



May 23, 2019

\*\*\*\*\*

**NTU urges all Representatives to vote “YES” on H.R. 1994, the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019. This bipartisan legislation, which passed out of the Ways and Means Committee unanimously, would make a number of favorable changes to the treatment of retirement savings accounts. Enactment of H.R. 1994 would provide millions of Americans greater flexibility and control over their finances when planning for their future retirement.**

Saving for retirement can be a significant challenge, especially for lower-income workers. Thankfully, the SECURE Act would increase the accessibility and affordability of retirement products for millions of workers, thereby making it easier for people to grow their savings. Specifically, the SECURE Act makes it easier for small businesses to band together to offer retirement plans, enables part-time workers to participate in 401(k) plans, and raises the required distribution age for individual retirement accounts from 70 ½ to 72. Additionally, the SECURE Act allows employers who offer retirement plans with automatic enrollment to be eligible for tax credits. These meaningful reforms will help families save more and earlier for their future.

With 35 percent of Americans not involved in any retirement plan, the SECURE Act is a commonsense solution that confronts a future crisis, today. Taking action to encourage more Americans to participate in the private retirement system could help avert a future economic crisis that could threaten the federal budget. If fewer people have enough to last through their years after they stop working, it increases the likelihood they will have to rely on government services funded by taxpayer-dollars. Notably, greater participation in private sector retirement vehicles will reduce reliance on Social Security, which is expected to be bankrupt within the next two decades.

The SECURE Act makes important reforms to expand some areas of retirement savings, but it should be only a first step towards eliminating other government roadblocks to retirement savings. Congress should pass a bipartisan proposal to establish universal savings accounts, which allows taxpayers to save and invest \$2,500 of their own after-tax earnings. Congress must also find a path forward on the failing Multiemployer Pension Program, which left unresolved, could result in a near-trillion dollar taxpayer-funded bailout.

**Roll call votes on H.R. 1994 will be included in NTU's annual Rating of Congress and a "YES" vote will be considered the pro-taxpayer position.**

*If you have any questions, please contact NTU Policy and Government Affairs Associate Thomas Aiello at (631) 697-4840*

\*\*\*\*\*