

Retirement Saving in the FY17 Obama Budget

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- All opinions are the speaker's alone.
- Nothing in this presentation is intended to reflect AARP's position on any of these budget provisions.

New Items in the FY17 Budget

- Remove common bond requirement for open MEPs.
- New emphasis on portability. Workers who are part of a MEP may continue contributing even if they move to another employer in that MEP or are employed as an independent contractor by an employer in that MEP.

New Items (cont.)

- Encourage state and nonprofit providers to innovate retirement plans that can be used by employees who move to other employers.
- New fund to encourage private sector products that would enable LMI workers to build emergency savings.
- Allow unemployed workers to withdraw up to \$50k for two years from a retirement plan.

Continuing Initiatives

- Auto IRA coverage for employees of employers that do not offer a retirement savings or pension plan.
- Enable part-time workers with 500 or more hours for three years or more to participate in an employer's 401(k) plan.
- Increase new plan credit for small employers that start a new plan, an Auto IRA, or add auto features.

Continuing Initiatives (2)

- Encourage state-sponsored plans by removing regulatory barriers and funding certain trials or Auto IRA or similar plans (does not seem to apply to marketplace models).
- Increases PBGC premiums for multi-employer plans.