

Letter of Support for the Lifetime Income Disclosure Act

June 2, 2015

The Honorable Johnny Isakson
131 Russell Senate Office Building
Washington, DC 20510

The Honorable Chris Murphy
136 Hart Senate Office Building
Washington, DC 20510

Dear Senator Isakson and Senator Murphy:

On behalf of the over 20,000 members of the American Retirement Association, we hereby express our strong support for the *Lifetime Income Disclosure Act* (S. 1317). We commend you both for your leadership on this important issue.

The American Retirement Association is a non-profit professional organization comprised of four premier retirement industry associations that include every type of pension professional – from business owners, actuaries, consultants, and administrators, to insurance professionals, financial advisors, accountants, attorneys, and human resource managers. While our members come from all corners of the country, representing every part of the industry, they are all united by their belief in and commitment to the private employer-sponsored retirement system.

The *Lifetime Income Disclosure Act* will give workers participating in retirement plans a key piece of information that will allow them to better understand and improve their financial security in retirement. The legislation requires 401(k) plan administrators to provide, in an annual pension benefit statement, a lifetime income disclosure. This disclosure translates the participant's account balance into a "lifetime income stream equivalent". In other words, a participant will see an estimate of how much her lump sum account balance will pay out in a monthly benefit.

This simple change will give workers a more complete picture of the adequacy of their retirement savings, leading many to save more for their retirement. The American Retirement Association applauds this step that will help working Americans achieve a secure retirement and encourages Congress to enact this bill into law.

Sincerely,



Brian H. Graff, Esq., APM
Executive Director/CEO
American Retirement Association