



FOR IMMEDIATE RELEASE

March 2nd, 2017

CONTACT: Gerardo Cardenas, AARP Illinois, 312-458-3609, gfcardenas@aarp.org
Dina Anderson, AARP Illinois, 312-458-3611, dianderson@aarp.org
Greg Rivara, Office of the State Treasurer, 217-685-2380, grivara@illinoistreasurer.gov

AARP, STATE TREASURER URGE U.S. SENATE TO PROTECT RETIREMENT SECURITY FOR ILLINOIS WORKERS

Groups Urge U.S. Senators Duckworth and Durbin to Reject House Measure

CHICAGO— After the U.S. House of Representatives recently fast-tracked a measure that aims to prevent states from creating their own workplace savings programs, AARP Illinois and State Treasurer Michael W. Frerichs today led a press conference urging the U.S. Senate to defeat the legislation and protect the ability of millions of employees to save for a secure retirement, including through Illinois' very own Secure Choice Program.

The Congressional Review Act, H.J. Resolutions 66 and 67 were passed by the U.S. House of Representatives, seeking to overturn a Department of Labor rule last year that reaffirmed states have the ability to help support private sector savings programs for small businesses. At stake is the financial security of 55 million American workers, including 1.5 million in Illinois, who still do not have the ability to save for retirement through their own paychecks.

In 2015, Illinois became the first state in the nation to create a statewide work and save program, called the Secure Choice Program. The program enables businesses to facilitate employee savings without having to sponsor a plan, comply with ERISA requirements or make matching contributions. Workers will be automatically opted-in to an account, but can opt-out at any time, and the accounts will be portable. The program was championed by State Treasurer Frerichs with strong support from AARP and a coalition of business and advocacy organizations.

“The Secure Choice Program is a win-win for employers and employees, as Illinois led the way for other states to figure out how to help workers build a secure retirement,” said AARP Illinois Director of Advocacy Ryan Gruenenfelder. “Congress should support these important state savings programs, not take steps to end them. We urge the Senate, and especially our Senators from Illinois, Tammy Duckworth and Dick Durbin, to protect the retirement security of millions of hard working Illinoisans by rejecting the Congressional Review Act measures.”

“There is a retirement crisis in our country. Secure Choice helps address this crisis so that workers can retire with dignity,” Treasurer Frerichs said. “What Congress is considering defies commonsense and needlessly injects uncertainty into the business community.”

“We urge the U.S. Senate to stand up for workers in Illinois and across the nation, to defeat the Congressional Review Act and allow Illinois residents to save for their future, avoid living in poverty in their senior years, or be forced to return to the workforce,” said State Senator Daniel Biss. “With Secure Choice, Illinois took a bold and unprecedented step toward making retirement a financially viable option – for the first time – for millions of workers. We need to make sure this continues to be the case in our state, while also allowing other states to create their own programs for their workers.”

“If lawmakers in Washington, D.C. strike down the U.S. Department of Labor’s rule that allows states to create retirement savings programs for private sector workers, it would do a great deal of harm to small businesses,” said Geri Aglipay, Midwest Outreach Manager for Small Business Majority. “Small Business Majority's scientific opinion polling found a majority of small businesses in Illinois support state-administered retirement savings programs, like Secure Choice, because small employers often struggle to offer retirement savings programs but want to provide this benefit because it can help them attract and retain talent. We strongly believe Congress should let states decide whether to implement these types of programs and how best to administer them in order to serve small businesses and employees who struggle to save for retirement.”

AARP Illinois has sent letters to all the members of the Illinois Congressional Delegation expressing its strong opposition to the Congressional Review Act, H.J. Resolution 66 and will continue putting pressure on the U.S. Senate to not consider a vote on this resolution. Treasurer Frerichs has spoken with other Treasurers, Senators, and members of Congress about the vital need for states to retain the ability and flexibility to find unique solutions to our country’s retirement savings crisis.

“Critics contend a private-sector solution to this crisis is preferred. However, the private sector has not been able to find a retirement solution for over half of workers in Illinois. Secure Choice – a public-private partnership – will allow the private sector greater access to serve these workers,” Frerichs added.

State initiatives on what are often called “Secure Choice” or “Work and Save” programs have developed in recent years after a lack of progress on other action to increase retirement savings. Seven states already have approved private sector workplace programs – Illinois, Oregon, California, Maryland, Connecticut, Washington, and New Jersey.

###