

By Mr. BINGAMAN (for himself and Mr. JEFFORDS):

S. 1922. A bill to amend the Employee Retirement Income Security Act of 1974 to establish a Pension ProSave system which improves the retirement income security of millions of American workers by encouraging employers to make pension contributions on behalf of employees, by facilitating pension portability, by preserving and increasing retirement savings, and by simplifying pension law; to the Committee on Finance.

S. 1923. A bill to establish a Pension ProSave system which improves the retirement income security of millions of American workers by encouraging employers to make pension contributions on behalf of employees, by facilitating pension portability, by preserving and increasing retirement savings, and by simplifying pension law; to the Committee on Labor and Human Resources.

By Mr. STEVENS:

S. 1924. A bill to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel DAMN YANKEE; to the Committee on Commerce, Science, and Transportation.

By Mr. GORTON (for himself, Mr. COATS, Mr. HATCH, Mr. FAIRCLOTH, Mr. WARNER, Mr. GREGG, Mr. FRIST, Mr. COCHRAN, Mr. LOTT, Mrs. KASSEBAUM, Mr. KYL, Mr. MACK, Mr. NICKLES, and Mr. PRESSLER):

S. 1925. A bill to amend the National Labor Relations Act to protect employer rights, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. COCHRAN (for himself and Mr. SPECTER):

S. 1926. A bill to provide for the integrity of the medicare program under title XVIII of the Social Security Act, and for other purposes; to the Committee on Finance.

By Mrs. BOXER:

S. 1927. A bill to prohibit 401(k) plans from investing in collectibles and to require certain 401(k) plans to provide to participants annual, detailed reports on the investments made by such plans; to the Committee on Finance.

By Mr. LEVIN:

S. 1928. A bill to amend the Internal Revenue Code of 1986 to eliminate tax incentives for exporting jobs outside of the United States, and for other purposes; to the Committee on Finance.

By Mr. WELLSTONE:

S. 1929. A bill to extend the authority for the Homeless Veterans' Reintegration Projects for fiscal years 1997 through 1999, and for other purposes; to the Committee on Veterans Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BROWN:

S. Res. 275. Resolution to express the sense of the Senate concerning Afghanistan; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN (for himself and Mr. JEFFORDS):

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half of employees, by facilitating pension portability, by preserving and increasing retirement savings, and by simplifying pension law; to the Committee on Finance.

S. 1923. A bill to establish a Pension ProSave system which improves the retirement income security of millions of American workers by encouraging employers to make pension contributions on behalf of employees, by facilitating pension portability, by preserving and increasing retirement savings, and by simplifying pension law; to the Committee on Labor and Human Resources.

THE PENSION PRO-SAVE ACT

Mr. BINGAMAN. Mr. President, I appreciate very much the chance to speak, address the Senate today on the very important issue of retirement security. The Senator from Vermont, Senator JEFFORDS, and myself are introducing today two bills. I will just read the title for people so that they will get an idea what these bills will do:

To establish a Pension ProSave system that improves retirement income security for millions of American workers by encouraging employers to make pension contributions on behalf of employees, by facilitating pension portability, by preserving and increasing retirement savings, and by simplifying pension law.

Mr. President, before I describe our proposal, let me describe the problem, because I think the problem we are attempting to confront is severe, is serious, and affects many of us in this country. This first chart I have here describes the problem very well. This is a chart with the title, "More Than 50 Million Workers Are Not Earning A Pension."

This pie chart shows that over half of the private sector workers in this country today, 50.8 million people, as of April 1993, so I am sure it is even larger now, but over 50 million people are not covered by any kind of pension. This, of course, is separate from Social Security, which is not a pension program. But as regards any other type of pension, more than half of our workers are not covered today.

Let me show another chart that sort of breaks this down by State and shows the problem as it exists from State to State. You can see the percentages. This chart shows on a map here the percentage of people covered by some type of pension plan in each of our States. People might ask, why is a Senator from New Mexico even interested in this issue? I can tell you why. When you look at New Mexico, we have the lowest percentage of our workers covered by pensions of any State in the Union; 29 percent of our private sector employees in New Mexico actually have some degree of pension coverage.

Let me show another chart here, which tries to make the same point somewhat differently and just shows the percentage of workers who do not have coverage: "State Differences In Pension Coverage." Starting from the top, the State with the largest percentage of workers not covered is New Mexico, with 71 percent; next Louisiana, 69

percent; then Nevada, 67 percent; and on down the list.

I see my friend from North Dakota on the floor. In his State, 61 percent of the people in that State do not have any pension coverage. So this is a serious, serious problem.

The final chart I will show is a chart to make the point that the problem is not getting better or getting solved. In fact, it is getting worse. This shows two different figures here, first the figure for 1979 and then the figure for 1989. The red is the percentage of coverage that existed in 1979, the yellow is the percentage of coverage that existed 10 years later, in 1989, for different groups in our society depending upon the extent of the education they have received.

We can see for those with less than a high school education, in 1979, 44 percent of those people were covered; in 1989, 28 percent. And on and on down through the list. Again, it is clear that our Nation has a severe problem to confront.

Second, it is clear the problem is getting worse. The reasons for inadequate pension coverage are what we need to focus on. I believe there are four key reasons why so many of our citizens have no pension coverage.

First, present law does not provide adequate incentives for employers to contribute to a pension plan for themselves and their employees. Many of our small businesses, the vast majority of our small businesses, do not contribute at the present time because those incentives are not there.

A second reason is that, in addition to inadequate incentives, present law imposes significant administrative duties on employers who wish to assist in providing pension coverage.

A third reason is that the rapid pace of job change, combined with significant waiting periods before retirement benefits vest, results in many employees losing their rights to retirement benefits when they move from job to job.

The fourth reason is that present law greatly limits the amount of pretax savings that a person can achieve unless his or her employer does take on this administrative duty of establishing a pension plan.

Let me describe briefly the proposal that Senator JEFFORDS and I are putting before the Senate today and are having referred to committee. This Pension ProSave proposal seeks to increase the number of Americans with some level of pension benefits by curing the deficiencies that are presently in the law. First, it provides an additional tax incentive to an employer if he or she commits an amount equal to at least 1 percent of each employee's salary to a pension for all employees. The maximum amount each year that an employer may contribute for each employee would be \$5,000.