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## BAUCUS, COLLEAGUES BACK PERSONNEL REFORMS AT PENSION AGENCY

*GAO report finds holes in staffing policies at Federal insurer of public, private pensions*

*Washington, D.C.* – Senate Finance Committee Chairman Max Baucus (D-Mont.) and ranking member Chuck Grassley (R-Iowa), along with fellow Senator Mike Enzi (R-Wyo.), commented today on a Government Accountability Office (GAO) report that found a lack of important recruitment, retention, succession and strategic personnel policies at the Pension Benefit Guarantee Corporation (PBGC) that could hinder the agency’s work in the coming years. The Senators, joined by their colleague Senator Ted Kennedy (D-Mass.), requested the report due to an increase in the PBGC’s financial liabilities and employee workloads resulting from the termination of several large pension plans.

**“The PBGC is responsible for insuring the hard-earned pensions of 44 million American workers and retirees. We need to make certain that the agency is appropriately staffed with the best possible employees in order to fulfill that duty,”** said Baucus. **“That’s why I support the GAO’s recommendations. These reforms are an important step toward keeping American workers and retirees financially safe and secure, and I strongly encourage the PBGC to adopt these changes.”**

**"Pension holders deserve a strong and effective PBGC,"** Grassley said. **"Pension security depends on having the right kind of agency staff to manage PBGC responsibilities and to work strategically on behalf of pensioners."**

Enzi said, **“The retirement of key staff over the next several years is a significant hurdle for PBGC, especially at this time when the agency is on its way to reducing the \$14 billion deficit. The GAO report will provide an initial roadmap to hire and retain critical staff so that the PBGC can continue to safeguard the pensions of millions of hard-working Americans.”**

According to the report, the PBGC has difficulty retaining key staff and nearly one quarter of key staff is set to retire in the next four years. Although PBGC hiring rates are on par with other government agencies, its workforce generally has less federal experience. Recommendations in the GAO report include the addition of workforce and succession planning to its personnel policy, the collection of more workforce data, and revamping its compensation structure. The GAO acknowledged that the corporation had made progress toward a strategic human capital plan by drafting workforce and succession plans, but noted that none of the policies are in place yet.

The full GAO report may be viewed here: <http://www.gao.gov/new.items/d08624.pdf>