

Wednesday, February 22, 2017

Senator Mitch McConnell
Senate Majority Leader
317 Russell Senate Office Building
Washington, DC 20510

Senator McConnell,

Nearly 55 million workers across the country lack access to employer-sponsored retirement plans, and millions more fail to take full advantage of employer-supported plans. Without access to easy and affordable retirement savings options, far too many workers are on track to retire into poverty where they will depend on Social Security, state, and federal benefit programs for their most basic retirement needs. States across the country have been innovating to address this problem. We are writing to respectfully urge you to protect the rights of states and large municipalities to implement their own, unique approaches.

Last week, two resolutions of disapproval (H.J. Res 66, H.J. Res 67) were introduced to repeal key Department of Labor (US DOL) rules. If passed, these resolutions would make it more difficult for states and municipalities to seek solutions to the growing retirement savings crisis. We ask that you support the role of states as policy innovators by voting “No” on H.J. Res 66 and H.J. Res 67.

Thirty states and municipalities are in the process of implementing or exploring the establishment of state-facilitated, private-sector retirement programs. Eight states have passed legislation to allow individuals to save their own earnings for retirement (no employer funds are involved as these are not defined benefit plans). While most state and municipal plans will be governed by independent boards, the day-to-day investment management and recordkeeping would not be conducted by the state, but rather by private sector firms - the same financial institutions that currently provide retirement savings products. These programs would apply to businesses that don't currently offer a retirement plan, and would in no way limit an employer's ability to seek out and offer their own employer-sponsored plan.

Many states and municipalities are planning to use Individual Retirement Accounts (IRAs) that will be wholly owned and controlled by the participant, while others are pursuing options such as Voluntary Multiple Employer Plans (MEPs) and marketplace concepts. These plans would follow all relevant guidelines and other noted regulations, and current consumer protections would apply. Many of these programs are modeled off of the 529 College Savings Plans or supplemental public retirement plans that states administer today.

States are pursuing a multitude of solutions to address this growing retirement savings crisis. We request that you vote “No” on H.J. Res 66 and H.J. Res 67 with the understanding that the US DOL rule provides important flexibility to states and large municipalities as they seek to address the growing

retirement crisis facing this country. We insist that states be allowed to maintain their constitutional rights to implement such legislation.

We are happy to provide additional information or answer any questions. Thank you for your support.

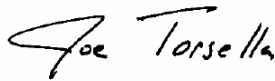
Sincerely,



Beth Pearce, Vermont State Treasurer



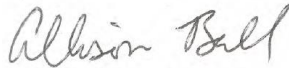
Lynn Fitch, Mississippi State Treasurer



Joseph Torsella, Pennsylvania State Treasurer



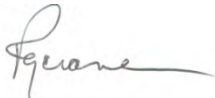
Terry Hayes, Maine State Treasurer



Allison Ball, Kentucky State Treasurer



Michael Frerichs, Illinois State Treasurer



Ron Crane, Idaho State Treasurer



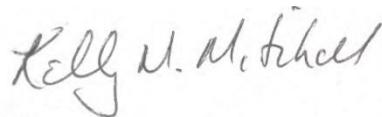
John Chiang, California State Treasurer




David Damschen, Utah State Treasurer



Brian Bonlender, Director
Washington State Department of Commerce



Kelly Mitchell, Indiana State Treasurer



Nancy Kopp, Maryland State Treasurer



Tobias Read, Oregon State Treasurer



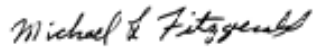
Kevin Lembo, Connecticut State Comptroller



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Myron Frans, Commissioner
Minnesota Management and Budget



Denise Nappier, Connecticut State Treasurer