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Wyden Statement at Finance Committee Hearing on Retirement Savings
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Over the last decade or more, policy experts and lawmakers have gathered in rooms like this dissecting this country's growing retirement savings crisis far too many times. That includes a hearing held by this committee about a year and a half ago.

The numbers underlying this crisis are jarring to hear every time. Barely more than half of American workers have access to a retirement savings plan through their employer. A middle-of-the-pack retirement account today has enough saved up to pay a 64 year-old retiree little more than \$300 a month. Half of accounts belonging to 55 to 64 year olds have less. And millions of American workers have no pension and nothing saved at all.

Despite those dire statistics, the nonpartisan Joint Committee on Taxation tells us that over the next five years, taxpayers will pour more than \$1 trillion into subsidies for retirement accounts. It's the second-biggest tax subsidy on the books.

But the Congressional Budget Office says that the benefits are skewed toward people who need help the least. Less than one in five of those dollars goes to households with incomes in the bottom 60 percent of earners.

Minority workers have it even worse. For young workers, or people seeking jobs in restaurants, hotels, or construction, it may be nearly impossible to find an employer who sponsors a retirement plan with a matching contribution. The same could be true in the "gig economy," which is growing every year.

It's clear that working families and the middle class need more opportunities to save – first and foremost at work. Then, the options Americans have for saving need to better reflect the way people work and live in retirement. That means retirement savings built up at work need to be portable and provide a meaningful lifetime income.

The good news is that steps are being taken to create opportunities for saving. Look no further than my home state of Oregon. It's one of three states that has passed what's called an "auto-IRA" law to cover people without employer-based accounts.

Here's the bottom line for Oregon workers -- when you get a job, you'll get a retirement account, and you can start saving. It won't be mandatory because workers can opt out, but it's going to relieve a lot of headaches and kick saving into a higher gear.

This was an important step for Oregon to take, because back in 2013, an AARP survey found that one in six middle-aged Oregon workers had less than \$5,000 saved. A new report released this month from the Pew Charitable Trusts found that less than two-thirds of Oregon workers have access to retirement plans through their employers, and barely more than half participated. But Oregon's auto-IRA plan, in my view, represents a sea change. And I hope this trend leads federal lawmakers to passing the President's national auto-IRA proposal.

Next, the administration has opened up what it calls "My-RA" plans to help workers nationwide get started saving. These smart, new plans are aimed squarely at working Americans of limited means who've been shut out of retirement saving for too long. There aren't any fees to eat into your savings, there are no minimum balance or contribution requirements, and you'll never lose a single penny you put in. It's a great way to start building a nest-egg.

Additionally, there are more proposals in the works that can make a big difference for a lot of workers. Today, I'm introducing a bill to strengthen the saver's tax credit so that it does more for the people who need the most help. At a time when taxpayers are pouring cash into savings incentives that are skewed toward the wealthy, this proposal is one step Congress should take to correct that imbalance.

Furthermore, Senator Hatch and I are working with Senators Brown and Nelson on legislation that expands retirement plans that bring together multiple employers. Our proposal is aimed at getting old rules out of the way, lowering costs, and easing the burden on employers so that this type of retirement plan is available to more workers across the country.

So in addition to big progress with auto-IRAs and my-RAs, these are two important pieces of legislation coming down the pike. Moving forward, I hope to work with the committee on a bipartisan basis to do a lot more to help Americans save for retirement.

Comprehensive tax reform will be a big help. Bills designed to grow wages can make an enormous difference. And the recent turmoil in the markets is a keen reminder of why it's absolutely vital to keep Social Security strong and reject calls for privatization.

Finally I want to say a few words about the multiemployer pension crisis, which absolutely must be solved, and soon. Because of a bad law Congress passed over a year ago – which I opposed – some retirees may face harsh cuts to the pension benefits they've earned. That cannot come to pass, and it must be addressed on a bipartisan basis. In particular, lawmakers need to enact legislation as soon as possible to ensure that many coal miners receive the retiree health and pension benefits they earned over decades of backbreaking work fueling our economy. The situation for mine workers gets worse with every passing day and constitutes a genuine public policy emergency.

I thank the Chairman for agreeing to hold a hearing on this issue, and I look forward to working with him and the other members of the Committee on these important issues. I want to thank our witnesses for being here today, and I look forward to our discussion.

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