IN RECOGNITION OF GARY FRANCIS THOMAS, UPON HIS RETIREMENT FROM THE OFFICE OF THE SERGEANT AT ARMS

HON. ALBERT RUSSELL WYNN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2000

Mr. WYNN. Mr. Speaker, today I congratulate Mr. Gary Francis Thomas upon his retirement from the United States House of Representatives Office of the Sergeant at Arms, after thirty-six years of service.

Mr. Thomas began his career in Congress in 1965 working for the Architect of the Capitol in the Labor Room, where he served for five years. Upon completing his work with the Architect of the Capitol in 1970, Mr. Thomas transferred to the Parking Office, where he is now completing his thirty-six year career.

Mr. Thomas began his career during the 89th Congress when Representative John W. McCormick was Speaker of the House and Lyndon B. Johnson was President of the United States. He has since served under eighteen Congresses and seven Presidents, rising within the Sergeant at Arms Office to the supervisory level.

Mr. Thomas resides in the 4th Congressional District of Maryland, which I am proud to represent. He is the father of six, three boys and three girls, while his wife, Mrs. Janell Thomas, is currently expecting the couple's seventh child. Mr. Thomas is a man of conviction and community service, dedicating his free time to fostering youth development. He has also been an active Minister for the past ten years at the Remnant Ministries.

Gary Francis Thomas' dedication to all he has served here in Congress will undoubtedly be missed. Whether it was assisting Members of Congress with car problems or issuing parking permits to staff, Mr. Thomas served the entire Capitol Hill community without reservation, always in high spirits and with a good word for everyone.

Mr. Speaker, I ask that my colleagues join me in extending our sincerest appreciation and best wishes to Gary Francis Thomas upon his retirement from the United States Congress.

PERSONAL EXPLANATION

HON. DOUG OSE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2000

Mr. OSE. Mr. Speaker, on rollcall No. 429, I was unavoidably detained due to a plane delay. Had I been present, I would have voted "aye."

COMPREHENSIVE RETIREMENT SECURITY AND PENSION REFORM ACT

SPEECH OF

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. WELLER. Mr. Speaker, I submit for the record a letter written by the Joint Committee on Taxation (JCT) regarding a provision included in H.R. 4843, the Comprehensive Retirement Security and Pension Reform Act. This letter should help to clarify the provision which applies to the Section 415 limits for multiemployer pension plans.

The JCT letter helps to clarify that, if the IRS follows the precedents it has established in the past, the individual multiemployer pension plans will be able to provide benefit increases for individuals who are already retired from their plan related employment if all of their benefits have not been previously distributed. This means that an employee who is currently retired from union employment can benefit from the Section 415 modifications included in H.R. 4843.

I am particularly interested in this issue because of a family in my district who loses more than one-half of their annual pension because of the Section 415 limits. Larry Kohr is a retired union worker who lives with his family in my district in Illinois. Larry loses more than one-half of his annual benefits because of the 415 limits. The letter I am including into the record today clarifies that the IRS and the individual multiemployer pension plans will have the right and the ability, once the 415 changes are signed into law, to ensure that current retirees, such as the Kohr's, will be able to benefit from the changes in the Section 415 limits.

Mr. Speaker, thank you for the opportunity to clarify this important issue.

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON TAXATION,
Washington, DC, July 19, 2000.

Hon. JERRY WELLER,
House of Representatives,
Washington, DC.

DEAR MR. WELLER: This is response to your request dated July 18, 2000, regarding the provision in H.R. 4843, the ''Comprehensive Retirement Security and Pension Reform Act,'' as reported by the Committee on Ways and Means, modifying the section 415 limits on benefits under multiemployer pension plans. Specifically, you requested information concerning the impact that the enactment of H.R. 4843 would have on the authority and ability of multiemployer pension plans to correct future benefits for retirees whose pension benefits are reduced under present law by operation of the section 415 limits.

H.R. 4843 would not require multiemployer pension plans to increase pension benefits for retired participants or participants who are currently employed. Section 415 provides limits on the maximum benefits that may be paid from a pension plan, not minimum benefit requirements. Therefore, a modification of an applicable section 415 limit would not automatically increase a participant's benefit. Rather, whether an increase occurs would depend on the plan provisions and any modification made to the plan to reflect the increased limit.

In order to determine the effect that H.R. 4843 would have on the authority and ability of a multiemployer plan to increase benefits for retirees, a useful analogy is the repeal of the combined limitation on defined benefit and defined contribution plans under former section 415(e) as a result of the enactment of the Small Business Job Protection Act of 1996. Prior to the effective date of the repeal of section 415(e), the Internal Revenue Service (the ''IRS'') issued Notice 99–44, in which the IRS provided guidance concerning benefit increases that would be permitted upon the repeal of the combined limitation on defined benefit and defined contribution plans.

In Notice 99–44, the IRS stated that if a plan is not amended to take into account the repeal of section 415(e), the effect on the benefits of plan participants will depend on the plan's existing provisions for applying the limitations of section 415(e) and any other relevant plan provisions. According to the IRS, a plan's existing provisions could result in automatic benefit increases for participants as of the effective date of the repeal of section 415(e). For example, the IRS stated, the repeal of section 415(e) could result in automatic benefit increases for participants in defined benefit plans that incorporate by reference the limitations under section 415.

In addition, the IRS stated in Notice 99–44 that a defined benefit pension plan may provide for benefit increases to reflect the repeal of section 415(e) for a current or former employee who has commenced benefits under the plan prior to the effective date of the repeal of section 415(e) for the plan, but only if the employee or former employee has an accrued benefit on that date. In other words, the IRS determined that a plan may provide for benefit increases to reflect the repeal of section 415(e) for a former employee who has begun receiving benefit distributions prior to the effective date of the repeal but whose benefits under the plan have not been completely distributed prior to the effective date of the repeal.

If H.R. 4843 is enacted, the modifications to the section 415 limits affecting multiemployer pension plans would be effective for years beginning after December 31, 2000. If, in the implementation of these modifications, the IRS follows the precedent that it has established with respect to the repeal of section 415(e), a multiemployer plan would be permitted to provide for benefit increases to reflect the modifications of the section 415 limits for a former employee who has commenced distributions prior to 2001 but whose benefits have not been completely distributed prior to 2001. In addition, the modification of the section 415 limits could result in automatic benefit increases for participants in defined benefit plans that incorporate by reference the section 415 limits.

I hope this information is helpful to you. If we can be of further assistance in this matter, please let me know.

Sincerely,

LINDY L. PAULL.

IN RECOGNITION OF CAPTAIN BARBARA P. MORGAN FOR OUTSTANDING SERVICE TO THE COMMUNITY

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 25, 2000

Ms. DELAURO. Mr. Speaker, today I pay tribute to an outstanding individual whose service to our nation and the Greater New Haven community is unparalleled. Captain Barbara P. Morgan has served as the Commander of the U.S. Navy and Marine Corps Reserve Center in New Haven, Connecticut for the past three years and has recently announced that she will be leaving her command to attend the Naval War College.

As Commander of the Reserve Center, Captain Morgan has been a driving force in involving the Reserve Center with the surrounding community, opening its doors to government agencies and community-based programs. The American Red Cross, New Haven Public School's after school program, Sea Cadets and various veteran organizations have