

The **UNITED STATES SENATE**  
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**Wyden Statement at Finance Committee Hearing on Retirement Legislation**  
*As Prepared for Delivery*

Before anybody ever heard of COVID-19, it was already far too difficult for Americans to save for a dignified retirement. According to the National Institute on Retirement Security, as of 2018, more than 100 million working-age Americans had no pension or any retirement assets.

The pandemic economic crash made saving even harder. A recent survey on the impact of the pandemic conducted by AARP found that among those fortunate enough to have retirement accounts, nearly a quarter had to dip into those savings or quit contributing altogether just to pay the bills.

Taken together, that means a sizable majority of American workers fall into one of two camps – either they can't afford to save at all, or they've got hardly any financial cushion when times get tough.

More recently, those Americans were reminded about long-running retirement rip-offs by ultra-wealthy individuals advised by the priciest accountants and lawyers.

One report included details on a multibillion-dollar IRA. It's enough to make your head explode if you're a teacher or a restaurant manager without a rainy-day fund, much less a well-fed retirement account.

It's clear to me that this is another case of double-standard economics. The system doesn't do nearly enough to help working people of modest means get ahead, but individuals at the top are able to game the rules to abuse taxpayer-subsidized accounts with their pricy accounts and lawyers. This is increasing the already existing inequality between retirement haves and have-nots to an extreme level.

The Finance Committee – which has a history of bipartisan progress when it comes to helping Americans save – ought to look at ways to address these issues in the months ahead. I want to tick through a few proposals I believe will help.

First, last week, along with Senator Bennet, Senator Casey and Senator Menendez, I introduced the Encouraging Americans to Save Act to get more help to the working people who need it so badly. Under that proposal, the credit would be opened up to millions of Americans with modest incomes who never had access before. It would become a matching contribution that would go directly into a retirement account. It's got the potential to be a game changer for people in Oregon and all across the country who do not have the ability to save much or anything at all today.

Second, our tax code ought to help young people get started saving earlier in their careers. Too many Americans are unable to save at work because they're paying off mountains of student loan debt. That's why in April I reintroduced the Retirement Parity for Student Loans Act. Under my proposal, workers who make student loan payments would qualify to get a "matching" payment from their employer into a retirement savings plan like a 401(k). Their student loans shrink and their nest egg grows – that's a win-win.

Third, this committee ought to make it easier for people to move their retirement accounts and continue saving when they change jobs. In 2021, hardly anybody in America stays with one employer for their entire career. However, it is a pain in the neck to move your retirement savings. Many Americans just give up and cash out their savings, losing out on a whole lot of earnings that would build up over time. The rules essentially penalize Americans for routine job changes in the modern economy, so the system ought to change.

Finally, it's long past time to crack down on mega-IRAs, which the GAO documented as a problem years and years ago. The fact is, from the beginning, IRAs were about retirement security for typical families. They were never meant to become another tax dodge for billionaires, but this abuse is not new. The GAO conducted a landmark study on this issue at my request back in 2014 using information lawfully available to it from 2011 taxpayer returns. GAO found then that nearly 8,000 taxpayers had aggregate IRA account balances in excess of \$5 million. These massive IRAs have only gotten bigger and more prevalent since then. JCT gave me data lawfully available to it yesterday that shows in 2019 almost 25,000 taxpayers had aggregate IRA account balances of over \$5 million. 497 of those taxpayers have aggregate IRA account balances over \$25 million, with an average aggregate account balance of over \$150 million each. It's clearly an unfair loophole that must be closed, and there ought to be bipartisan agreement on this.

So there's a lot for the committee to discuss. Members on both sides will have a lot of strong ideas of their own to discuss today. As I said at the outset, this is a subject on which the Finance Committee has a long track record of bipartisan progress, including a bill made up of dozens of ideas from both sides in 2016. After a lot of work, that bill became law a few years later. I hope today's hearing is a launching pad for the committee to develop another bipartisan retirement package in the months ahead.

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