

November 9, 2021

The Honorable Bobby Scott
Chairman
Education & Labor Committee
United States House of Representatives
1176 Rayburn House Office Building
Washington, DC 20515

The Honorable Virginia Foxx
Ranking Member
Education & Labor Committee
United States House of Representatives
2101 Rayburn House Office Building
Washington, DC 20515

Re: Letter of Support for the *Retirement Improvement and Savings Enhancement Act*

Dear Chairman Scott and Ranking Member Foxx:

On behalf of the over 30,000 members of the American Retirement Association (ARA), we hereby express our support for the *Retirement Improvement and Savings Enhancement Act*. We commend you for championing this important piece of bipartisan retirement legislation.

The ARA is the coordinating entity for its five underlying affiliate organizations representing the full spectrum of America's private retirement system – the American Society of Enrolled Actuaries (ASEA), the American Society of Pension Professionals and Actuaries (ASPPA), the National Association of Plan Advisors (NAPA), the National Tax-Deferred Savings Association (NTSA), and the Plan Sponsor Council of America (PSCA). The ARA's members include organizations of all sizes and industries across the nation who sponsor and/or support retirement saving plans and are dedicated to expanding on the success of employer-sponsored plans. The ARA and its underlying affiliate organizations are diverse but united in their common dedication to the success of America's private retirement system.

ARA's mission is to help American workers bolster their retirement security by facilitating well-designed workplace retirement savings plans. We do that by both educating and informing retirement benefits professionals, and by advocating for policies that give every working American the opportunity to achieve a comfortable retirement. Workplace retirement savings plans are successful for those that have access to them. These plans provide long term economic growth and build financial security for the middle class. But more needs to be done.

The introduction of the *Retirement Improvement and Savings Enhancement (RISE) Act* represents a critical step forward in the process to continue the bipartisan retirement policy momentum jumpstarted in the last Congress with the enactment of the *Setting Every Community Up for Retirement Enhancement (SECURE) Act*. The *RISE Act*, along with its Ways & Means Committee counterpart the *Securing a Strong Retirement Act*, makes a much-needed additional set of bipartisan improvements to the retirement system.

The *RISE Act* contains several policy items championed by the American Retirement Association. The first would broaden the scope of the SECURE Act's pooled employer plan or open multiple employer plan provisions to allow unrelated public education and other non-profit employers to join a single 403(b) plan. A second would enable retirement plan sponsors to offer small and immediate cash or gift incentives to encourage its employees to participate in the retirement plan. A third would allow plan sponsors to automatically rollover the retirement account balances of unresponsive terminated participants with a balance of up to \$7,000 into an individual retirement account. A fourth would direct the Department of Labor, Treasury, and the Pension Benefit Guaranty Corporation issue a report

recommending ways to consolidate, simplify, standardize, and improve the various retirement plan disclosure requirements.

The ARA was also pleased to see that the *RISE Act* did not include a concerning provision in the *Securing a Strong Retirement Act* that would require at least one participant benefit statement be mailed in a paper format given the impact on the environment as well as plan costs. The ARA will continue to work with Congress on ways to ensure retirement plan participants are effectively accessing the required disclosures.

While the *RISE Act* has many good provisions, it is not perfect. For example, the ARA prefers the Retirement Lost & Found provision in the *Securing a Strong Retirement Act* that would allow plan sponsors to transfer the micro retirement account balances of unresponsive terminated participants of under \$1,000 to the Pension Benefit Guaranty Corporation.

The ARA would also like to work with the Committee to incorporate additional good retirement policy provisions into the bill. But on balance the *RISE Act* builds upon the success of the workplace retirement system and is yet another example of the extensive history of bipartisan legislating in this important policy area.

The ARA thanks both Chairman Scott and Ranking Member Foxx for your hard work and results to improve and enhance the retirement savings of the American workforce and would urge Congress to enact this bill into law.

Sincerely,



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