

Good Afternoon!

My name is C. William Jones. At this time, I am a resident of Frisco, Texas, but have spent most of my life in New York, Connecticut and Maryland. I am unable to be here today, but am happy to have the opportunity to present written testimony at this important hearing. My father grew up during the Great Depression; he and I had many discussions about the choice of my eventual career. Imagine how thrilled he was when I landed a position with a subsidiary of arguably the most secure corporation in the world...AT&T.

AT&T not only survived the Depression, but it also thrived during that grim period. A number of major buildings, including the headquarters of Verizon Communications, were built during that time.

I retired in 1990 after thirty years of service. My title at retirement was Managing Director of Corporate Planning. Five years later, I and a few others formed what is now an advocacy group named the Association of BellTel Retirees Inc. with 128,000 current members. Our mission is to protect the earned pensions and benefits of the retirees of Verizon.

Considering the background that I have just supplied, imagine the shock when we heard the news that our pensions were sold to the Prudential Insurance Company. This news flash was second only to the 1983 announcement of the breakup of the Bell System. How could my company sell off my pension and that of 41,000 others with no prior notice, no opportunity to have a say in the future security of my livelihood?

Because of my seventeen years of work as President and Executive Director of the Association, I knew the safeguards that were lost that had been provided by ERISA regulations and the safety net that was provided by the Pension Benefit Guarantee Corporation. How can these retirees know the health of their pension today? Our pension funds are now co-mingled with those of other corporations and thus we are unable to gauge the security of these funds on an ongoing basis. In the case of a financial crisis affecting this insurance company, what safety net is in place to guarantee the financial lifeblood of 41,000 retirees?

The answer is not encouraging...a rather odd state-by-state, underfunded or unfunded system that might provide as little as a \$100,000 lifetime payout and as much as \$500,000 depending upon where one lives. At the low end, this system might pay out as little as one or two years of a person's earned pension. This is not what I and 41,000 others expected when we signed to work for a rock-solid corporation that was backed by a federal insurance plan that would pay about \$56,000 each year in the case of a company failure.

Some say that Prudential is "too big to fail." We all know that no company, including insurance companies, can provide the security that was in place for our pensions prior to this transfer.

I respectfully request you to do your part to pass the bill before you today, thereby making Connecticut the first state to come to the rescue of many tens of thousands of retirees who worked a lifetime to protect their financial independence for their families and thus secured a decent retirement package for their final years.

Thank you for your attention to and consideration of this important issue.

Respectfully submitted,



C. William Jones