

June 2, 2022

The Honorable Patty Murray
Chair
U.S. Senate Committee on Health,
Education, Labor and Pensions
428 Senate Dirksen Office Building
Washington, DC 20510

The Honorable Richard Burr
Ranking Member
U.S. Senate Committee on Health,
Education, Labor and Pensions
428 Senate Dirksen Office Building
Washington, DC 20510

Dear Chair Murray and Ranking Member Burr,

The Pension Rights Center is pleased to submit our comments on the discussion draft of the Retirement Improvement and Savings Enhancement to Supplement Healthy Investments for the Nest Egg Act (RISE & SHINE Act). The Pension Rights Center (PRC) is a national consumer organization committed to protecting and promoting the retirement income security of workers, retirees and their families.

We thank you for addressing some key consumer issues as part of the RISE & SHINE Act. First, we applaud the bill's clear and equitable rules, in Section 108, regulating the practice of recoupment, where plans accidentally overpay individuals and then demand repayment – often with interest – years later when they catch the mistake. The bill clarifies that plans are not required to recoup past overpayments and provides new protections for retirees when a plan decides to go forward with a proper recoupment.

Secondly, we support the provisions in Section 303 of the bill, the Information Needed for Financial Options Mitigation Act (INFORM Act). In recent years, PRC has received an increasing number of inquiries from confused employees, wondering whether they should keep their lifetime annuity or trade it in for a lump sum offered by the company. While the idea of receiving a large sum of money is tempting, it can have numerous ramifications. The INFORM Act requires pension plan administrators to provide plan participants with critical information that would allow people to compare the relative benefits, explain how the lump sum was calculated – and how it could lead to a loss of certain federal protections. This information will be critical to helping people make more informed choices regarding their own – and their spouse's – retirement future.

While we support the provisions of the bill described above, we are deeply disappointed that RISE & SHINE excludes the bi-partisan provisions for the creation of the Retirement Savings Lost and Found Registry– which is essential to protecting the retirement security of tens of thousands of workers and retirees who otherwise will not be able to find and apply for their hard-earned benefits. The Pension Rights Center, and affiliated pension counseling and information projects, hear from hundreds of people each year who can't find their plans because their old companies have moved, merged or changed names (The counseling projects have helped people in 31 states including the New England region, Kentucky, Louisiana, Indiana, Pennsylvania, and Minnesota.) It takes multiple hours, and sometimes days, weeks or months, of detective work by PRC and pension counseling staff to find each of these lost plans – and without a complete

database, it is sometimes impossible to do. The basic purpose of the Registry is to create a convenient one-stop website, housed in the Department of Labor, to enable older employees, widows and spouses who are owed benefits to find “lost plans,” so they can apply for and receive the benefits they earned through their hard work.

Thank you for your consideration of our concerns. Again, we thank you for including the recoupment provisions and the INFORM Act in the discussion draft, but we strongly urge you to include the Retirement Savings Lost and Found Registry in the final legislation and look forward to further discussions on key issues affecting the retirement security of participants and beneficiaries.

Sincerely

Handwritten signature of Karen Friedman in black ink.

Karen Friedman
Executive Director

Handwritten signature of Norman Stein in black ink.

Norman Stein
Senior Policy and Legal Counsel