
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 220 Session of
2015

INTRODUCED BY DRISCOLL, McNEILL, W. KELLER, KINSEY, SCHWEYER,
DERMODY, BOYLE, O'BRIEN, YOUNGBLOOD, MURT, C. PARKER,
SCHLOSSBERG AND COHEN, APRIL 8, 2015

REFERRED TO COMMITTEE ON FINANCE, APRIL 8, 2015

A RESOLUTION

1 Directing the Legislative Budget and Finance Committee to
2 conduct a study and issue a report on the feasibility and
3 cost effectiveness of implementing an independent board
4 charged with administering independent retirement accounts
5 for private sector employees similar to the Illinois Secure
6 Choice Savings Program, the California Secure Choice
7 Retirement Savings Trust and any other similar state-
8 administered private sector retirement savings program.

9 WHEREAS, Viable retirement savings for Pennsylvania residents
10 are necessary to ensure the Commonwealth remains solvent; and

11 WHEREAS, Without retirement savings, retirees may rely on
12 public programs in order to provide for basic needs, which would
13 have an adverse impact on Commonwealth programs and future
14 budgets; and

15 WHEREAS, According to a 2014 Federal Reserve Study, 30.9% of
16 Americans do not have retirement savings or a pension; and

17 WHEREAS, The 2014 Federal Reserve study also noted that, of
18 the respondents indicating that they did not have a retirement
19 savings pension, 23% were 45-59 years of age; and

20 WHEREAS, According to the Employee Benefit Research

1 Institute, among full-time, full-year, wage and salary workers
2 21-64 years of age, 62.3% worked for an employer or union that
3 sponsored a retirement plan and 54.5% of the workers
4 participated in a retirement plan; and

5 WHEREAS, The percentage of all families with an employment-
6 based retirement plan from a current employer decreased from
7 38.8% in 1992 to 36.2% in 2013 according to the most recent data
8 from the 2013 Survey of Consumer Finances conducted by the
9 Federal Reserve; and

10 WHEREAS, The Employee Benefit Research Institute reports that
11 workers at large employers were far more likely to participate
12 in employer-sponsored retirement plans than those at smaller
13 firms; and

14 WHEREAS, Independent Retirement Accounts (IRAs) are playing
15 an increasingly important role in savings for retirement; and

16 WHEREAS, According to the Investment Company Institute, 63%
17 of all United States households had retirement plans through
18 work or IRAs in 2014; and

19 WHEREAS, In September 2014, IRA assets made up 11% of all
20 household financial assets in the United States; and

21 WHEREAS, Seventeen states, including Arizona, California,
22 Colorado, Connecticut, Illinois, Indiana, Maine, Maryland,
23 Massachusetts, Minnesota, Nebraska, Ohio, Oregon, Vermont,
24 Washington, West Virginia and Wisconsin, have considered
25 establishing a savings plan for private sector employees; and

26 WHEREAS, On September 28, 2012, Governor Jerry Brown signed
27 into law the California Secure Choice Retirement Savings Trust
28 Act, which established an independently administered, private
29 sector retirement savings program for employees that are not
30 offered a retirement option by their employer; and

1 WHEREAS, On January 5, 2015, Illinois Governor Pay Quinn
2 signed Public Act 098-1150, otherwise known as The Illinois
3 Secure Choice Savings Program Act, which provides employees of
4 businesses that do not offer a retirement program with an option
5 to save for retirement through an IRA; and

6 WHEREAS, It would be fiscally responsible for Pennsylvania to
7 explore providing retirement savings options to private sector
8 employees who do not receive retirement benefits from their
9 employer; therefore be it

10 RESOLVED, That the House of Representatives direct the
11 Legislative Budget and Finance Committee to conduct a
12 comprehensive study of the Illinois Secure Choice Savings
13 Program, the California Secure Choice Retirement Savings Trust
14 and any other similar state-administered private sector
15 retirement savings program; and be it further

16 RESOLVED, That the Legislative Budget and Finance Committee
17 make a determination concerning the feasibility of implementing
18 a Commonwealth-administered retirement savings program for
19 private sector employees; and be it further

20 RESOLVED, That the Legislative Budget and Finance Committee
21 determine the impact of Internal Revenue Service rules and
22 regulations on a Commonwealth-administered retirement savings
23 program for private sector employees; and be it further

24 RESOLVED, That the Legislative Budget and Finance Committee
25 make recommendations including potential legislation and
26 possible appropriations necessary to implement a Commonwealth-
27 administered retirement savings program; and be it further

28 RESOLVED, That the Legislative Budget and Finance Committee
29 prepare a report of its findings and transmit copies of the
30 report to the Appropriations Committee and the Finance Committee

1 of the House of Representatives no later than six months after
2 the adoption of this resolution.