

NEWS RELEASE



American Society of Pension Professionals & Actuaries

FOR IMMEDIATE RELEASE

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ASPPA Backs President Obama's Plan for Economic Relief *Proposals Provide Working Americans Access to Retirement Security*

ARLINGTON, VA (January 26, 2010)—*The following is a statement from Brian Graff, Executive Director/CEO of The American Society of Pension Professionals & Actuaries (ASPPA) in response to proposed middle-class retirement security initiatives to be released by President Obama in his State of the Union address on Wednesday:*

“More than half our workforce—roughly 75 million working Americans—face the challenge of saving for retirement without access to an employer sponsored plan such as a traditional pension or 401(k). We support President Obama’s proposed ‘Automatic Individual Retirement Account (IRA)’ proposal that benefits both small employers and employees by offering an easy way to accumulate retirement savings through an automatic payroll deduction IRA program.

The Auto IRA proposal benefits small businesses by reducing the burden on employers who may not sponsor a qualified retirement plan and provides them a simple path to offer retirement saving to their employees through automatic payroll deduction. Since contribution limits for IRAs are less than for employer-sponsored 401(k) plans, Auto IRAs are expected to expand the availability of retirement savings, not replace current 401(k) plans.

Research shows American workers are ready and willing to participate in Automatic IRAs plans. Calculations from the [Employee Benefit Research Institute \(EBRI\)](#) confirm that more than 75 percent of moderate-income earners with access to employer-sponsored plans participate in those plans, while only 5 percent of individuals without employer-sponsored accounts contribute on their own to an IRA.

ASPPA joins with the Council of Independent 401(k) Recordkeepers (CIKR) in support of the Administration’s proposed Automatic IRA program as a pivotal step toward a secure retirement for all American workers.”

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About ASPPA: The American Society of Pension Professionals & Actuaries (ASPPA) is a national organization of more than 7,000 retirement plan and benefits professionals that serves as the educator, voice, and advocate for the employer-based retirement system. ASPPA members are administrators, actuaries, advisors, attorneys, accountants, and other financial services professionals who provide consulting and administrative services for qualified retirement plans. www.asppa.org

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