
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 179

Session of
1987

INTRODUCED BY COHEN, J. L. WRIGHT, PRESSMANN, WAMBACH, WOZNIAK,
FREEMAN, KOSINSKI, RYBAK, ACOSTA, JOSEPHS AND WESTON,
OCTOBER 19, 1987

REFERRED TO COMMITTEE ON RULES, OCTOBER 20, 1987

A RESOLUTION

1 Memorializing the Congress of the United States to enact
2 legislation to resolve the problems arising from the growing
3 practice by employers of terminating pension funds to secure
4 so-called "excess assets" and to use these assets for their
5 own benefits.

6 WHEREAS, The retirement security of millions of American
7 workers is being undermined by the growing practice among
8 employers of terminating financially sound employee pension
9 plans; and

10 WHEREAS, The object of employers in these terminations is to
11 drain the so-called "excess assets" from these pension plans so
12 that they can use the funds for other corporate purposes
13 benefitting themselves; and

14 WHEREAS, Since 1980, some 1,300 pension plans covering more
15 than 1.6 million participants have been terminated so that
16 companies could appropriate \$16 billion of so-called "excess
17 assets" from these plans; and

18 WHEREAS, The funds being siphoned off by companies really
19 belong to their workers, since a pension plan is not a

1 conditional or discretionary gift by the employer but represents
2 current wages withheld to pay a benefit on retirement; and

3 WHEREAS, All responsible experts in the private pension field
4 agree that action is needed to curb the abuses that are
5 occurring with pension plan terminations and the reversion of
6 excess assets; therefore be it

7 RESOLVED, That the House of Representatives of the
8 Commonwealth of Pennsylvania call upon the Congress of the
9 United States to enact legislation that will recognize that
10 pension fund assets are the deferred wages of workers and are
11 held in trust for workers and retirees and that, therefore,
12 employers have no right to appropriate these funds for other
13 than fiduciary purposes.