

their retirement years, solving Social Security's fiscal problems has to be and should be a top priority of this Congress. And I think it is. I think it is a top priority of the President, as well. I encourage that, and I hope that we come up with a Social Security solution even this year.

But we also have to realize that Social Security is not going to solve all of our retirement security problems. Social Security was never meant to handle all the retirement needs of Americans and, in fact, for most Americans it does not. Rather, it is just one leg of a three-legged stool that people rely on in their retirement.

As my colleagues can see from this chart here, Social Security, employer provided pensions, and personal savings is the three-legged stool that Americans rely on for their retirement. This is a critical issue for all Americans, by the way, not just those Americans who are in retirement but those approaching those retirement years.

We must move forward with policies that make a real difference in terms of providing overall retirement security for all Americans. It will mean for many Americans the difference between mere subsistence or even poverty in retirement, on the one hand, and real prosperity and a comfortable retirement, on the other hand.

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I am going to talk tonight about this leg of the retirement stool called employer-provided pensions. This is 401(k) plans, it is 457 plans, 403(b) plans and other defined contribution plans. It is also the defined benefit plans, profit sharing plans and so on. Pension savings are already, as this chart shows, an important part of Americans' retirement security, but not all is well with our pension program today. Only half of all Americans, for example, even have a pension today.

What really concerns me as we look from 1983 until 1993 where we should have made a lot of progress in this area, we have roughly stayed the same. Only half of Americans today in the workforce have any kind of pension at all. That is anything, a 401(k), a simple plan, a profit sharing plan, anything. To me that is a major problem, one that we should address here in the United States Congress, who want to give Americans more access to a comfortable retirement.

This means, by the way, that about 60 million Americans have no pension, no private retirement savings through their employer. It is even worse than that really because when we look at so many of the jobs that are being created in our economy today, it is in the smaller businesses. This chart shows that among smaller companies, the percentage of companies that offer any kind of a pension is even smaller. These two blocks together would be all companies of 25 or fewer employees. This shows that only 19 percent of them on average offer any kind of a

pension plan at all. Those people who work in smaller businesses again where most of our jobs are being created in our economy even have a lower possibility of having any kind of retirement savings through their employer.

This is all happening, incidentally, at a time when savings in our country is at an all-time low. The pension plans around the country would normally be contributing to higher savings but they simply are not as accessible as they should be. This shows the U.S. personal savings over time starting with 1935. Actually today we are at the lowest level at least since the Great Depression. Some economists think we are at our lowest savings rate ever. That is another reason we need to reform our pension laws, because pensions again are a major part of retirement savings but also of our overall savings in this country which is so important. We have a plan to try to change this.

I have come up with this plan with the gentleman from Maryland (Mr. CARDIN) who is also with us tonight. What this will do is it will provide for an increase in contribution levels and compensation levels and in benefit limits for all employees. It enables us, in other words, to let people save a lot more for their own retirement. It also takes out a lot of the well meaning but very restrictive rules and regulations that have come in place with our pension policy.

Mr. CARDIN. Mr. Speaker, will the gentleman yield?

Mr. PORTMAN. I yield to the gentleman from Maryland.

Mr. CARDIN. First let me thank the gentleman from Ohio for taking this time. I know we do not have much time tonight. The point that he makes which is so important that, yes, we need to resolve Social Security, that is very important. But we also need to deal with private retirement in our community. I congratulate the gentleman on the work on the legislation that he introduced. His point is so well taken, that we have to make it easier for small business to provide employer-sponsored retirement plans for their employees. We have to increase the limits, not reduce, in which people can put away for their personal retirement. We must make it easier for portability in today's market where people change jobs to be able to combine their pension plans to make it easier for them. We have got to remove a lot of these complexities that we have put in the law that are preventing employers from even having pension plans to help their employees. I just really wanted to emphasize the point that he was making that we need to act in this Congress on private retirement as well as Social Security.

Mr. PORTMAN. I thank the gentleman very much.

