



AMERICAN ACADEMY *of* ACTUARIES

November 20, 2003

The Honorable J. Dennis Hastert
Speaker of the U.S. House of Representatives
232 Capitol Building
Washington, DC 20515

The Honorable William H. Frist
Senate Majority Leader
230 Capitol Building
Washington, DC 20510

Dear Sirs:

I am writing on behalf of the Pension Practice Council of the American Academy of Actuaries¹ about an issue that affects thousands of employers and the retirement plans of nearly 40 million Americans. The stopgap provision in the *Job Creation and Workers Assistance Act of 2002* that created a temporary pension discount rate to replace the discontinued 30-year Treasury rate expires on December 31. The discount rate is used to calculate pension funding under federal law. It is imperative that Congress immediately pass legislation to create a new discount rate, to minimize the financial uncertainty facing employers, employees and retirees and send it to the President for his signature before the conclusion of the First Session of this Congress.

Please address this before Congress adjourns.

We at the Academy are available to provide our resources to help you. Please feel free to contact Heather Jerbi, the Academy's pension policy analyst (202-785-7869/ Jerbi@actuary.org) or Ron Gebhardtsbauer, Senior Pension Fellow (202-785-7868/ Gebhardtsbauer@actuary.org), if we can be of assistance.

Sincerely,

Kenneth A. Kent, MAAA, FSA, FCA
Vice President, Pension Practice Council
American Academy of Actuaries

¹ The American Academy of Actuaries is the public policy organization for actuaries of all specialties within the United States. The Academy is nonpartisan and assists the public policy process through the presentation of clear actuarial analysis. The Academy also develops and upholds actuarial standards of conduct, qualifications and practice, and the Code of Professional Conduct for all actuaries practicing in the United States.