

for the Farm Credit System, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. D'AMATO (for himself and Mr. MOYNIHAN):

S. 1012. A bill to extend the time for construction of certain FERC licensed hydro projects; to the Committee on Energy and Natural Resources.

By Mr. CONRAD (for himself and Mr. DORGAN):

S. 1013. A bill to amend the Act of August 5, 1965, to authorize the Secretary of the Interior to acquire land for the purpose of exchange for privately held land for use as wildlife and wetland protection areas, in connection with the Garrison diversion unit project, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. NICKLES:

S. 1014. A bill to improve the management of royalties from Federal and Outer Continental Shelf oil and gas leases, and for other purposes; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. JOHNSTON:

S. Res. 146. A resolution designating the week beginning November 19, 1995, and the week beginning on November 24, 1996, as "National Family Week", and for other purposes; to the Committee on the Judiciary.

By Mr. THURMOND:

S. Res. 147. A resolution designating the weeks beginning September 24, 1995, and September 22, 1996, as "National Historically Black Colleges and Universities Week", and for other purposes; to the Committee on the Judiciary.

By Mr. HELMS:

S. Res. 148. A resolution expressing the sense of the Senate regarding the arrest of Harry Wu by the Government of the People's Republic of China; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PRYOR (for himself, Mr. HATCH, Mr. BREAUX and Mr. LEAHY): S. 1006. A bill to amend the Internal Revenue Code of 1986 to simplify the pension laws, and for other purposes; to the Committee on Finance.

THE PENSION SIMPLIFICATION ACT OF 1995

Mr. PRYOR. Mr. President, today I rise to introduce the Pension Simplification Act of 1995. This very important legislation is designed to simplify the tax laws governing our Nation's private retirement system.

This legislation is the result of the efforts of many, and these efforts date back to March of 1990 when I first held hearings in the Finance subcommittee on private retirement plans.

Later, in the summer of 1990, I introduced the Employee Benefits Simplification Act, S. 2901. As a matter of history, many experts, including pension planners for small and large businesses, logged countless hours to help me develop this legislation, and many organizations pushed to get this legislation enacted into law.

In the 102d Congress, I reintroduced this legislation as the Employee Bene-

fits Simplification and Expansion Act of 1991. In early 1992, this legislation was included in the Tax Fairness and Economic Growth Act of 1992, which was H.R. 4210, and which was passed by the Congress, but it was vetoed by President Bush for reasons not associated with this particular piece of the overall tax bill.

During the summer of 1992, portions of the simplification effort were passed as part of the 1992 Unemployment Compensation Act. This legislation was then designed to liberalize the rollover rules which allow the worker the ability to take his pension benefits with him or her when they change jobs.

Later that year, the remainder of the simplification bill was included as part of the Revenue Act of 1992, which was H.R. 11, also passed by Congress, also vetoed by President Bush for reasons not related to the substance of this legislation.

Since that time, there has been no tax bill which could include the as-yet-unpassed provisions of the simplification effort.

Today, Mr. President, I am very happy to be joined by Senator ORRIN HATCH of Utah, Senator BREAUX of Louisiana, and Senator LEAHY of Vermont in introducing this legislation as the Pension Simplification Act of 1995. This bill includes many of the provisions passed two times by Congress in 1992, but it also includes some very new and important provisions, which evidences our continuing effort to simplify the very complex and arcane pension rules. To some, this in itself is an extremely arcane issue, but to small businesses across our great country it is a critical part of doing business. And it is that part of business which provides for savings and retirement funds ultimately for millions of employees.

This act is the next significant step toward reducing the costs associated with providing pension benefits. The legislation achieves this result by eliminating many of the complexities and the inconsistencies in the private pension system which will in turn promote the establishment of new pension plans by both large and small companies.

While this legislation affects both small and large businesses, who provide retirement plans for their workers, new provisions in this bill specifically target complex and costly rules affecting small business, and there is very good reason for this action in this legislation.

In 1993, 83 percent of the companies with 100 or more employees offered some type of retirement plan. In contrast, in businesses with fewer than 25 employees, only 19 percent of those firms had an employer-provided pension plan available to them, and only 15 percent of these employees even participated in those plans.

The major factor contributing to this dismal statistic is the sky-high participant cost of establishing and maintaining a pension plan for small

business. The Pension Simplification Act alleviates the high-cost barriers for small business by creating a tax credit which can be applied toward the start-up costs of providing a new plan for employers with 50 or fewer employees. Of course, this is geared toward and focused on small business.

Next, the legislation slashes extensive annual nondiscrimination testing requirements for firms where no employee is highly compensated. These provisions, Mr. President, combined with the broad simplification provisions for all plans, will significantly reduce the costs of starting up and maintaining a retirement plan. Thus, this bill we are introducing today encourages private retirement savings for our Nation's small business worker.

Mr. President, rather than continuing a discussion of the many detailed provisions of the Pension Simplification Act of 1995, I ask unanimous consent that a 5-page summary of the legislation and a copy of the Pension Simplification Act of 1995 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1006

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Pension Simplification Act of 1995".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; amendment of 1986 Code; table of contents.

TITLE I—SIMPLIFICATION OF NONDISCRIMINATION PROVISIONS

Sec. 101. Definition of highly compensated employees; repeal of family aggregation.

Sec. 102. Definition of compensation for section 415 purposes.

Sec. 103. Modification of additional participation requirements.

Sec. 104. Nondiscrimination rules for qualified cash or deferred arrangements and matching contributions.

TITLE II—SIMPLIFIED DISTRIBUTION RULES

Sec. 201. Repeal of 5-year income averaging for lump-sum distributions.

Sec. 202. Repeal of \$5,000 exclusion of employees' death benefits.

Sec. 203. Simplified method for taxing annuity distributions under certain employer plans.

Sec. 204. Required distributions.

TITLE III—TARGETED ACCESS TO PENSION PLANS FOR SMALL EMPLOYERS

Sec. 301. Credit for pension plan start-up costs of small employers.

Sec. 302. Modifications of simplified employee pensions.

Sec. 303. Exemption from top-heavy plan requirements.