

What Happens Now for Retirement Policy?

By Will Hansen Wed, Nov 16, 2016

The author, a senior vice president of Retirement Policy at ERIC.org, predicts that the Trump administration will reverse several Obama initiatives: the overtime rule; paid sick leave for federal contractors; revisions to EEOC EEO-1 form; and the Conflict of interest rule.



As Senior Vice President for Retirement Policy at The ERISA Industry Committee (ERIC) and a political enthusiast, I have closely followed this election cycle and was surprised at the lack of focus on retirement policy, including Social Security, throughout the Presidential, Senate, and congressional races.

While President-elect Donald Trump has remained mum on the subject of retirement policy, it does not mean he does not have a position. Retirement policy is often avoided by elected officials because it is difficult to put forth a viable plan of action that appeases a majority of the population. We may quickly learn more about Trump's position once we see who will lead the regulatory agencies. Whomever he places in those key positions, I think we can all agree that Americans need to save more for retirement and that the voluntary private retirement system can help to achieve that goal.

Based on the outcome of the election for President and Congress, I believe we will not see much movement at all in the retirement space from a legislative angle. Neither side (Republican or Democrat) has a filibuster proof majority in the Senate, which means compromise is still necessary to move forward with legislation.

In recent years, the legislative body has focused on issues that need immediate attention. While some argue that we are in a state of crisis with our current retirement policy in America, it is not so dire that the legislative body must act in the next few years; this includes a major overhaul of the tax system. Most tax reform proposals will impact retirement policy, but I do not see how Congress tackles tax reform when neither side will likely compromise on key issues within tax policy.

ERIC will continue to advance the legislative priorities that protect the voluntary retirement system. We will continue to advocate to:

- Move PBGC premiums off-budget;
- Increase electronic disclosure requirements;
- Assist pension plans with non-discrimination testing;
- Advance policies that assist large employers in providing student loan repayment programs; and many others.

With that said, the action will now turn to the states. If Congress remains deadlocked on key issues, the states will push forward with legislative proposals in the retirement and compensation area. We will continue to see states implement state-run retirement plans, paid sick leave, and other reforms that will require the attention of our nation's largest employers.

On the regulatory front, I do think there will be a move to repeal various Executive Orders and other regulations that were advanced under President Obama, including:

- The overtime rule;
- Paid sick leave for federal contractors;
- Revisions to EEOC EEO-1 form; and the
- Conflict of interest rule.

In addition, I expect a decrease in the number of new regulations that impact private retirement plans and other compensation practices.

© 2016 The ERISA Industry Committee. Reprinted by permission.