



Insured Retirement Institute

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May 18, 2021

The Honorable Ben Cardin
United States Senate
509 Hart Senate Office Building
Washington, DC 20510

The Honorable Rob Portman
United States Senate
448 Russell Senate Office Building
Washington, DC 20510

Dear Senators Cardin and Portman:

The Insured Retirement Institute (IRI)¹ writes to express our staunch support for the enactment of the *Retirement Savings and Security Act of 2021*. The measures contained in the bill will allow workers, retirees, and their families to take another step forward on the path toward financial security in retirement that was established following the enactment of the *Setting Every Community Up for Retirement Enhancement (SECURE) Act* in 2019. Your bill advances common-sense, bipartisan solutions which will help address remaining challenges and obstacles that continue to inhibit saving for and producing meaningful income during retirement.

Recent research shows that workers, retirees, and their families across America are concerned about their ability to accumulate sufficient savings to provide sustainable income to last throughout retirement. This anxiety has significantly grown in the past year with the COVID-19 pandemic's impact on retirees and workers' health and financial well-being.

A survey conducted by the National Institute on Retirement Security provides some insights into the depth of this anxiety. The survey found that more than two-thirds – 67 percent – say the nation is facing a retirement crisis, and more than half – 56 percent – are concerned they will not be able to achieve financial security in retirement. The same survey also found that 51 percent say their concerns about their ability to achieve financial security in retirement has increased, 67 percent say that COVID-19 has changed or is causing them to consider changing their retirement plans, and 65 percent of current workers say it is likely they will have to work past retirement age to save enough money to retire.²

Additionally, Fidelity Investments released the findings of a study that further demonstrates the harm inflicted on retirement plans due to last year's events. Fidelity Investments' survey found that 80 percent of American workers said

¹ The Insured Retirement Institute (IRI) is the leading association for the entire supply chain of insured retirement strategies, including life insurers, asset managers, and distributors such as broker-dealers, banks, and marketing organizations. IRI members account for more than 95 percent of annuity assets in the U.S., include the top 10 distributors of annuities ranked by assets under management, and are represented by financial professionals serving millions of Americans. IRI champions retirement security for all through leadership in advocacy, awareness, research, and the advancement of digital solutions within a collaborative industry community. Learn more at www.irionline.org.

² "Retirement Insecurity 2021 – American Views of Retirement." National Institute on Retirement Security. February 2021

actions such as job loss or withdrawals from retirement accounts disrupted their retirement plans. One-in-three estimate that it will take them two to three years to recover from the financial and economic impact of the COVID-19 pandemic.³

As this research demonstrates, retirement security remains a significant concern for America's workers, retirees, and their families. This research also confirms what IRI's members hear from the millions of workers and retirees they work with daily to plan and save for retirement – workers and retirees feel the burden of accumulating savings to produce income to sustain them throughout retirement squarely on their shoulders. This has placed enormous pressure on individuals, particularly if they are lower- and middle-income workers.

The *Retirement Savings and Security Act of 2021* will help America's workers, retirees, and their families build economic equity, strengthen financial security, and protect income in a sustainable manner to last throughout retirement years. The bill offers measures which will expand the opportunities for more workers to save for retirement, facilitate the use of protected lifetime income solutions, enhance retirement plan features to bolster savings rates, and augment the tax code to promote and encourage tax-deferred retirement savings.

Many of the measures in the *Retirement Savings and Security Act of 2021* were called for in IRI's [2021 Federal Retirement Security Blueprint](#). These include increasing the age at which required minimum distributions (RMDs) must be taken, increasing automatic enrollment contributions rates, and enhancing automatic plan features, and helping those with student loan debt save for retirement while paying off their loans. The bill also facilitates the use of exchange-traded fund (ETF) investments in variable annuities, enhances the start-up credit to encourage more small businesses to offer workplace plans, allows for a broader use of qualified longevity annuity contracts (QLACs) to ensure individuals have sustainable income during their retirement years, and increases retirement catch-up contribution limits for Baby Boomers.

For the reasons cited above, IRI is proud to reiterate our support for this comprehensive legislative package of common-sense, bipartisan solutions that will provide workers and retirees the opportunities to overcome the obstacles they face in pursuit of saving and preparing for a financially secure and dignified retirement. We urge you, your colleagues on the Senate Committee on Finance, and Congress to quickly advance this legislation and enact it into law.

We thank you for your leadership in pursuing this legislation. As the Senate considers this legislation, IRI welcomes the opportunity to work with you and your staffs to advance the measures contained in the *Retirement Security and Savings Act*. If you have any questions, please do not hesitate to contact me or Paul Richman, Chief Government and Political Affairs Officer at (202) 469-3004 or prichman@irionline.org, or John Jennings, Assistant Director of Government Affairs at (202) 469-3017 or jjennings@irionline.org.

Sincerely,



Wayne Chopus
President & CEO
Insured Retirement Institute

³ ["2021 State of Retirement Planning Study."](#) Fidelity Investments. March 2021