would have to be made as early as April 15. We must act quickly to provide the needed relief.

The pending managers' amendment has three important components to deal with the immediate problems we face. First, it substitutes the long-term corporate bond rate with a 30-year Treasury rate. Second, it provides partial relief from deficit reduction contributions from companies that did not make a deficit reduction contribution in 2000. And it provides temporary relief from experience loss amortization payments for multiemployer plans.

These are not long-term solutions. They will provide short-term relief from contribution volatility for employers who have been generous enough to provide defined benefit programs for their employees.

The more important factor in the health of the defined benefit system and of the PBGC, which guarantees the benefits of the system, is the health of the employers in response to the plans. The short-term relief provisions will help. The more employers who stay in the system, the healthier those employers and the stronger the system.

I look forward to working with my colleagues to come up with a long-term solution. But the provisions in this bill cannot wait. The retirement security of millions of workers hangs in the balance. I urge my colleagues to support this amendment.

RECESS

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 12:30 having arrived, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:38 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. CRAIG).

PENSION FUNDING EQUITY ACT OF 2003—Continued

The PRESIDING OFFICER. Under the previous order, the hour of 2:15 p.m. having arrived, the time until 2:30 will be equally divided between the Senator from Arizona, Mr. KYL, and the Senator from Montana, Mr. BAUCUS, or their designees.

The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, the Senator from Montana is otherwise occupied for the moment, so we are going to turn our attention, through myself and Senator KYL, to the legislation we are considering, which is critically important and which has to do with pension plans and offering predictable solutions.

There are many people who I would like to thank, but I will not do that because I only have 7½ minutes.

The legislation we are considering enacts critical reforms that will shore up defined benefit pension plans upon which so many Americans depend. Today, we are updating the interest rate that companies must use when they calculate the liabilities of their pension plans. An index of long-term corporate bond rates is surely more accurate as a measurement of expected investment return than the now entirely defunct 30-year Treasury rate.

This bill also provides a grace period for pension plans, including multiemployer plans, which have experienced extraordinary losses in the recent stock market declines. Make no mistake, if companies are not accorded reasonable flexibility in funding their plans, then they will not be able to maintain or afford plans for their workers, and their workers will hurt. I know of that because I live in a State where that surrounds me.

I hope today's action is only the first step in a thoughtful and careful process to provide meaningful reforms for the defined benefit pension plan system. Congress ought to do all it can to encourage employers to provide retirement security through such plans.

Today, only 35,000 companies provide defined benefit pension plans, which is less than a quarter of the plans available 20 years ago. That is a big loss. Given the volatility we have seen in the stock market over the last few years, more employees would benefit from having the opportunity to earn secure, predictable pension benefits.

I stand ready to work with my colleagues to address the other important issues facing companies that are interested in providing defined benefit pension plans. For example, Congress ought to reconsider the funding rules to ensure that companies are able to invest appropriately in their pension plans when business is good and profits are strong. We also need to consider ways to strengthen the Pension Benefit Guaranty Corporation which, to say the very least, is stretched dangerously thin.

I hope my colleagues will work with me on important reforms such as these so we can improve retirement security for millions of Americans. As I ask my colleagues to do exactly that, I remind them of the people who are dependent upon us. I have met with many West Virginians who have worked hard all of their lives—as they say, played by the rules—and earned pension benefits from their employers, only to have the rug pulled out from under them in retirement. It is a painful, painful sight.

Wheeling Pittsburgh Steel, Weirton Steel, Kaiser Aluminum, and Special Metals—and I am talking about companies in West Virginia—have been taken over by the PBGC in recent years. Retirees who dedicated their working years to those companies have told me how scared they are. Many have also lost their health insurance. Without their full pension benefits, they have no way to provide for their health care needs.

Some people—and I am talking about seniors who are 60 or 65 years old—have told me they are looking for work. Part of their so-called retirement will be spent on the job because the pension benefits they were promised—the benefits they did earn—have been taken away.

The legislation we are considering today will not solve all problems. More comprehensive pension reform is needed. But I am pleased this bill will help companies maintain pension plans that otherwise might have been canceled.

AMENDMENT NO. 2234

I would also like to take a moment to address the amendment that has been offered by my colleague from Arizona. On behalf of the steelworkers of my State and the steelworkers of the State of the Presiding Officer, and on behalf of steelworkers across this country and many other hundreds of thousands of working people, I want to oppose the amendment that the Senator has offered.

The legislation that Congress is considering today is designed to help companies maintain critical pensions on which workers are depending. We are doing so to protect workers from losing benefits that they have been promised. We understand some companies, faced with particularly hard times, are unable to immediately make up the investment losses recently suffered by pension plans. If companies cannot afford to meet strict deficit reduction contribution requirements, they might be compelled to abandon pension plans and leave workers without secure retirement benefits.

Having said this, the Kyl amendment would dramatically decrease the security of hard-earned retirement benefits. The amendment fundamentally undermines the guarantee provided by the Pension Benefit Guaranty Corporation which insures the defined benefit retirement plans. Let me be very clear about that because the PBGC is, unfortunately, something that we know a great deal about in the part of the country I come from. I repeat, the Senator's amendment would dramatically decrease the security of hard-earned retirement benefits. It undermines the guaranteed portion of the Pension Benefit Guaranty Corporation. If Congress is going to change the guarantee provided by the PBGC, we must look for ways to improve the guaranteed benefit, not undermine it.

Hundreds of thousands of Americans currently depend on PBGC for their retirement security. These are people who toiled away for years, often in very dangerous occupations, in all kinds of them. It is absolutely essential that we do not erode the already inadequate guarantee that protects these workers in their old age. Retirees depend upon PBGC payments to pay for food, housing, and, increasingly, to cover health care costs when retiree health benefits have been reduced or eliminated, as is so often the case. It would be unconscionable for Congress to provide relief to cash-strapped companies to help them maintain the pension plans they offer, only to punish the employees of those companies by