. SMITH of Missouri. Mr. Speaker, I rise today to honor the Sesquicentennial of Eminence, Missouri. Located in Shannon County, Eminence began as a small settlement along the Current River near Round Spring. In 1868, after the courthouse was burned in the Civil War, it was determined the town and county seat should be moved to a more centrally-located area. County Judges Alfred Deatherage, Thomas J. Chilton, and William Mahan commissioned William S. Chilton to find the new location. Utilizing the help of his brother, Thomas J. Chilton, they moved the town to its current location.

The early structures in Eminence were constructed out of log and plain lumber. The first businesses in town, a saloon, store, and post office, were constructed by Colonel Thomas Freeman and A.J.P. Deatherage.

Today, Eminence is known for its canoeing, trail riding, hunting, fishing, and camping. It is also the home of former astronaut Tom Akers, a veteran of four space shuttle missions and former Principal of Eminence High School.

The people of Eminence have shown their resiliency through the years by overcoming fires, floods, and other obstacles. This resiliency has made Eminence what it is today. It is my honor to acknowledge this historic birthday before the United States House of Representatives.

#### PERSONAL EXPLANATION

#### HON. JASON LEWIS

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Friday, December 21, 2018*

Mr. LEWIS of Minnesota. Mr. Speaker, on December 21, 2018 I was unable to be present on the floor for recorded votes. As a proud father, I was attending my eldest daughter's college graduation in Minnesota.

#### HONORING THE MEMORY OF BARBARA J. HOOVER

#### HON. THOMAS R. SUOZZI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, December 21, 2018*

Mr. SUOZZI. Mr. Speaker, I rise to recognize and remember Barbara Jeanne Hoover who passed away October 14, of this year. Unwaveringly altruistic, Barbara learned early the importance of family, dedication, and community.

Barbara was born on September 4, 1953 in Jamaica, Queens, New York. After graduating from St. John's College, she was employed in Human Resources for Citibank, in New York City.

It was at Citibank where Barbara met the man of her dreams and future husband, James Hoover. They were quickly married and it wasn't long before Barbara gave birth to their first son, Bradley. Barbara chose to leave Citibank, eager to build a loving home for her family. She would later give birth to two more boys, Courtney and Logan.

It is without question that Barbara's number one passion day in and day out was her three sons. Her unconditional love, devotion, patience, attentiveness, and personal sacrifice were unwavering.

Her ability to see beauty in the world fueled her passion for the environment and gardening. She was a member of the North Country Garden Club and her tenure was defined by impeccable leadership. Over the course of twenty years, she served as President, Chair of the Communications Committee, and most recently as Co-Chair of the Projects Committee. She pioneered a new era in the Club's communications, bringing a fresh, engaging design to the quarterly Gazette and even creating a new website.

Her leadership never went unnoticed and was often celebrated. She was given the Mentor Award for her many contributions to the NCGC for her bravery and ability to handle roadblocks with grace and dignity. Never boastful, Barbara was eager to share her expertise and wisdom to NCGC newcomers. Always happy to hold meetings in her house, her three English Springer Spaniels, her other passion, were always at her side.

Barbara's commitment to the environment did not stop there. From 2007 to 2011, she worked on the staff of the North Shore Land Alliance, a non-profit devoted to the conservation of land on Long Island. She tirelessly planned and executed fundraisers, advocacy campaigns, meetings with elected officials, and countless other events to protect the place she called home.

Barbara felt strongly about having a first-rate community hospital and tirelessly worked to provide her support for the Glen Cove Hospital, where she was a founding member of the Advisory Council and served as its Chairman since 2011. Her family witnessed the appreciation for her by the numerous interactions with the hospital staff during her frequent visits as a patient. She, in turn, was always thankful to anyone who helped her, no matter how small the gesture.

Always wanting to ease the burden for others and take on more responsibility, Barbara deliberately and thoughtfully gave her family a short eulogy a few days before her death: