



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

MEMORANDUM

To: Reporters and Editors
Re: Criticism of pension funding proposals
Da: Friday, July 29, 2005

Sen. Chuck Grassley, chairman of the Committee on Finance, today made the following comment in response to criticism that proposals to make sure workers' pensions are fully funded are too onerous for companies.

"I'm shocked that anyone would criticize the President for trying to make sure workers' pensions are fully funded. Workers give up hard-earned wages for pension benefits. It's only right and fair that companies should have to fund those benefits. Earlier this week the Finance Committee unanimously approved bipartisan legislation that would require companies to accurately measure pension liabilities and then give any company with a pension shortfall seven years to catch up. That doesn't seem too burdensome. That just seems like common sense to me.

"The critics apparently don't care much about the taxpayer, either. If we don't reform pension funding rules and defined benefit plans go belly up, the taxpayer picks up the tab. Perpetuating the current weak system leads to more taxpayer exposure for unfulfilled pension promises."