July 5, 2005

Office of Participant Assistance
Employee Benefits Security Administration
U.S. Department of Labor
Room N5623
Washington, D.C. 20210

Attention: 2006 National Summit on Retirement Savings

This is in response to the June 9 request for comments from the public in order to
develop a comprehensive agenda for the third National Summit on Retirement
Savings. The conference will provide an important forum for policymakers and
will help increase public awareness of savings and its critical role as a base of
retirement income security.

AARP is a nonprofit, nonpartisan membership organization that helps people 50+
have independence, choice and control in ways that are beneficial and affordable
to them and society as a whole. We produce AARP The Magazine, AARP
Bulletin, AARP Segunda Juventud, NRTA Live & Learn, and provide information
via our website, www.aarp.org. AARP publications reach more households than
any other publication in the United States.

AARP advocates for policies that enhance and protect the economic security of
individuals as they move from work to retirement. Through its research,
publications, advocacy, and training programs, AARP seeks to eliminate ageist
stereotypes; encourage employers to hire and to retain older workers; and help
older workers overcome obstacles in the workplace. This is important to AARP
because approximately 45 percent of our more than 35 million members are
working.

AARP supports strengthening public policies that encourage individuals to save
for retirement and that ensure the preservation of their savings. AARP also
supports the development of a coherent national strategy for establishing sound
financial literacy programs and services. This strategy should be relevant to the
needs of Americans throughout their lives and should be developed jointly by
relevant agencies, including federal and state departments of labor.

Toward those ends, AARP has a number of suggestions for the agenda of the
2006 National Summit on Retirement Savings. These suggestions are organized
by the topics in which the U.S. Department of Labor is specifically interested.
Topics for discussing the current state of retirement savings education in America and its effect on the national savings rate.

1. Measure the overall success of outreach efforts on saving for retirement. What has been the impact of the outreach on the public? Why has that been the case? What is not working? Who is not responding to these education programs? In looking at overall savings rates, has there been differential movement by subgroups? What role does debt play in all of this? Do public education programs dealing with saving for retirement cover the topic effectively?

2. Evaluate the use of calculators as tools for retirement education and planning.

3. Educate employers and employees on the costs and benefits of annuities and coordinate government and private sector efforts to improve the annuities market.

4. Discuss ways to reduce risks to participants in 401(k)s by providing account insurance, inflation protection, and annuity options.

5. Consider ways to reduce the confusion among the array of savings vehicles to make them more understandable to employers and easier to use.

6. Consider ways to help small employers pool resources in plans so that the small employer community is more attractive to financial service providers.

7. Consider ways to leverage successful methods to increase retirement plan participation. Consider such ideas as expanding automatic enrollment in plans as well as automatic rollovers, for example.

8. Consider methods to improve the subsidization of retirement savings for low-income workers, as well as among subgroups, including women, minorities, and older workers.

9. Consider methods to add or increase spousal protections, especially in 401(k)s and IRAs.

Ideas about programs and activities that would effectively reach the general public, specifically, low-income workers, women, small business owner, minorities, youth, and older workers.

1. Develop new models for educating and delivering benefits to the 50 percent of the work force without pensions or savings plans.
Measurement techniques used to assess the effectiveness of public outreach and media efforts regarding retirement savings.

1. Assess current educational materials provided by mutual funds and other financial services providers to determine:
   a. how well their information is understood by a wide variety of subgroups,
   b. how well they inform participants about the need to consider the level of fees when choosing between alternative mutual funds, and
   c. how well they inform participants about the comparative advantages of active versus passive management of mutual funds (especially in regard to fees and rates of return received by participants).

2. Study how retirement savings plan designs drive the savings behavior of plan participants.

Ideas for creating new partnerships among public and private sector organizations to enhance existing programs for encouraging retirement savings.

1. Discuss how to enhance coordination of the existing savings education efforts of government, non-profit, and private organizations.

2. Coordinate efforts to educate workers and employees in ways to find "lost pensions" with relevant government agencies at the federal and state level.

AARP appreciates the opportunity to comment on the National Summit on Retirement Savings agenda. If you have any question, please feel free to contact Amy Shannon of the Federal Affairs staff at 202/434-3760.

Sincerely,

David Certner
Director
Federal Affairs