



Alliance Benefit Group-Pentegra's Jill Williams and Mary Read Pay Visit to Capitol Hill

Recently proposed budget reduction measures, including pension reform, prompted a March on the Hill during the recent ASPPA Annual Conference held in National Harbor, MD. Five hundred conference participants including ABG-Pentegra's Jill Williams, Regional Vice President, and Mary Read, National Director of Qualified Retirement Plans, visited Congress to educate our legislators on the importance of retirement savings plans to our country and how these budget reduction measures will hurt all income groups in regards to retirement savings, as well as the retirement plan industry itself.

Proposed changes include reducing or reconfiguring retirement savings incentives, reductions to the contribution limits and changes in non-discrimination rules that would greatly affect employers and employees, increasing the tax burden on both employers and employees and may reduce future retirement savings.

Key points that were discussed with Congressional representatives included:

- 401(k) plans are primarily a middle class benefit
- 401(k) plans are effective at helping workers at all income levels to save for retirement
- The tax incentive that powers 401(k) plans is a deferral – not a permanent exclusion
- Non-discrimination rules make 401(k) tax incentives more progressive than current marginal income tax rates
- Proposals to reduce or reconfigure incentives would hurt workers with modest incomes

Congressmen Gerlach (R-PA) and Neal (D-MA) are expected to introduce a resolution reflecting these points, expressing support for tax incentives for retirement savings. Continued support by our industry is key, as this is just the beginning of the process.

The March was viewed a success by ASPPA, as feedback from the Hill indicated that our points were heard and Congress and staff now know how important our industry is to our nation and that 401(k)s are the way that America saves for retirement.

Click below for more information:

"401(k) is How America Saves" (ASPPA)