

PAC REPORT

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Message from the Chairs

ANOTHER ELECTION YEAR IS UPON US! ASPPA PAC has already committed \$17,000 to various congressional campaigns since the beginning of the year; and that's on top of the over \$95,000 we committed last year. The important thing to know is that the relatively small amount (comparatively) that ASPPA PAC commits to congressional races provides us a significant and active presence on Capitol Hill. Besides opening the doors, our PAC activity has led to the ongoing situation where ASPPA's opinion and support are actively courted in the halls of Congress.

It is imperative that we continue our success, and for that, a continual flow of funds is vital. We are working toward a new goal of expanded ASPPA member involvement with the PAC. Our goal for the next year is to significantly increase both the number of ASPPA members who contribute to the PAC, and the overall amount that we raise. When a PAC contribution is made, the congressional recipient wants to know how many contributors we represent. It is much more meaningful to say that we have "thousands of PAC contributors" than to say we have "hundreds." Remember, each single person is a vote, whether they have contributed \$50 or \$500 to the PAC. So, while we will continue to solicit and thank our larger donors, we will also be concentrating on soliciting those many members who can afford to make smaller contributions. Both the dollars and the number of contributors say important things.

Your support to ASPPA's PAC is now more important than ever as final pension reform legislation is contemplated by Congress. A conference committee consisting of 16 members from the Senate and 11 members from the House has been selected to hash out the differences between the Senate's "Pension Security and Transparency Act" (S 1783) and the House's

"Pension Protection Act of 2005" (HR 2830). Michael Enzi (R-WY), chairman of the Senate Committee on Health, Education, Labor and Pensions, has been tapped to head the committee and announced that the pension reform conference will work hard to come to an agreement on the final bill.

While both measures bolster rules governing the funding of employer-sponsored pension plans and help strengthen the deficit-ridden balance sheet of the PBGC, there are key differences between the two bills. Key areas where these differences exist are pension funding, cash balance and investment advice, all of which are critical to ASPPA members. The ASPPA PAC is crucial in communicating with key lawmakers on these important issues.

When you receive the PAC solicitation later this spring, we hope that all ASPPA members will make a commitment to the PAC. We encourage our current PAC members to continue their support, and we ask them to encourage their associates who are ASPPA members to make a PAC contribution of any size.

The coming years expect to see proposals that would be devastating to the employer-sponsored pension industry. We are well positioned; the constant analysis and commentary provided through our Government Affairs Committee (GAC) is well received on the Hill. Those positions, honed by the work of our various GAC committees, are what we believe to be truly in the best interests of the employer-sponsored pension system.

With your continued support, ASPPA will continue to be at the table as the employer-sponsored pension system is discussed and modified, and we, your chairs, thank you for that.

Lawrence C. Starr, CPC, *Volunteer Chair*
Teresa T. Bloom, APM, *Staff Chair*



ASPPA PAC™
OPENS THE DOOR

2005 Contributions to Members of Congress

IN 2005, WITH TREMENDOUS PROGRESS made in the development of pension reform legislation, ASPPA PAC was able to contribute a record \$95,202.81 (a 53% increase over 2004's record) to a record 47 congressional campaigns and committees (a 38% increase over 2004's record). Broken down, \$50,000 was contributed to Republicans and \$44,952.81 to Democrats; \$62,162.21 to House members and \$32,790.60 to Senators (with \$250 in an "other" category, see below). Below is a summary of the recipients and how each was a pivotal player in ASPPA's efforts.

HOUSE

Rob Andrews (D-1st NJ), \$7,462.21: Rob Andrews, ranking member on the Education & Workforce's subcommittee on Employer-Employee Relations, has been a long-time supporter of pension issues. Specifically, he introduced the DB(k) bill along with Jim Nussle (R-IA 1st), HR 3899, and was involved in pension funding legislation through the Boehner bill.

Melissa Bean (D-8th IL), \$1,000: Melissa Bean sits on the Financial Services and Small Business committees. She is a key player in securities issues of importance to ASPPA members.

Roy Blunt (R-7th MO), \$5,000, and his leadership PAC, Rely on Your Beliefs Fund, \$2,500: In 2005, Roy Blunt was the House Majority Whip (number 2 House leader in the Republican party), and later House Majority Leader, and therefore a central figure in determining the legislation that makes it to the House floor.

John Boehner (R-8th OH) leadership PAC, The Freedom Project, \$2,500: John Boehner was the chair of the House Committee on Education & Workforce,

the House committee responsible for ERISA Title I issues, and was the lead sponsor for the House's pension reform legislation, HR 2830. He will remain a key House member due to his ascent to House Majority Leader and his experience and interest in retirement issues.

