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Providing oversight and ensuring greater public and private pension coverage, solvency, portability, enforcement, and vestment

- 1 WHEREAS 60 percent of the income of individuals over the age of 65 comes from sources other than Social Security;
 - 2 WHEREAS only 55 percent of all employees are offered pension plans by their employers and of these workers only 43 percent are vested, and only 25 percent of women who participate in a private pension plan are vested;
 - 3 WHEREAS many pension plans are significantly underfunded, and the Employment Retirement Income Security Act (ERISA) of 1974, which attempts to address this short fall problem, covers less than one-third of today 's work force;
 - 4 WHEREAS recent job growth has been most dramatic in the small business and service sectors of the economy, where pension plans are less generous and less common;
 - 5 WHEREAS minorities and women are more likely to face discrimination in the work place and are the most likely segment of our population to work part-time or on an intermittent basis situations in which pensions are generally not available; and
 - 6 WHEREAS pension plans are seldom portable, require a lengthy period of employment before vesting, and tend to be governed by complex rules and eligibility requirements;
- THEREFORE, BE IT RESOLVED by the 1995 White House Conference on Aging to support policies that:
- 7 Preserve and strengthen traditional pension plans and devise new incentives for employers to provide them, while also creating portable retirement plans for all workers;
 - 8 Encourage employers offering pension plans to provide information about benefits, options, and so forth, and to reduce the number of years required for vestment;
 - 9 Assure that all workers, including small business, seasonal, temporary, and other non-traditional employees, be provided pensions that are adequate under defined benefit programs;
 - 10 Require ERISA-like reporting, disclosures, and fiduciary standards for State and local public pension plans;

Appendix D: Text of the Resolutions

- 11 Provide annual cost-of-living adjustments to Federal pensions in the same manner as is provided to Social Security;
- 12 Tighten enforcement of the Internal Revenue Service (IRS) provisions 410-A, to ensure that all low wage workers receive fair benefits;
- 13 Require national standards for defined contributions plans, such as 401(k), to protect lower-wage workers;
- 14 Restrict pre-retirement withdrawals through aggressive tax policies that would deter early withdrawals from 401(k) plan retirement savings;
- 15 Improve and enforce laws that prohibit discrimination based on gender, race, language, age, and disability, with regard to salaries, promotions and pension benefits;
- 16 Encourage senior service organizations and community service organizations to offer assistance with retirement asset management to individuals as well as businesses;
- 17 Amend the pension laws to require that all pension plans include benefit options that make vested benefits available for roll-over to a qualified retirement plan (IRA or similar) at the election of the employee at, or shortly after, the time the employee terminates employment, regardless of the employee 's age;
- 18 Recognize that money in pension funds is deferred compensation that belongs solely to the worker and his/her beneficiaries;
- 19 Eliminate the integration of Social Security with pension plans.

