



August 16, 2010

Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

To Whom It May Concern:

On behalf of the Women's Institute for a Secure Retirement (WISER), I am writing to request to testify at the "Lifetime Income Joint Hearing" scheduled for September 14, 2010. In accordance with the notice:

(1) WISER will be addressing the first three issues specified in the Department of Labor's Notice:

- **Certain Specific Participant Concerns Affecting the Choice of Lifetime Income Relative to Other Options**
- **Information to Help Participants Make Choices Regarding Management and Spend Down of Retirement Benefits**
- **Disclosure of Account Balances as Monthly Income Streams**

(2) Brief outline for each issue to be addressed by WISER:

Certain Specific Participant Concerns Affecting the Choice of Lifetime Income Relative to Other Options

- Longevity risks have a disproportionate effect on women who will need more retirement income.
- Discussion of why participants are hesitant to choose lifetime income options – complexity and fees and flexibility issues.
- Recommendations on how these concerns may be addressed by policymakers and regulators.

Information to Help Participants Make Choices Regarding Management and Spend Down of Retirement Benefits

- Women need the best information and tools to help them determine how much income they will need, where the money will come from and how to make it last.

- Many women are unaware of why they will have more challenges in retirement, and they need help to make sure they do not make financial mistakes as they are the ones who can least afford it. See WISER report, *How Can Women's Income Last as Long as They Do?* June 2009. Available at: www.wiserwomen.org.
- Recommendations on how to help participants make choices regarding spend down of retirement benefits and provide guidance for employers.

Disclosure of Account Balances as Monthly Income Streams

- As defined contribution plans are now the primary retirement plan for most participants, government and employers need to do a better job of helping participants understand how to use their account balances to support them during their retirement years.
- Recommendations on how to overcome the challenges of showing benefits as a lifetime income stream—ways to prevent participants from dismissing the amounts as too small by including a projected balance at a future date.

Thank you for allowing us to submit this request to testify.

Sincerely,



Cindy Hounsell

President