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Contact: Ashley Schapitl (202) 224-4515

Wyden Statement at Finance Committee Hearing on Retirement Savings
As Prepared for Delivery

This morning the Finance Committee takes a broad look at challenges with the retirement system. I want to begin my remarks with a word on Social Security.

According to the most recent Trustees Report, Social Security can pay full benefits until 2035. After that, retirees would be hit with a 20 percent cut. That means a 50 year old worker who's paid into Social Security out of every paycheck faces the prospect of not receiving the full benefits that she has earned.

So let me be clear this morning. As long as I have anything to say about it, that cut is not going to happen. The Congress has solved fiscal challenges bigger than this one in the past, and it will do it again.

Furthermore, let's understand that no program has done more for Americans' economic well-being and stability than Social Security. The Congress must not do anything to undermine it. Social Security is not a piggy bank for lawmakers to smash when they're in search of funding for other priorities. Instead, let's protect Social Security for all workers and the generations to come. Let's also examine the other areas where our retirement system needs strengthening.

Across the country, more than 100 million Americans have no pension and no savings in a retirement plan. A dignified retirement is out of reach for many working Americans today. But there are a lot of ways this committee can take a leading role in changing that.

First, this committee worked on a bipartisan basis to put together the *Retirement Enhancement and Savings Act*. Our bill is all about making it easier for employers -- particularly small businesses -- to offer retirement plans to their employees. Giving those small businesses an opportunity to band together and offer a common retirement plan is a simpler and more cost-effective way of helping more people save.

It also ought to be easier for older Americans to save. Ever since I was co-director of the Oregon Gray Panthers, I've said that there's no good reason to cut somebody off from saving just because they've crossed an arbitrary age limit. In my judgement, changing this part of IRA law is a no-brainer.

I think of older working-class people who can't yet afford to retire and want to keep saving. With so many families dealing with the consequences of the opioid epidemic, I think of working grandparents who are supporting youngsters and want to keep saving. They ought to have that opportunity. Those are key parts of our bill and I'm hopeful it'll get across the finish line soon.

In addition to RESA, there are a number of other ideas to discuss this morning. Yesterday I introduced the Retirement Parity for Student Loans Act. It's based on a simple proposition: Somebody who's paying off student loans should not be denied the opportunity to start saving for retirement. The bill would allow employers to make "matching" payments into a retirement plan while their employees are making loan payments. The bottom line is, whether you're paying off loans or building up a nest-egg, you're making the right financial choices. You ought to be rewarded for it with an opportunity for more savings.

Next, the committee is fortunate to have Oregon Treasurer Tobias Read here with us this morning. Oregon is leading the nation with its new auto-enrolled IRA program for people who don't have access to a retirement plan at work. It's called OregonSaves. It started with a successful pilot program. It went statewide in 2018. Hundreds of thousands of people in my home state are going to be saving for retirement when the program is fully up and running. In my view, this committee ought to look at expanding on this idea nationally. So I want to thank Treasurer Read for being here to talk with us about it.

One last point. This committee needs to act -- and act now -- on multiemployer pensions. There are 150 of these pension plans facing insolvency in the next decade or two. That's upward of a million Americans who could be thrown off a financial cliff. They've worked hard. They've paid into their plans. They're facing this crisis through no fault of their own. It's long past time to fix it. Congress cannot sit idly on the sidelines as many of these Americans fall into poverty.

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