

EDUCATION & LABOR COMMITTEE

Congressman George Miller, Chairman

Strengthening America's Middle Class

Thursday, May 03, 2007
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**Chairman Andrews Statement at Subcommittee Hearing on
“Retirement Security: Strengthening Pension Protections”**

WASHINGTON, D.C. – *Below are the prepared remarks of U.S. Rep. Rob Andrews (D-NJ), chairman of the House Subcommittee on Health, Employment, Labor, and Pensions, for a subcommittee hearing on “Retirement Security: Strengthening Pension Protections.”*

Good afternoon and welcome to the Health, Employment, Labor and Pensions Subcommittee’s hearing entitled “Retirement Security: Strengthening Pensions Protections.” The purpose of this hearing is to review the various requested modifications to the Pension Protection Act (HR 4), which passed Congress last year by a vote of 279-131.

During this hearing, we will examine modifications that have been requested regarding the funding rules for single plan large employers, the notice and disclosure requirements for small employers, providing additional relief to airline pilots whose underfunded plans were terminated and shifted to the Pension Benefit Guaranty Corporation (PBGC), and funding rules affecting multiemployer plans.

Today, less than one in five workers in the private sector – 20 million workers – have a traditional defined benefit plan. The pension landscape is now dominated by 401(k) plans, which are retirement accounts sponsored by the employer who, along with the employee, make tax-deferred contributions. These plans, now covering over 50 million workers, have the potential to provide participants with adequate savings for retirement, but with median balance of only \$28,000, there still remains a great sense of uncertainty as to whether these accounts will provide retirement security to many Americans.

Although the Pension Protection Act (HR 4) conference process was contentious last year, I want to move forward this year with input from both sides on how we can continue to strengthen pension protections and expand retirement security for all Americans. I look forward to hearing the testimony from each of our witnesses today, and would like to extend an invitation to all outside groups to provide the committee with your ideas as to how we can modify and improve the Pension Protection Act.

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