



Committee On Finance

Max Baucus, Ranking Member

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Baucus Works to Find Solutions to Pension Reform

Senator Listens to Concerns of Business, Labor, and Academic Leaders

(WASHINGTON, D.C.) In the recent wake of collapsed pensions and retirement security of millions of Americans in question, U.S. Senator Max Baucus joined Senator Kennedy in meeting with business, labor, and academic leaders to discuss solutions for pension reform. The senators sponsored the forum to bring differing viewpoints together and to find common ground on the issues of retirement security between the groups.

“There is heavy lifting to do on this country’s defined benefit system, and we are determined to do the hard work the right way - giving proper, thoughtful, consideration to the impact of changes on all of the affected parties,” Baucus said. “The input we received today is invaluable in developing solutions. I believe we can find answers that are good for participants and good for responsible employers.”

During today’s meeting, Baucus emphasized that employees and retirees bear the brunt of under-funded pension plans. Baucus said funding rules need to be strengthened based on concern for workers’ retirement security. During the discussion, Baucus noted that defined benefit funding is an issue that must be addressed.

“We want to reward, not punish, employers who provide good benefits - employers who choose to reward long service with a secure retirement,” Baucus said. “But we also have to make sure that secure retirement is funded with more than employers IOU’s.”

Baucus, ranking member of the Senate Finance Committee, heard testimony and personal accounts of the devastating effects the United Airlines pension program collapse had on the company, employees, and its employees’ families earlier this month. Soon after, Senator Baucus along with Chairman Grassley, sent a letter to Executive Director of the Pension Benefit Guarantee Corporation, Bradley Belt, asking him for information regarding the most severely under-funded pensions, information only made available to members of Congress.

“It is unconscionable that workers should spend thirty or forty years working for an employer, then lose retirement benefits they were told they had earned for all that dedication and service,” Baucus said. “Our goal is retirement security for working Americans, and the more we can learn about this problem, the sooner we will be able to take the necessary steps to fix it.”

Senator Baucus continues to work with Senator Grassley on a pension reform package built on the *National Employee Savings and Trust Equity Guarantee (NESTEG) Act* the two senators introduced earlier this year.

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