



FACT SHEET

House Committee on Education and Labor
Chairman Robert C. "Bobby" Scott

Protecting America's Retirement Security Act (H.R. 7310)

America's workers deserve the opportunity to earn a fair wage and retire with security. Congress can and must do more to strengthen the retirement system and help workers and families plan and save for a secure retirement.

401(k) Plan Fee Disclosures: A 2020 Government Accountability Office report revealed that almost [40 percent](#) of 401(k) plan participants do not fully understand the fees they are paying on their retirement accounts, with many unaware they are even paying fees.

Financial Literacy: Many of our nation's workers, particularly recent college graduates, would benefit from additional financial literacy skills to help them learn more about saving for retirement and managing other costs, such as student loan repayments.

Spousal Protections: Federal law currently provides mandatory spousal rights in traditional defined benefit pension plans. However, the increasing shift from traditional defined benefit pension plans to 401(k) plans has left many workers without these critical spousal protections.

Automatic Reenrollment in 401(k) Plans: Automatic reenrollment in 401(k) plans provide employees who have opted out with a second chance to enroll in their workplace retirement plan and start saving for their future.

Employee Ownership Initiatives: Employee ownership is a key tool to prevent job loss, improve retention, and boost productivity when business owners retire.

Emergency Savings: According to the Federal Reserve, [40 percent](#) of American families do not have enough emergency savings to pay for an unexpected expense, such as a flat tire or a burst pipe, that is greater than \$400.

About the *Protecting America's Retirement Security Act*

The *Protecting America's Retirement Security Act* makes commonsense improvements to the retirement system to protect workers' retirement savings and support families and employers. The bill:

- Helps 401(k) participants better understand the fees they pay on retirement investments;
- Expands opportunities for workers, particularly recent college graduates, to develop financial literacy skills that are critical for saving for retirement;
- Establishes spousal protections in 401(k) plans;
- Increases opportunities for workers to be part of their employer's retirement plan;
- Boosts employee ownership programs through the Department of Labor; and
- Provides incentives to encourage workers to build emergency savings.