

# *United States Senate*

## MEMORANDUM

To: Reporters and Editors  
Re: Stalling of pension bill consideration  
Da: Friday, Oct. 7, 2005

On Sept. 27, the leaders of the two Senate committees with jurisdiction over pension issues reached an agreement on a pension funding and reform bill, clearing the way for Senate consideration. Sen. Chuck Grassley, chairman of the Committee on Finance, Sen. Max Baucus, ranking member, Sen. Mike Enzi, chairman of the Committee on Health, Education, Labor and Pensions, and Sen. Edward Kennedy, ranking member, met and reached an agreement on the differences between their respective committee-passed pension bills. Now, efforts to bring the bill to the Senate floor are stalled over objections raised by Sen. Mike DeWine and Sen. Barbara Mikulski. Grassley and Baucus made the following comments on the status.

### Grassley comment:

“I’m committed to the two-committee, bipartisan agreement reached by Senators Baucus, Enzi, Kennedy and myself. The bottom line is, if we don’t strengthen the funding of America’s pensions, there’s no point in doing this bill. Workers would be better off if we stuck with current law using the 30-year Treasury rate. Corporate pension plans are in a \$500 billion deficit, and the DeWine-Mikulski amendment would dig that hole deeper and put more workers’ pensions at risk. That’s probably why they didn’t want to vote on it today, but instead wanted to wait for big business lobbyists to drum up more support. Big businesses say they can’t afford to put money in their pension plans, but they’ve had no problem handing out huge salaries and special retirement plans for their executives. Just in the news today, we see that the Delphi Corporation awarded its executives massive new golden parachute agreements while its pension plans are billions of dollars short and the company is on the brink of bankruptcy. At some point, Congress has to say enough is enough.”

### Baucus comment:

“I am disappointed that we were unable to act on the pension agreement worked out by the leadership of the Finance and HELP Committees. A lot of hard work went into that agreement. There were a lot of moving pieces that fit together to form a strong framework for protecting workers’ pensions. The need for our bill was made even clearer by reports that Delphi, with billions of dollars of underfunding in its pension plans, has given new golden parachute agreements to its executives. I will continue to push for legislation that makes funding workers’ pensions a priority. I don’t want to pass a bill that masks the real cost of benefits. That leads to broken promises. Workers deserve to receive benefits they have earned.”

