

boomers who are nearing retirement. The problem we face is significant. Only about half of American workers have any kind of pension at all. This would include a 401(k), a traditional defined benefit plan, a profit-sharing plan and so on. About 80 percent of workers who are employed in smaller businesses that cannot afford because of the complexities of the current rules to offer plans do not have a plan, so about 20 percent have a pension plan. Studies show us that baby boomers right now are only saving about 40 percent of what they will need for their retirement needs. Finally, the personal savings rate in our country is at historic lows. In fact, the Commerce Department tells us that last month, the savings rate in the United States was minus 1.2 percent. Historically low. This is all the funds that are being saved in this country for retirement and other needs.

So how can people help themselves? How can people save more for their retirement? We have got a plan to do that. I have introduced a piece of legislation with the gentleman from Maryland (Mr. CARDIN) which increases that third leg of retirement security, which is again the private employer-based pension system, 401(k)s, 457s, 403(b) plans, defined benefit plans, profit-sharing plans and so on. The legislation is comprehensive and it is designed to correct all the deficiencies we see in our current system but, simply put, it lets workers save more for their own retirement. It makes it less costly and burdensome for employers, particularly small employers, to establish new pension plans or to improve their own plans they have already got.

Finally, we modernize the pension laws to make them more in tune with the current mobile workforce of the 21st century. How do we do this? We increase contribution limits. For instance, 401(k) contribution limits are increased from \$10,000 per year to \$15,000 per year, allowing workers to save more for their own retirement. We have catch-up contributions, allowing any worker age 50 or over to put an additional \$5,000 aside for retirement. This will be particularly good for women who have been out of the workforce raising kids and then come back into the workforce and want to build up a nest egg for their retirement. We drastically increase portability, allowing people to roll over their pension savings from job to job, whether they are in the private sector, the government sector or the nonprofit sector. These are long overdue changes that are absolutely necessary again to respond to the much more mobile workforce of the next century. We also lower the vesting requirement for matching employer contributions from 5 years where it is now to 3 years to give more Americans the ability to get involved in pension plans.

Finally, we cut red tape. The increasing complexities of the laws governing pensions, both in the private sector and

the nonprofit and public sector have discouraged the growth of pension plans. For small businesses in particular, the costs, the burdens and the liabilities associated with pensions are the main reason that companies are not offering these plans. This legislation takes steps to cut the unnecessary red tape that I think has put a real stranglehold on our pension system.

Who are these changes going to benefit the most? They benefit everybody. That is what is great about them. If we look at this chart, it will show us that at least 70 percent of current pension recipients, those who are retired and receiving pensions, make incomes of \$50,000 or less. So this is something that is really going to help the people who need the help the most. The next chart will show us that among those people who are involved in pensions who are getting pension benefits right now, 77 percent are middle and lower income workers. Again, by taking actions today to expand our pension savings, we are going to help the people who need the most help in saving for their retirement.

This is a chance for this Congress to help all Americans do what people want to do, which is to provide for a retirement that is secure, to have increasing independence in retirement, to have more dignity in retirement. Imagine the impact we could have in this country if the 60 million Americans who currently do not have retirement savings through a pension of their own would be able to get that kind of retirement security. Again, Social Security reform is very important. I support preserving the Social Security system. But this is an opportunity this Congress ought to take today and ought to pass this year to enable all Americans to have dignity and independence and security in retirement.

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TRIBUTE TO CHANCELLOR MICHAEL HOOKER OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

The SPEAKER pro tempore (Mr. OSE). Under a previous order of the House, the gentleman from North Carolina (Mr. PRICE) is recognized for 5 minutes.

Mr. PRICE of North Carolina. Mr. Speaker, this week the University of North Carolina at Chapel Hill lost a bold leader when its eighth chancellor, Michael Hooker, died from complications of cancer. Memorial services will be held at 11 o'clock tomorrow morning on the UNC Chapel Hill campus.

During a short 4-year tenure Chancellor Hooker brought a great vision to the university, constantly pushing Carolina with the declared goal of making it the greatest public university in the Nation. His legacy will live in the university community and beyond, wherever the impact of his enthusiasm and his leadership were felt.

Mr. Speaker, Michael Hooker had an abiding love for Carolina. When he came to Chapel Hill to serve as Chancellor in 1995, he was returning to his school to which he had first come as a young man from the mountains of southwest Virginia and which he always felt had opened up the wider world to him. He graduated from Carolina in 1969, the first member of his family to graduate from college. He had a degree in philosophy. After earning graduate degrees in philosophy, he taught at Harvard, he held posts at Johns Hopkins University and then served as president of Bennington College in Vermont, the University of Maryland Baltimore County and the five campus University of Massachusetts system.

But Michael Hooker always wanted to return to Carolina. He brought to the job of Chancellor a spirit of innovation, seeking to build on the traditions of America's oldest public university. He believed that education is our greatest engine of opportunity, and he reached out to the entire State to share his belief. His administration's theme was: "For the people," and he crisscrossed North Carolina visiting every county to promote his vision and to renew the university's connection to the State.

When students came to Chapel Hill, they knew they would be taught in a way that prepared them for the challenges of the 21st century. Hooker said, and I am quoting:

In the 21st century the only thing that will secure competitive advantage for our regional, State and national economies is the extent to which we have developed, nurtured, fostered, cultivated, and deployed brain power.

Students will remember his active involvement in making their education reflect those values. He emphasized the need for increased access to computers and technology, made this a priority for UNC students, and he recruited and supported teachers who were willing to cross disciplinary boundaries and to innovate in their teaching methods.

North Carolinians who knew Michael Hooker will remember his energy for innovation and for effective teaching, his belief in the promise of a great public university and his passion for leading Carolina into the next century.

My wife and I are sad for the loss suffered by Michael's wife, Carmen, their family and our entire community. I deeply regret that Michael will not be with us to see his bold vision unfold. However, I am comforted in the knowledge that so many people are prepared to carry that vision forward, embracing the traditions that shaped Carolina and its late chancellor and shepherding the spirit of inventiveness and boldness that Michael Hooker embodied.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. GREEN) is recognized for 5 minutes.

(Mr. GREEN of Wisconsin addressed the House. His remarks will appear