

Crapo Statement at Retirement Hearing

July 28, 2021

Washington, D.C.--U.S. Senator Mike Crapo (R-Idaho), Ranking Member of the U.S. Senate Finance Committee, delivered the following remarks at a hearing entitled, "Building on Bipartisan Retirement Legislation: How Can Congress Help?"

The text of Ranking Member Crapo's remarks, as prepared, is below.

"Thank you, Mr. Chairman, and thank you for holding this important bipartisan hearing.

"Private retirement saving and retirement security are issues in the Finance Committee's jurisdiction that have a history of bipartisan cooperation, and I expect this time will be no different.

"The purpose of this hearing is to hear testimony on how we can build on that bipartisan track record.

"In 2015, under then-Chairman Hatch, I co-chaired the Finance Committee's 'Savings and Investment Tax Working Group' with Senator Brown.

"That working group examined a host of proposals to increase access to retirement plans, increase participation in plans and preserve retirement savings.

"Many of the findings from the working group—including open multiple employer plans and provisions to help long-term, part-time workers—were the precursor to RESA and ultimately the SECURE Act, which became law in December 2019.

"At the same time, retirement savings were growing and the economy was booming following the pro-growth, pro-worker policies enacted as part of the 2017 tax reform law.

"However, the pandemic put a great deal of economic stress on workers and retirees, and some had no choice but to withdraw money from their retirement accounts to make ends meet.

"As the economy continues to bounce back, we have a chance to build on the success of the SECURE Act in a bipartisan way. House Ways and Means Committee Chairman Neal and Ranking Member Brady have already started the process.

"In the Senate, we are also making significant progress on this issue thanks to the leadership of Senator Portman and Senator Cardin.

“Other members—both those who sit on this Committee and those who do not—have been working in a bipartisan way on retirement proposals, which I expect we will hear more about today.

“The range of ideas put forth to improve the retirement system are all important, but my focus today is on three points that are the most pressing for Idahoans and Americans across the country.

“First and foremost, Congress should enact policies that encourage workers to save so they can enjoy a secure retirement.

“One survey conducted by the Department of Labor found that while 71 percent of civilian workers had access to retirement benefits, the participation rate for that same group was only 55 percent.

“This survey was conducted only months after the SECURE Act was enacted, so I will be interested to see updated studies and surveys in the future, but the concern remains about whether enough workers are saving for retirement.

“Second, I frequently hear from small business owners in Idaho who tell me how expensive and cumbersome the rules are to offer their employees a retirement plan.

“These employers want to provide retirement benefits, but it is just not economically feasible.

“I am interested in hearing about what Congress can do to make it easier and cheaper for the smallest businesses to offer retirement plans for their employees.

“Third, our economy is constantly evolving. People are working longer, workers are changing jobs more often and the number of ‘gig workers’ is on the rise.

“Our retirement system must adapt with this changing landscape so every worker has a chance to save for a secure retirement.

“There is no better time for the Finance Committee to consider further retirement legislation that will meet these needs.

“Mr. Chairman, I look forward to working with you and all the members of the Committee as we consider a so-called ‘SECURE 2.0’ package.

“To our panel of witnesses, I appreciate your willingness to share your expertise with us this morning, and I look forward to hearing from all of you.

“Thank you, Mr. Chairman.”

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