

MEMO# 9425

November 18, 1997

CONGRESS APPROVES SAVER ACT; ESTABLISHES REGULAR RETIREMENT SAVINGS SUMMITS

[9425] November 18, 1997 TO: BOARD OF GOVERNORS No. 62-97 FEDERAL LEGISLATION MEMBERS No. 14-97 PUBLIC INFORMATION COMMITTEE No. 33-97 RE: CONGRESS APPROVES SAVER ACT; ESTABLISHES REGULAR RETIREMENT SAVINGS SUMMITS

Shortly before it adjourned, Congress passed H.R. 1377, the "Savings Are Vital to Everyone's Retirement Act of 1997" (the SAVER Act). The bill was introduced in April by Representative Harris Fawell (R-IL), the Chairman of the House Labor and the Workforce Subcommittee on Employer- Employee Relations. The president is expected to sign the bill by the November 21 deadline. The SAVER Act, as approved by the full Congress, directs the Department of Labor to establish and direct regular retirement savings summits (which will exclude discussion of the Social Security system). The first National Summit on Retirement Savings will be held by July 1998 at the White House; future summits are required for 2001 and 2005. The goals of the National Summit are to: 1) advance the public's knowledge and understanding of retirement savings; 2) facilitate the development of a broad-based public education program; 3) develop specific recommendations for public and private sector action that would promote retirement savings among American workers; 4) report those recommendations to Congress; and 5) publicly disseminate information generated by the summit. The president, bipartisan congressional leaders, and appropriate federal agency representatives will co-host the event and will select 200 delegates to participate. The National Summit will be funded through a combination of federal and private money. The SAVER Act also directs the Department of Labor to promote retirement savings needs through other methods, including: 1) public service announcements; 2) public meetings; 3) educational materials; and 4) a new retirement website. We will keep you informed as this new retirement savings initiative is implemented. Matthew P. Fink President