#### RETIREMENT SECURITY

The SPEAKER pro tempore (Mr. SHIMKUS). Under a previous order of the

House, the gentleman from Maryland (Mr. CARDIN) is recognized for 5 minutes.

Mr. CARDIN. Mr. Speaker, I yield to the gentleman from Ohio.

Mr. PORTMAN. I thank my colleague from Maryland for yielding. We have been laboring at this for a couple of years now. We have worked with a lot of different groups around the country who are concerned with people being able to have a secure retirement. This includes incidentally for this proposal we are talking about tonight the Chamber of Commerce of the United States, as well as the AFL-CIO. To have that kind of a broad cross-section on any legislation around here is rather unusual. Why are all these groups supporting this proposal? For one very simple reason. They all have people they are representing who want to provide retirement security for workers. This proposal is common sense changes, as the gentleman from Maryland said, to permit, for example, portability where you can be able to take your pension from job to job, responding to the increasingly mobile workforce out there. It also again goes into the pension rules and regulations which have become so burdensome that many small employers simply will not offer a plan at all. It cuts down on those rules and regulations to the point that smaller businesses are now going to be able to get into this business. It also cuts down some of the liability for our smaller businesses. Finally, very important, as the gentleman from Maryland said, it has the ability for people to save more for their own retirement. One that I particularly like that the gentleman from Maryland is very supportive of is the catch-up provision, for people who are over 50 years old coming back into the workforce. This would be a lot of working moms who stayed home to take care of kids and are now coming back into the workforce, we allow them to contribute an additional \$5,000 a year to their retirement plan. This will help a lot of people to be able to build up that nest egg that is necessary for retirement.

Mr. CARDIN. Let me just if I might in concluding, it is important for us to act on private retirement for many reasons. One is that yes, we are very pleased with the growth of our economy. We are projecting budget surpluses. We have low rates of inflation, low unemployment rates. We are very pleased by the signs that we see in our economy. But there is one statistic that the gentleman from Ohio pointed out which is not good for our future and, that is, the amount of savings that we have as a Nation. Among the industrial nations, we rank near the bottom on the amount that we save on a per capita basis. The chart that the gentleman used earlier showed that we are actually saving less today than we did 10 years ago. We should be saving more, particularly when we look at how strong our economy is. We need to

adopt here in this body policies that will make it easier for Americans to save for the future, that is good for their security when they retire. It is good for economic growth in this Nation. It makes sense. It is not a partisan issue. It is a bipartisan issue. I urge this body during this session to take up legislation that will make it easier for Americans to save for their future. The Portman-Cardin bill is a major step forward in this direction. We hope that we would consider it this year.

Mr. PORTMAN. I would urge my colleagues on both sides of the aisle to talk to the gentleman from Maryland, talk to me. H.R. 1102 is the name of the legislation. We have a number of cosponsors. We are looking for more. If we can come together again on a bipartisan basis to solve this problem and get this legislation passed, it will make the difference in people's lives. It will allow for millions of Americans to have real security in retirement rather than mere subsistence. It is something that we can do this year. Of course we all want to solve Social Security's problems. That may be a little more difficult to do in this environment. But this is one where we should be able to come together to provide for people to be able to save more for their retirement even outside of Social Security, even while we are working on the Social Security problem.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HILL) is recognized for 5 minutes.

(Mr. HILL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### PARLIAMENTARY ELECTIONS IN ARMENIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, on Sunday, May 30, the Republic of Armenia will hold parliamentary elections. In these last 2 weeks leading up to election day, the parties and candidates are intensifying their campaigns and are holding rallies, meetings and using free TV air time as well as paid commercials to get their message out to the voters. Both domestic and international observers will closely scrutinize the conduct of the election to ensure that it is free and fair. Armenia's Central Elections Commission has promised equal treatment for all parties and has vowed to penalize anyone who commits illegal or fraudulent acts connected to the election.

Mr. Speaker, we Americans may take for granted the idea of free and fair elections, but in Armenia as a former captive nation under the Soviet Union, the progress of democracy and the establishments of the institutions of a civil society in less than a decade of independence is nothing short of re-

markable. Furthermore, Mr. Speaker, given the fact that many of Armenia's neighbors are ruled by authoritarian governments, some of which maintain a hostile and aggressive attitude, the determination of the Armenian people to work towards a democratic political system is all the more impressive.

