



# AMERICAN BENEFITS COUNCIL

## NEWS RELEASE

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**For additional information:**

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*Council testifies before Senate Finance Committee*

## **Growing challenges in retirement system require bipartisan cooperation, swift action**

WASHINGTON, DC - "For more than a century, American employers have sponsored retirement plans that offer financial security to workers and their families. These plans, long supported by bipartisan public policy, enjoy [a legacy of remarkable success](#)," said Lynn Dudley, American Benefits Council senior vice president, global retirement and compensation policy today. "The challenges that retirement plans and participants face today require renewed bipartisan commitment to that system."

This was the message of [Dudley's testimony to the Senate Finance Committee](#) in [its hearing on the challenges in the retirement system](#). Noting that "The ability to save for retirement is a critically important part of Americans' sense of economic security," Dudley outlined a number of priority recommendations for the committee to consider as they move forward on retirement policy legislation. These include:

***Provide relief for participants in closed defined benefit pension plans:*** The Council urges strong support for nondiscrimination testing reform that would allow employers to continue to accrue benefits for older, longer-service participants in defined benefit pension plans. "If this issue is not fixed in the near future - year-end is too late - at least 430,000 participants could lose future benefits as of January 1, 2020," Dudley said.

***Support innovative student loan repayment programs:*** The burden of student loan debt serves as an unfortunate barrier to saving for retirement. The Council supports proposals that would make it easier for employers to provide matching contributions to 401(k) retirement plans based on an employee's student loan payments.

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***Enact Open Multiple Employer Plan (MEP) reforms:*** Expanding the use of MEPs will create greater economies of scale, thereby reducing the cost of plan participation and broadening coverage for many, including the independent and contingent workforce.

***Improve required retirement plan reports and disclosures:*** Congress has an opportunity to improve both the form, content and the timing of required disclosures and provide more effective and meaningful communications to participants and account owners, while also decreasing administrative costs for plans and IRAs.

The Council strongly supports many of the provisions of the Retirement Enhancement and Savings Act (RESA, S. 972), introduced by Committee Chairman Charles Grassley (R-IA) and Ranking Member Ron Wyden (D-OR) and the Retirement Security and Savings Act, sponsored by Senators Rob Portman (R-OH) and Benjamin Cardin (D-MD), among others.

“Employers are committed to working with lawmakers on these bills so more employees can enjoy improved retirement security when their work is done,” Dudley said.

For more information on the Council’s retirement policy agenda, or to arrange an interview with Dudley, contact Jason Hammersla, Council vice president, communications, at [jhammersla@abcstaff.org](mailto:jhammersla@abcstaff.org) or by phone at 202-289-6700 (office) or (202) 422-4652 (cell).

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*The Council is a public policy organization whose members include over 220 of the world’s largest corporations, as ranked by Fortune and Forbes. Collectively, the Council’s members either directly sponsor or administer health and retirement benefits for virtually all Americans covered by employer-sponsored plans.*