

that "In the end, you care a lot more about Los Angeles than you do about Taipei."

China's war planning will take advantage of its strategic alliance with Saddam Hussein. With Saddam as an ally, China will be able to threaten the flow of oil from the Middle East, and threaten Israel. Iraqi troops have infiltrated into Jordan. To further threaten the flow of oil from the Middle East, China has formed alliances with Pakistan and Myanmar, providing itself with access to the strategic strait of Malacca, connecting the Persian Gulf to the Far East.

China is preparing for direct military confrontation with the United States on its own terms. It plans to take advantage of the element of surprise, seeking to attack U.S. satellites, intelligence, communications, and forces in a sudden blow of lightning warfare, seizing the initiative. The effectiveness of China's strategy will be heightened by the lack of U.S. ballistic missile defense and China's corresponding buildup of ballistic missiles of all types—short, intermediate and long-range.

The United States needs to ask itself if it is ready for China's attack especially in a simultaneous confrontation with Saddam Hussein. We must prepare accordingly. Urgency is required.

Very truly yours,

BOB SCHAFFER,
Member of Congress
from Colorado.

PAYING TRIBUTE TO RUSSELL VIELE

HON. SCOTT MCINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 13, 2001

Mr. MCINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute and recognize Russell Viele of Rifle, Colorado and thank him for his contributions to this nation. Russell began his service in the military in the 1950's, and served as a Marine in the Korean War. Upon his discharge, Russell had accumulated over eight years of service to the Marine Corps.

Russell joined the Marines on July 1, 1952 and attended basic training in San Diego. Following graduation, he went on to mechanical school in Camp Lejeune, North Carolina. As a mechanical student, Russell graduated at the head of his class and was assigned back to California. It was from there that Russell left for the Korean War where he was assigned to a motor pool in Japan.

Russell's duty, while in the motor pool, was to maintain the large five-ton trucks that were crucial to troop and ration supply for combat units in the theater. He was stationed there for fourteen months, promoted three times, and left the country at the end of the war as a Sergeant. He finished his tour with the Marines in the Mohave Desert of California. Russell now makes his home in Rifle, Colorado.

Mr. Speaker, it is a great privilege to recognize and pay tribute to Russell Viele for his service to his country during the Korean War. He served selflessly in a time of great need, bringing credit to himself and this nation. Paul Russell is one reason that our country enjoys the freedom that we hold so high today.

RETIREMENT OPPORTUNITY EXPANSION ACT OF 2001

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 13, 2001

Mr. COYNE. Mr. Speaker, today I am introducing legislation, the "Retirement Opportunity Expansion Act of 2001," that would increase pension participation for workers without pensions, low-wage workers, and women. Joining me in this effort are Congressman CHARLES B. RANGEL, the ranking member of the Committee on Ways and Means, and Congressman ROBERT T. MATSUI, the ranking member of the Social Security Subcommittee.

Earlier this year the House passed H.R. 10, "The Comprehensive Retirement Security and Pension Reform Act." I saw that bill as a beginning, a first step, to improve retirement opportunities for workers in this country. But, at that time, I emphasized the need to do more to address the many gaps and shortfalls in pension coverage.

In March 1999, the Oversight Committee of the Committee on Ways and Means held hearings on pension issues. At those hearings, Teresa Heinz, in her capacity as Chairman of the Heinz Foundation Philanthropies, testified that nearly 40 percent of women are dependent on Social Security for almost all of their retirement income because they have fewer opportunities to participate in the retirement plans provided by employers. This is but one aspect of the problems facing our country as the baby-boom generation begins to retire and younger workers lack adequate pension coverage.

I believe that steps must be taken to help employees to fund their retirement accounts, to assist small business owners to start and maintain pension plans for themselves and their employees, and to provide women with improved retirement income protections. To that end, I have included in this bill a refundable tax credit that is substantially the same as that provided for in the Democratic substitute which was introduced by Mr. NEAL in the 106th Congress.

Recently I ask the General Accounting Office (GAO) to look at the extent of pension coverage among American workers and the likely effects of increasing contribution limits in defined contribution plans, the type of pension plan that covers most pension participants. GAO identified what I believe to be disturbing trends in the degree of pension participation among lower-income and women workers. For instance, while 47 percent of all workers participate in some type of a pension plan, only 38 percent of workers earning less than \$40,000 per year participate in a pension plan. Fully 70 percent of workers earning between \$40,000 and \$74,999 participate in a plan. GAO also revealed that 56 percent of female workers do not participate in a pension plan.

The disparities in coverage are even greater when looking at defined contribution plans. In a defined contribution plan, the employee may provide all or a portion of the funds and decide how to invest the money. There is no guaranteed benefit amount or formula as there are in traditional defined benefit plans. Of all workers who earned less than \$40,000 per year, 28 percent participated in defined contribution plans. Only 32 percent of all female

workers participated in defined contribution plans. Further, GAO found that only 8% of all defined contribution plan participants would likely benefit directly from increases in statutory contribution limits. Thus, it is clear that changes in contribution limits will do little directly to promote or extend coverage to workers lacking pension coverage.

Clearly greater effort is needed to encourage and facilitate pension participation, especially among lower-income workers and women.

After considering GAO's findings and revisiting the issues raised during our consideration of H.R. 10, I am introducing a pension bill which addresses the following issues: The expansion of pension coverage for workers without pensions; the expansion of coverage for low-wage workers; the improvement of pension coverage for women; and the creation of additional incentives for small businesses to provide pension coverage for employees.

These are the very issues I emphasized in May during our deliberation of H.R. 10.

Because the findings of the GAO and the research of other groups such as the Pension Rights Center and the Women's Institute for a Secure Retirement (WISER) demonstrate that lower-income and female workers are much less likely to be participants in pension plans, I believe we must direct our focus to these workers who often toil at the margins of pension coverage. Specific efforts are needed to help women secure the pension benefits which all manner of their contributions have earned for them.

The Pension Rights Center, a nonprofit consumer rights organization dedicated to promoting retirement income security, has expressed its "strong support" for the Retirement Opportunity Expansion Act of 2001, noting that this legislation would "encourage the creation of new private retirement plans for those lacking such coverage, particularly low and moderate wage earners." WISER, a nonprofit organization that seeks to ensure that poverty among older women will be reduced by improving the opportunities for women to secure retirement benefits, stated that they are "extremely gratified" about the introduction of this bill. They have urged support for the bill in order to "improve the alarming retirement situation for older women . . . where millions of women are retiring into poverty, despite a lifetime of work and caregiving for their families."

Earlier initiatives provided a starting point to improve the pension system we have. It is now time to develop the pension system that we need. I would urge my colleagues to join me in supporting this legislation and ensuring its passage during the 107th Congress.

Mr. Speaker, I am attaching a summary of the provisions of the "Retirement Opportunity Expansion Act of 2001."

THE RETIREMENT OPPORTUNITY EXPANSION ACT OF 2001 SUMMARY

TITLE I: EXPANSION OF PENSION COVERAGE TO WORKERS WITHOUT PENSIONS

The purpose of this section is to provide an incentive for low- and middle-income individuals to save for retirement.

Section 101: This section would provide a refundable tax credit to low and middle income workers of up to 50% of annual contributions made to a traditional, deductible IRA or an employer-sponsored pension plan (e.g., 401(k), 403(b) or 457 plans).

Eligible contributions could not exceed the maximum annual allowable contributions to