

RETIREMENT SAVINGS AND SECURITY ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104-221)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means, the Committee on Economic and Educational Opportunities, the Committee on Government Reform and Oversight, and the Committee on Transportation and Infrastructure and ordered to be printed.

To the Congress of the United States:

I am pleased to transmit today for the consideration of the Congress the "Retirement Savings and Security Act." This legislation is designed to empower all Americans to save for their retirement by expanding pension coverage, increasing portability, and enhancing security. By using both employer and individual tax-advantaged retirement savings programs, Americans can benefit from the opportunities of our changing economy while assuring themselves and their families greater security for the future. A general explanation of the act accompanies this transmittal.

Today, over 58 million American public and private sector workers are covered by employer-sponsored pension or retirement savings plans. Millions more have been able to save through Individual Retirement Accounts (IRAs). The Retirement Savings and Security Act would help expand pensions to the over 51 million American private-sector workers—including over three-quarters of the workers in small businesses—who are not covered by an employer-sponsored pension or retirement savings program and need both the opportunity and encouragement to start saving. Women particularly need this expanded coverage: fewer than one-third of all women retirees who are 55 or older receive pension benefits, compared with 55 percent of male retirees.

The act would also help the many workers who participate in pension plans to continue to save when they change jobs. It would reassure all workers who save through employer-sponsored plans that the money they have saved, as well as that put aside by employers on their behalf, will be there when they need it.

The Retirement Savings and Security Act would:

- Establish a simple new small business 401(k)-type plan—the National Employee Savings Trust (NEST)—and simplify complex pension laws. The NEST is specifically designed to ensure participation by low- and moderate-wage workers, who will be able to save up to \$5,000 per year tax-deferred, plus receive employer contributions toward retirement. The act would encourage employers of all sizes to cover employees under retirement plans, and it

would enable employers to put more money into benefits and less into paying lawyers, accountants, consultants, and actuaries.

- Increase the ability of workers to save for retirement from their first day on the job by removing barriers to pension portability. In particular, employers would be encouraged no longer to require a 1-year wait before employees can contribute to their pension plans. The Federal Government would set the example for other employers by allowing its new employees to begin saving through the Thrift Savings Plan when they are hired, rather than having to wait up to a year. In addition, the Act would reduce from 10 to 5 years the time those participating in multiemployer plans—union plans where workers move from job to job—must work to receive vested benefits. It would also help ensure that returning veterans retain pension benefits and that workers receive their retirement savings even when a previous employer is no longer in existence.
- Expand eligibility for tax-deductible IRAs to 20 million more families. In addition, the Act would encourage savings by making the use of IRAs more flexible by allowing penalty-free withdrawals for education and training, purchase of a first home, catastrophic medical expenses, and long-term unemployment. It would also provide an additional IRA option that provides tax-free distributions instead of tax-deductible contributions.
- Enhance pension security by protecting the savings of millions of State and local workers from their employer's bankruptcy, as happened in Orange County, California. The Act would (1) require prompt reporting by plan administrators and accountants of any serious and egregious misuse of funds; (2) double the guaranteed benefit for participants in multiemployer plans in the unlikely event such a plan becomes insolvent; and (3) enhance benefits of a surviving spouse and dependents under the Civil Service Retirement System and the Railroad Retirement System.
- Ensure that pension raiding, such as that which drained \$20 billion out of retirement funds in the 1980s, never happens again—by retaining the strong current laws preventing such abuses and by requiring periodic reports on reversions by the Secretary of Labor.

Many of the provisions of the Retirement Savings and Security Act are new. In particular, provisions facilitating saving from the first day on the job, in both the private sector and the Federal Government; the doubling of the multi-employer guarantee; and improving benefits for surviving spouses and dependents of participants in the Civil Service Retirement System and the Railroad Retirement System de-

serve special consideration by the Congress. In addition, many of the provisions and concepts in this Act have been previously proposed by this Administration and have broad bipartisan support.

American workers deserve pension security—as well as a decent wage, lifelong access to high quality education and training, and health security—to take advantage of the opportunities of our growing economy.

I urge the prompt and favorable consideration of this legislative proposal by the Congress.

WILLIAM J. CLINTON.

THE WHITE HOUSE, May 23, 1996.

PROVIDING FOR CONDITIONAL ADJOURNMENT OR RECESS OF SENATE AND HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore laid before the House the following privileged Senate concurrent resolution (S. Con. Res. 60) providing for a conditional adjournment or recess of the Senate and the House of Representatives.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 60

Resolved by the Senate (the House of Representatives concurring). That when the Senate recesses or adjourns at the close of business on Thursday, May 23, 1996, Friday, May 24, 1996, or Saturday, May 25, 1996, pursuant to a motion made by the Majority Leader or his designee, in accordance with this resolution, it stand recessed or adjourned until noon on Monday, June 3, 1996, or Tuesday, June 4, 1996, or until such time on that day as may be specified by the Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House of Representatives adjourns on the legislative day of Thursday, May 23, 1996, it stand adjourned until 2:00 p.m. on Wednesday, May 29, 1996, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and Minority Leader of the House, shall notify the Members of the Senate and the House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

TURKISH STUDIES PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I rise today to express my serious concern about what I consider a troubling case of the manipulation of historical fact under the guise of academic integrity. This is happening at a university in my