



Committee On Finance

Max Baucus, Chairman

NEWS RELEASE

www.senate.gov/~finance

For Immediate Release
Monday, February 11, 2002

Contacts: Michael Siegel, Joshua LeVasseur
202-224-4515

**STATEMENT BY MAX BAUCUS
RELEASE OF JCT REPORT PROVIDING
BACKGROUND INFORMATION RELATING TO RETIREMENT PLANS
FEBRUARY 11, 2002**

The recent bankruptcy of Enron Corporation has placed a new spotlight on our current pension system. Thousands of Enron workers not only lost their jobs, but lost most or virtually all of their pension savings as well. Of particular concern is that many Enron employees had large portions of their retirement plan assets invested in Enron stock.

Enron's workers are not unique. There are many seemingly strong companies, whose workers have substantial amounts of pension assets, particularly 401(k) plan assets, invested in company stock. Many have well over 50 percent of 401(k) assets in company stock.

While the full details of what contributed to the Enron bankruptcy and the loss of pension savings are still to be learned, it is important that authoritative background material be available to Members of Congress, Congressional committees, and the American public. I have asked the staff of the Joint Committee on Taxation to prepare background information relating to retirement plan investments in employer stock. Today, the Joint Committee staff is releasing this information, including answers to frequently asked questions related to retirement plans and the investment of plan assets in employer stock, data on the most common types of retirement plans, and a summary of selected legislative proposals.

I believe the Joint Committee staff document will serve as a useful resource as we consider reforms to our pension laws. The report can be obtained from the Joint Committee on Taxation's web site, www.house.gov/jct.