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More Private-Sector Tools Would Expand Access to Programs

Washington, DC, November 16, 2015—ICI President and CEO Paul Schott Stevens issued the following statement in response to proposed regulations issued by the Department of Labor today governing state-based retirement programs:

“We are deeply concerned that the Obama Administration is pursuing policies that could fragment and undermine our nation’s voluntary retirement system for private-sector workers. The contemplated state programs pose serious hazards for employers and workers, who could be forced to turn their savings over to the same state agencies that have created a \$1.4 trillion shortfall in public-sector workers’ pensions.

“We certainly share the goal of extending access to retirement savings plans to more workers. But to be successful, that access should be provided through national legislation that builds on the current voluntary system, not through a confusing patchwork of state programs, and with the cooperation—not coercion—of employers who best know the demographics and needs of their workers.

“Rather than turning to state agencies to promote retirement savings coverage, the Administration would better serve retirement savers if it would give the private sector the tools it needs—including some of the same tools that it proposes granting to state governments—to make coverage more available and affordable for small employers.”

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