

News from the

**U.S. Senate Committee on
Health, Education, Labor and Pensions**

Michael B. Enzi (Wyoming), Chairman



FOR IMMEDIATE RELEASE
Contact: Craig Orfield 202.224.6770
September 8, 2005

**HELP APPROVES SWEEPING PENSION REFORM BILL;
WILL SECURE RETIREMENTS OF MILLIONS, ENZI
SAYS**

Washington, D.C. - U.S. Senator Mike Enzi (R-WY), Chairman of the Senate Health, Education, Labor and Pensions Committee (HELP Committee) today said the Committee has approved "The Defined Benefit Security Act," a bill designed to ensure proper funding of pension plans and the secure the retirements of millions of Americans. "Billions of dollars and the survival of hundreds of small and medium-sized companies hinge on Congressional approval of substantive pension reform," Enzi said Thursday. "Hard-working Americans rely upon these plans and cling to the hope that their plans will sustain them into retirement. We've made a point to be mindful of these facts as we've worked to produce this sweeping reform bill and have achieved meaningful reforms." Enzi called the bipartisan bill, cosponsored by the Committee's Ranking Member, Senator Edward M. Kennedy (D-MA), Senator Mike DeWine (R-OH) and Senator Barbara Mikulski (D-MD) "a worthy product" of the Committee that first produced the "Employee Retirement Income Security Act," - the same landmark law it will amend.

The reform bill approved achieves five goals Enzi identified early this year as for comprehensive pension reform. The bill will:

- Require tougher funding rules to ensure that pension plans are fully funded;

- Impose new disclosure provisions providing more accurate, concise and informative plan specific - so that interested persons have access to timely information they need to make informed choices about their retirement plans.
- Increase pension premiums to narrow the funding deficit at the Pension Benefit Guaranty Corporation and revision of current “loopholes” that will preclude companies from shifting costs onto the federal agency;
- Clarify the law governing hybrid pension plans, both retroactively and prospectively, and strengthens the law on multiemployer pension plans to ensure that the companies and unions take the steps necessary to avoid funding deficiencies.

Finally, the bill includes some limited airline pension relief, both to keep money flowing into those plans, but also to help keep billions of dollars in additional liability off the PBGC’s doorstep.

#