

# United States Senate

WASHINGTON, DC 20510

## Boehner/Hutchinson Bill Provides Quality Investment Advice to Workers Who Desperately Need it

May 13, 2002

Dear Colleague:

As the Enron collapse tragically illustrated, millions of rank-and-file American workers today have little or no access to quality investment advice to help them manage their 401(k) plans. Rather than create barriers to employers' ability to provide such investment advice, we believe the law should encourage employers to offer high-quality, professional investment advice to employees.

An industry survey, completed last year before the Enron collapse, revealed that more than 75 percent of the 546 full-time employees surveyed said they would take advantage of retirement planning advice if their employer offered it as a benefit. Yet current law continues to needlessly deny rank-and-file workers this opportunity.

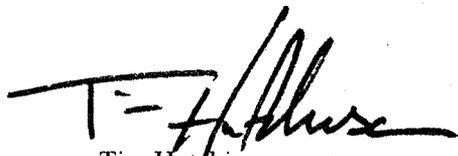
The Profit Sharing/401(k) Council of America, in its 2001 Investment Advice Survey (released in January 2002) of 141 companies, found that only 22 percent of U.S. employers provide access to professional investment advice as an employee benefit for their workers. **In other words, 78 percent do not.** If we want to truly maximize retirement security opportunities, access to high-quality investment advice is critical.

The *Retirement Security Advice Act* is the best solution to this problem because it clears the way for employers to provide their rank-and-file workers with access to high-quality, professional investment advice – advice that would likely have helped many of Enron's workers to make better decisions about their retirement future, including warning them of the need to diversify.

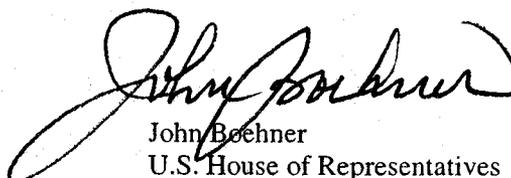
The *Retirement Security Advice Act* (H.R. 2269) has passed the House twice with the support of 74 Democrats, once as a stand-alone measure and once as part of the Pension Security Act. It allows employers to provide their workers with access to professional investment advice as a benefit as long as advisers fully disclose any fees or potential conflicts, while also establishing significant safeguards to ensure that workers receive advice solely in their best interests. We strongly encourage you to cosponsor the Senate version of this legislation, S. 1978.

The simple goal of this measure is to provide access to quality investment advice to workers who critically need it. We should encourage employers to offer investment advice as a benefit to their workers, not discourage them. If you would like to sign on to S. 1978 as a cosponsor, please contact Kyle Hicks at x4-2353. We hope that you will join us in supporting this important initiative.

Sincerely,



Tim Hutchinson  
United States Senate



John Boehner  
U.S. House of Representatives