Kevin Brady (R-8th TX) \$1,000: Kevin Brady sits on the House Committee on Ways & Means and supported pension reform tax provisions and automatic enrollment.

Eric Cantor (R-7th VA) leadership PAC, Every Republican is Crucial, \$2,500: Eric Cantor also sits on the House Committee on Ways & Means. He was seriously considered for the incoming chair for Ways & Means since Congressman Thomas is stepping down due to term limits.

Philip English (R-3rd PA) leadership PAC, PHIL PAC, \$1,000: Phil English sits on the House Committee on Ways & Means and supported pension reform tax provisions and automatic enrollment.

JD Hayworth (R-5th AZ) \$1,000: JD Hayworth sits on the House Committee on Ways & Means and was a pivotal player in tribal pension plans.

Jim McCrery (R-4th LA) leadership PAC, Committee for the Preservation of Capitalism, \$5,000: Jim McCrery has been an influential member of the House Committee on Ways & Means and was touted throughout the year as a possible successor to Chairman Thomas.

Howard "Buck" McKeon (R-25th CA) leadership PAC, 21st Century PAC, \$2,500: Buck McKeon has been a pivotal member on the House Committee on Education & Workforce. He was a key player in reactivating the committee's pension reform bill when it appeared

stalled last fall. McKeon was also the likely incoming chair of Education & Workforce, which proved to be true.

Richard Neal (D-2nd MA), \$1,200: Richie Neal sits on the House Committee on Ways & Means and has been an active player in pension-related bills for many years.

Earl Pomeroy (D-At Large ND), \$7,000, and his leadership PAC, NODAK PAC, \$5,000: Earl Pomeroy, also on Ways & Means, is one of the few House members with a strong interest and knowledge in pension matters. He has championed for the employer-sponsored retirement system for years. ASPPA PAC has supported Congressman Pomeroy for many years.

Jon Porter (R-3rd NV), \$1,000: Jon Porter is a member of the House Committee on Education & Workforce, the leading House committee that advanced pension reform in 2005.

Rob Portman (former R-2nd OH) leadership PAC, America's Majority Trust, \$5,000: Rob Portman, another member of Ways & Means, often sponsored pension legislation. Portman preferred that contributions be made to his leadership PAC, which enabled him to redirect the support to others within his party on key issues of concern to him, such as retirement policy. In 2005, former Rep. Portman was appointed by President Bush to be the US Trade Representative.

Adam Putnam (R-12th FL), \$4,500: Adam Putnam is an up-and-coming leader for the Republican Party and, to the benefit of ASPPA members, has taken an early interest in retirement issues and in promoting their cause before the Republican leadership. ASPPA sought his support on tax reform issues.

2005 Contributions to Members of Congress

Charles Rangel (D-15th NY), \$1,000: Charlie Rangel is the ranking member (lead Democrat) of the House Committee on Ways & Means and subsequently holds a critical seat for pension and tax reform measures.

Bill Thomas (R-22nd CA), \$2,000 and his leadership PAC, Congressional Majority Committee, \$3,000: Bill Thomas is the chair of the House Committee on Ways & Means, the tax writing committee in the House. His support was needed for all tax-related pension issues. House rules require that he step down from his position at the end of this year. He recently has announced he will not seek reelection in 2006.

SENATE

Max Baucus (D-MT), \$4,290.60 and his leadership PAC, Glacier PAC, \$5,000: Max Baucus is the ranking member of the Senate Committee on Finance and has worked closely with Chairman Grassley over the years on pension reform measures. In addition to the nearly \$10,000 contributed directly to Baucus's campaign, ASPPA PAC was instrumental in raising \$44,000 through two private receptions held for him in 2005.

Jeff Bingaman (D-NM), \$5,000: Jeff Bingaman sits on both the Senate Committee on Finance and the

Committee on Health, Education, Labor and Pensions and has been instrumental in advocating the senate's message on the investment advice provisions of pension reform. In addition to the \$5,000 contributed directly to Bingaman's campaign, ASPPA PAC was instrumental in raising \$20,000 in a private reception for him in July.

Ben Cardin (D-MD), \$7,000: Rep. Cardin, of "Portman-Cardin" pension reform fame, is one of our key members of Congress advocating for the employer-sponsored pension system. Cardin is a member of the House Committee on Ways & Means and often sponsors key pension legislation. He is running for the Senate for the state of Maryland for 2006.

