



Oppose H.J.Res.66 – Protect and Strengthen Working Families’ Retirement Savings

Republicans are using the Congressional Review Act (CRA) process to overturn critical priorities on which America’s students, seniors, and working families rely. In the first weeks of the 115th Congress, Republicans have passed eight CRA joint resolutions of disapproval that jeopardize educational equity, undermine workplace safety, undo clean water and clear air safeguards, reverse consumer financial protections, and more.

This week, Republicans are at it again by advancing five more CRA disapproval resolutions – two of which endanger working people’s retirement savings.

On February 8, 2017, Rep. Tim Walberg (R-MI), Chairman of the Subcommittee on Health, Employment, Labor, and Pensions (HELP), introduced a joint resolution of disapproval (H.J.RES.66) under the CRA to nullify a meaningful U.S. Department of Labor (DOL) rule – issued six months ago – that enables states to establish retirement savings plans. The CRA would also prevent the DOL from reissuing any “substantially similar” rule in the future. House Republicans refuse to responsibly address America’s retirement savings crisis, and now they are making matters worse by threatening innovative state-based solutions and failing to offer constructive alternatives.

Several states have responded to the retirement security crisis by passing legislation to establish state-based retirement savings programs. States have taken this step due to the lack of action by Congressional Republicans and the stagnant growth of employer-sponsored plans.

- State programs automatically enroll employees who are not offered a workplace savings plan and enable them to establish an IRA through a payroll deduction. State-based programs allow employees to opt out if they do not wish to participate, and minimal administrative burdens are imposed on employers.
- California passed a law and established a program that is estimated to provide 6.8 million working people access to a retirement savings plan.
- In Illinois, more than one million people are expected to benefit from the state’s retirement savings program.
- Other states have enacted state plans, and dozens more have considered proposals to study or implement state-based retirement plans.

DOL’s rule provided necessary clarity for states and employers on the applicability of ERISA.

- One of the concerns regarding the establishment of state-based retirement savings plans is the uncertainty of the Employee Retirement Income Security Act (ERISA) applicability.
- The DOL rule created a safe harbor and removed uncertainty of ERISA applicability for employers and states.

H.J.RES.66 continues the Republicans’ steady attack on working families and their retirement security.

- Last Congress, House Republicans unanimously supported a CRA disapproval resolution to nullify the DOL’s conflicts-of-interest rule or “fiduciary rule” that simply ensures workers receive retirement investment advice that is in their best interest. House Democrats were united in their opposition to this CRA.
- President Trump recently signed a memorandum targeting the fiduciary rule, and the DOL is now considering its legal options to delay the rule.

H.J.RES.66 is an attack on working families. Congress must stand up for the nearly 40 million private sector workers do not have access to a retirement savings plan at their jobs. America’s working families deserve the opportunity to be able to save enough to retire with dignity and peace of mind.