

December 21, 2018

Ms. Lyssa Hall, Director
Office of Exemption Determinations
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210
Submitted via email at e-oed@dol.gov

**Re: Notice of Proposed Exemption Involving Retirement Clearinghouse, LLC
Application No. D-11938**

Dear Ms. Hall:

The American Retirement Association (“ARA”) is writing to provide comments with respect to the Notice of Proposed Exemption Involving the Retirement Clearinghouse, LLC (the “Proposed Exemption”).¹

The American Retirement Association is the coordinating entity for its five underlying affiliate organizations representing the full spectrum of America’s private retirement system, the American Society of Pension Professionals and Actuaries (“ASPPA”), the National Association of Plan Advisors (“NAPA”), the National Tax-deferred Savings Association (“NTSA”), the ASPPA College of Pension Actuaries (“ACOPA”), and the Plan Sponsor Council of America (“PSCA”). ARA’s members include organizations of all sizes and industries across the nation who sponsor and/or support retirement saving plans and are dedicated to expanding on the success of employer sponsored plans. In addition, ARA has more than 25,000 individual members who provide consulting and administrative services to American workers, savers, and the sponsors of retirement plans. ARA’s members are diverse but united in their common dedication to the success of America’s private retirement system.

ARA and its underlying affiliate organizations have long been supportive of initiatives to improve the private retirement system. As such, ARA is interested in the Proposed Exemption because of its potential impact on reducing “leakage” of retirement savings out of the qualified plan system. For this reason we wish to offer comments supportive of the Proposed Exemption being granted.

¹ Application No. D-11938, 83 Fed. Reg. 55741 (November 7, 2018).

Discussion

The Proposed Exemption to be granted to Retirement Clearinghouse, LLC (“RCH”) would facilitate the adoption and use of the RCH Auto-Portability Program (the Program). Generally, the Program is intended to help employees consolidate small accounts accumulated in multiple employer sponsored qualified retirement plans through automatic rollover and “roll-in” transactions.

An important part of ARA’s mission is to expand the private employer based retirement system for the benefit of American workers. Studies have shown that “leakage” can dramatically reduce an employee’s savings available at retirement.² As such, ARA is supportive of initiatives that helps reduce the “leakage” of retirement assets from the tax qualified savings system.

For this reason, ARA is supportive of the proposed Exemption being granted to RCH. We believe the conditions the Department has placed on the grant of the exemption will be protective of the rights of participants and beneficiaries. We look forward to seeing the results of the Program in operation and hope others will emulate RCH with innovative ideas to assist American workers in having a successful retirement.

Thank you for your time and consideration. Should you have any questions with regard to these comments, please contact Craig Hoffman, ARA General Counsel, at (703) 516-9300 (ext. 128) or at CHoffman@USARetirement.org.

Sincerely,

/s/

Brian H. Graff, Esq., APM
Executive Director/CEO
American Retirement Association

/s/

Craig P. Hoffman, Esq., APM
General Counsel
American Retirement Association

/s/

Scott Hayes
President
American Retirement Association

² See, for example, A. Munnell and A. Webb, *The Impact of Leakages on 401(k)/IRA Assets*, Center for Retirement Research at Boston College, (February, 2015), available at http://crr.bc.edu/wp-content/uploads/2015/02/IB_15-2.pdf.

/s/

Steve Dimitriou
President-Elect
American Retirement Association

CC:

Mr. Preston Rutledge
Assistant Secretary
Employee Benefits Security Administration
Department of Labor

Mr. Timothy D. Hauser
Deputy Assistant Secretary
Employee Benefits Security Administration
Department of Labor

Mr. Joe Canary, Director
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