Michael Enzi (R-WY), \$1,000, and his leadership PAC, Making Business Excel, \$1,000: Michael Enzi became chairman of the Senate Committee on Health, Education, Labor and Pensions in 2005 and is therefore a prominent figure in advancing all pension legislation dealing with ERISA Title I issues.

Charles Grassley (R-IA) leadership PAC, Buckeye PAC, \$2,500: Chuck Grassley is the chair of the Senate Committee on Finance and works closely with Senator Baucus on all tax-related pension legislation. Grassley and Baucus

were the chief sponsors of NESTEG, the Senate Finance committee's version of pension reform.

Tom Harkin (D-IA) leadership PAC, Hawkeye PAC, \$1,000: Tom Harkin sits on the Senate Committee on Health, Education, Labor and Pensions and is one of the leading proponents for participants in cash balance plans.

Gordon Smith (R-OR), \$1,000, and his leadership PAC, Impact America, \$5,000: Gordon Smith, who sits on the Senate Committee on Finance, indicated a few years ago that he sought to become the pension champion in the Senate. He was also the sponsor of S 1389, the Retirement Savings and Security Act of 2005 and S 673, Governmental Pension Plan Equalization Act of 2005.

Craig Thomas (R-WY), \$1,000: Craig Thomas is a member of the Senate Committee on Finance. In 2005, his support was sought for tax reform issues, along with support for Finance's NESTEG bill.

OTHER

American Society of Association Executive's PAC, \$250: ASAE PAC was a strong advocate for allowing associations to e-mail and fax their members.

Year 2005 ASPPA PAC Figures

Closing cash balance 12/31/05	\$172,110.89
Contributions from ASPPA members	\$84,278.45
Contributions to members of Congress	\$98,595.84
Expenses	\$3,343.03
Number of contributors	323

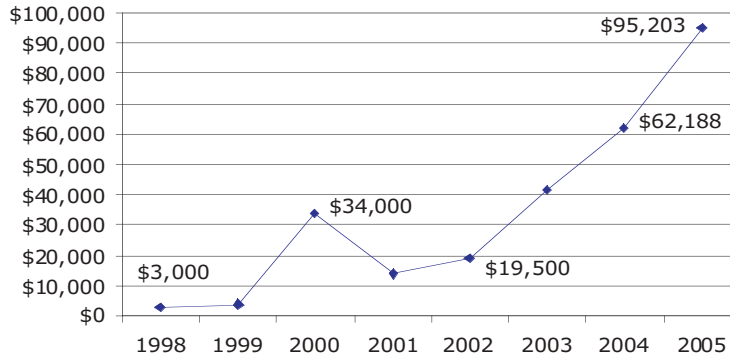
Year 2004 ASPPA PAC Figures

Closing cash balance 12/31/04	\$186,428.28
Contributions from ASPPA members	\$76,245.69
Contributions to members of Congress	\$62,187.65
Expenses	\$2,229.59
Number of contributors	266



Record Contributions Given in 2005

ASPPA PAC'S CONTRIBUTIONS TO MEMBERS OF CONGRESS continue to grow each year in direct correlation with our own growth. Don't be surprised if 2006 is the fourth year of record contributions given. (Remember, the even years are election years.) The current need to support key members of Congress is evident when you look at what we gave in 2005, the first year of the 109th Congress. Already in 2006, we are on track to give even more than 2005's record of \$95,203. Thank you for your support. We truly could not do it without you.



4245 North Fairfax Drive, Suite 750
Arlington, VA 22203

P 703.516.9300
F 703.516.9308
www.asppa.org

Contribute online!

Ask Jolynne how:
jflores@asppa.org

Enroll me as part of the ASPPA PAC team!

Suggested Contribution Levels			
Presidents Club	\$5,000 (to be paid within five years)	Member	\$100 to \$499
Founders Club	\$1,000 (to be paid within two years)	Associate	\$50 to \$99
Leaders Club	\$500 to \$999		

Amount \$ _____

Contribution

Personal check (payable to ASPPA PAC) Visa MC Amex Expiration Date: _____

Signature: _____ Account No: _____

Pledge I pledge \$ _____ to be paid in (#) _____ payments within _____ years(s).

Name _____

Address: _____ City: _____ State: _____ Zip: _____

E-mail: _____ Company: _____ Occupation: _____

Mail to: ASPPA PAC | 4245 North Fairfax Drive, Suite 750 | Arlington, VA 22203