

advertise these model plans so that employers and employees would know that easy and accessible pension options exist.

The Retirement Enhancement Act includes important pension protections for women. These bills establish a 75 per cent joint and survivor annuity option that would provide surviving spouses greater benefits in retirement. It provides enhanced protection to divorced spouses' pension rights and improves spousal information rights. These bills would also allow for time taken off from work under the Family and Medical Leave Act to count toward pension participation and vesting requirements.

The Act improves ERISA's safeguards for the investment of pension plan monies. It creates an expedited prohibited transaction exemption approval process under which plans would be able to more easily and quickly provide participants with new investment products. It does so, however, without weakening participant protections. It permits employers to provide qualified investment advice, including self-interested advice provided advisors meet minimum qualifications, adequate notice is provided, employees have an independent option and also effective remedies are available to employees for breach of the advisors fiduciary duties. This will be extremely helpful to those workers in defined contribution pension plans who bear the primary responsibility for their pension plan investment decisions.

In recent months tens of thousands of participants in defined contribution plans have suffered great loss when their company stock price dramatically declined, most notably in the case of Enron. Too many participants have had their retirement savings effectively wiped out. The Retirement Enhancement Act would give pension participants enhanced rights to diversify their employer pension contributions. The bill would require all employers to notify employees of their right to diversify employer contributions and would require employers to diversify employer contributions.

The Retirement Enhancement Act of 2001 improves access to pension information and strengthens enforcement mechanisms. It would require that plan participants regularly receive statements apprising them of the status of their earned pension benefits. Pension plans would also have to provide more detailed financial information about their earnings and investments. These bills would improve the current pension auditing system by requiring accountants to conduct full scope audits and report irregularities to the Department of Labor.

The bill includes important incentives to increase meaningful access to pension plans for low and moderate wage earners. It makes refundable the new tax credit for individuals who make pension contributions either to an IRA or 401 (k) plan and it also includes a tax credit to small businesses that would subsidize 50 per cent of their pension contributions for the first 3 years of a plan.

The bills create an alternate dispute resolution system to resolve benefit disputes. The Department of Labor, along with dispute resolution organizations, would develop an early neutral evaluation program. This would allow for participants to receive benefits in a timely manner instead of after years of litigation. The bills also strengthen ERISA's remedies to en-

sure that participants have meaningful access to court, and that the courts can adequately remedy violations of the law.

Finally, the Retirement Enhancement Act of 2001 requires the timely distribution of defined contribution cash-out amounts, which would have to be made within 60 days of an employee's termination. It permits employees to work longer without being required to start pension receipt by delaying the minimum distribution of benefits from age 70½ to 75. Furthermore, for workers who are involuntarily terminated, it permits them to borrow against their pension earnings in order to pay for health or job training expenses.

Mr. Speaker, it is now time for the Congress to build on what was started with the enactment of ERISA in 1974, and take additional steps to ensure retirement security for our workforce. Advances in medical technology, environmental protection, nutrition, and improved living standards give us reason to believe that Americans are going to live longer lives. Whether the quality of these lives, after retirement, is good or not, will depend upon the existence, nature, and security of each person's pension plan. Because employers are rapidly shifting to the use of employee-directed pension accounts, more and more workers will be making decisions that are critical to their future financial health. I believe that the Retirement Enhancement Act of 2001 will help make those decisions easier, and make the benefits of those decisions more secure. I look forward to working with my colleagues and the pension community to continue to improve these bills and advance their consideration.

TRIBUTE TO JANET AND
MAXWELL HILLARY SALTER

HON. HENRY A. WAXMAN

OF CALIFORNIA

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 13, 2001

Mr. WAXMAN. Mr. Speaker, we rise today to pay tribute to two dear friends, Janet and Maxwell Hillary Salter. Janet and Max are being honored on January 17, 2002 by the University of Judaism (UJ) in Los Angeles for their tremendous commitment to Jewish, business and civic activities. We have known Janet and Max for more than three decades and can not imagine two more deserving recipients for this prestigious honor.

The evening will be particularly meaningful because the Sigi Zierling Institute at the UJ will be unveiled due to the generosity of Janet and Max. The institute will provide a national center to explore the moral and religious impact of the Holocaust for future generations. And, it will solidify and honor the memory of Sigi Zierling, who was a beloved philanthropist, entrepreneur, scientist and Holocaust survivor. Sigi is survived by a loving family who have also been instrumental in furthering the mission of the UJ.

Janet and Max have been leaders in philanthropy for as long as we can remember. They

are patron members of the UJ and for more than ten years they hosted parties for Jewish singles affiliated with the UJ.

They are also patron members of the Los Angeles County Museum of Art, Museum of Contemporary Art and Platinum Members for the Center Theater Group. They are avid supporters of the Beverly Hills Education Foundation, the Maple Center, the Venice Family Clinic and Happy Trails. Their tireless dedication to the arts and education has made them integral members of Los Angeles, civic community.

Janet is a multi-talented published cartoonist who also coproduced, co-wrote and directed two major musicals for the City of Beverly Hills. She was awarded the first Golda Meir Award in 1978 by the State of Israel Bonds. She has served as a board member and chair of the Beverly Hills Fine Art Commission for nine years. She currently serves as president of the Beverly Hills Theatre Guild and is on the board of the Greystone Foundation.

Max served two years as mayor of Beverly Hills during his eight year tenure on the City Council. He is the chairman of Beno's, a downtown Los Angeles apparel company, chairman of the Fashion District Business Improvement Board and member of the board of directors of Diagnostic Products. He is also on the advisory board of the Jewish Community Foundation and past president of Temple Beth Am. Like Janet, Max's influence is felt wherever he dedicates his talents.

Janet and Max have lived in Beverly Hills for over 40 years. They have three wonderful children, all graduates of either Berkeley or UCLA, and twelve grandchildren, six of whom were at Berkeley at the same time.

We are delighted to honor our dear friends as they receive a much-deserved honor from the University of Judaism and ask our colleagues to join us in wishing them all the best for the future.

BIPARTISAN TRADE PROMOTION
AUTHORITY ACT OF 2001

SPEECH OF

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 6, 2001

Mr. KENNEDY of Rhode Island. Mr. Speaker, I rise in opposition to H.R. 3005, the Trade Promotion Authority Act. I believe in free trade that is also fair trade, and this bill does not ensure that our future trade agreements will fit that description.

I strongly feel that we have to learn from the experience of the North American Free Trade Agreement (NAFTA), which has been a failure. Since NAFTA our trade deficit with Mexico has increased, the environment along the US/Mexico border has gravely suffered, consumer safety has been put at risk due to the importation of goods that are poorly inspected, and manufacturing jobs in states like Rhode Island have been put at risk as employers leave for Mexico and other countries.

I also am concerned about the role that international organizations such as the World Trade Organization have on our national sovereignty. Our hard-fought federal, state, and