Armenian voters last went to the polls in March of 1998 to elect a President. The winner of that election, President Robert Kocharian, was here in Washington last month as part of the NATO summit. He also came to Capitol Hill to meet with Members of Congress to discuss the prospects for U.S.-Armenia relations and our role in promoting stability and economic development in the Caucasus region. Armenia's central location in the heart of this region at the crossroads of Europe, Russia, the Middle East and Central Asia will make it an increasingly important country for the U.S. strategic considerations in the 21st century.

Mr. Speaker, for a country with less than 4 million people living in an area about the size of the State of Maryland, Armenia has an extremely diverse group of political parties representing a wide range of ideologies. More than 800 individual candidates and 21 political parties are vying for 131 seats in the parliament; 75 seats will be contested in single-candidate constituencies, while 56 seats are reserved for a system of proportional representation.

According to a recent report, 11 political parties and blocs have used the free TV air time that has been allotted to them. Media outlets representing diverse ideologies are covering the elections. For the first time, the campaign and election will be covered on the Internet. Paid political advertisements for this election cycle have exceeded the levels of all previous election campaigns. A survey by the Armenian Sociological Association indicated that voter turnout would be as high as 75 percent, although other polls suggest figures could be somewhat lower than that. The polls indicate that at least six parties and blocs would be able to garner the 5 percent threshold of votes needed to be represented in the Parliament. The major issue is expected to be the economy.

Mr. Speaker, I just want to stress that in the first few elections held in the first few years after Armenia became a democracy, there were admittedly some problems. But last year's presidential elections showed the world that Armenia has made significant progress in just a few years despite the legacy of 70 years of Communist dictatorship. After the resignation of Armenia's first President, Levon Ter-Petrosian, in early 1998, the transition was handled in an orderly manner according to the nation's constitution. The presidential election conducted in two rounds was peaceful and well-organized, and the legitimacy of the outcome was accepted by the vast majority of observers inside and outside Armenia.

Later this month, Armenia will once again find itself under heavy international scrutiny because of the elections. The Organization for Security and Cooperation in Europe on April 26 set up a monitoring mission with 15 long-term observers deployed around the country to monitor the election campaign and administrative preparation, and to assess the implementation of the new electoral code.

Mr. Speaker, I am confident that the Armenian people will demonstrate once again during this election on May 30 their commitment to building a society based on civility, the rule of law and tolerance for each other's opinions. This election I think will go far once again to show the progress of Armenia's democracy.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

#### MANAGED CARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Iowa (Mr. GANSKE) is recognized for 60 minutes as the designee of the majority leader.

Mr. GANSKE. Mr. Speaker, here it is, the middle of May, and no movement by the House leadership on fixing HMO abuses. Time is passing by quickly this year. Yet the chairmen of the committees of jurisdiction have done virtually nothing to move this forward.

Mr. Speaker, I have worked on this problem along with many others in this House for over 4 years. We have had debates and debates and debates. The issues are laid out. They have been laid out in a debate last year. There is no excuse why we should not move managed care reform to the floor soon. There is a real reason for this. There are people that are being injured by HMO abuses today.

Let me give my colleagues a couple of examples of people who have had problems with their HMOs. A few years ago, a young woman was hiking in the Shenandoah mountains just a little ways west of Washington, D.C. She fell off a 40 foot cliff. She was lucky she did not fall into the rocky pond where she might have drowned. But she fractured her skull, she broke her arm, and she broke her pelvis. She is laying there at the bottom of this 40 foot cliff semi-comatose. Fortunately a hiking companion had a cellular phone and they airlifted her into the emergency room. She was treated in the hospital, in the intensive care unit for quite a while, was in the hospital I think for over a month. When she was discharged, she found that her HMO was not going to pay her bill.

Why, Mr. Speaker? The HMO said this young woman, Jackie Lee is her name, did not phone ahead for prior authorization.