EXHIBIT 3

Legislative History
of the
Welfare and Pension Plans Disclosure Act of 1958,
as amended by
Public Law 87-420 of 1962

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Foreword

The purpose of the Welfare and Pension Plans Disclosure Act, signed into law on August 28, 1958, is to provide for the registration, reporting, and disclosure to participants and beneficiaries of employee welfare and pension benefit plans of financial and other information relating to such plans. This Act was strengthened by the Welfare and Pension Plans Disclosure Act Amendments of 1962, which were signed into law by President Kennedy on March 20, 1962. Among other things, the amendments confer certain investigatory and enforcement powers upon the Secretary of Labor, authorize the Secretary of Labor to issue written interpretations on which plan administrators may rely, provide for bonding of certain persons who handle plan funds, and make Federal crimes of theft, embezzlement, false statements, kickbacks, and bribery with respect to plans subject to the Welfare and Pension Plans Disclosure Act.

Shortly after the passage of the 1962 Amendments, the Division of Labor Management Laws, Office of the Solicitor, undertook to collect and prepare for publication the materials included in this Legislative History. This project was conducted under the immediate supervision of Morton J. Marks and Ernest J. Corrado, who were assisted by Cornelius S. Donoghue, Jr., Arthur B. Patrizio, Sonya I. Livshin, Michael S. Gordon, George E. Rivers and Jean P. Edwards.

As a public service, I am pleased to make these compiled materials available for public use and I hope that they will be helpful to those persons who have occasion to use them.

W. Willard Wirtz

W. WILLARD WIRTZ,
Secretary of Labor.

Section 2. Declaration of Findings and Policy

Findings and Policy

Sec. 2. (a) The Congress finds that the growth in size, scope, and numbers of employee welfare and pension benefit plans in recent years has been rapid and substantial; that the continued well-being and security of millions of employees and their dependents are directly affected by these plans; that they are affected with a national public interest; that they have become an important factor affecting the stability of employment and the successful development of industrial relations; that they have become an important factor in commerce because of the interstate character of their activities, and of the activities of their participants, and the employers, employee organizations, and other entities by which they are established or maintained; that owing to the lack of employee information concerning their operation, it is desirable in the interests of employees and their beneficiaries, and to provide for the general welfare and the free flow of commerce, that disclosure be made with respect to the operation and administration of such plans.

(b) It is hereby declared to be the policy of this Act to protect interstate commerce and the interests of participants in employee welfare and pension benefit plans and their beneficiaries, by requiring the disclosure and reporting to participants and beneficiaries of financial and other information with respect thereto.

(Conference Report, No. 2656, House, p. 1–2, Aug. 15, 1958)

Mr. Humphrey. Mr. President, I take this opportunity to commend the favorable reporting from the Committee on Labor and Public Welfare of S. 2888, a bill to provide for registration, reporting, and disclosure of employee welfare and pension benefit plans.

There is no question that legislation in this field is needed, and there is no question in my mind but what S. 2888 is a constructive and effective proposal.

Members of the Senate know that I have long been associated with legislation in this field. In previous Congresses I have introduced bills on the subject, the latest of such proposals being S. 1717 in the 84th Congress. On February 1, 1957, I released a statement with regard to the so-called labor racketeering investigation then getting under way.

I ask unanimous consent that the text of that statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUBERT HUMPHREY WITH REGARD TO INVESTIGATION OF LABOR RACKETEERING, FEBRUARY 1, 1957

As a friend of organized labor I wish to see the American labor movement clean, strong, and responsible. The few who abuse their power or are guilty of corruption, misuse of funds, or any other form of unethical conduct serve only to bring discredit upon the good name and reputation of organized labor. Free unions are a part of the American political, social, and economic structure. It has taken courage, steadfastness of purpose, sacrifice, and great leadership to build the American labor movement. There is no room within its organization for those who would violate their trust.

It is to the everlasting credit and honor of organized labor in America that it has, at all times, been a vigorous opponent of all forms of totalitarianism at home and abroad. It has made significant contributions to the welfare of the American people and to the strength and progress of our political and economic institutions. This honorable history and tradition must not be forgotten when charges and allegations of racketeering and corruption hit the headlines and attract public notice.

During the 82d Congress, as chairman of the Subcommittee on Labor and Labor-Management

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