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FOR IMMEDIATE RELEASE

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PRESS RELEASE

House and Senate Bills Provide Easy Way to Save for Retirement

Olympia— Representative Jim McIntire and Senator Harriet Spanel submitted companion bills (House Bill 1570 and Senate Bill 5544) to help people in Washington save for retirement. Washington Voluntary Accounts (WVAs) provide a convenient, portable, voluntary plan for workers and small businesses that do not have a retirement savings plan. Currently, about half of all workers in the state do not have a retirement plan in their workplace. WVAs are meant to complement Social Security to provide future retirees with a comfortable and secure retirement.

Washington Voluntary Accounts give workers the chance to participate in a defined-contribution retirement savings plan at their workplace. The program, designed with a pre-selected menu of investment options and to be administered by the Washington State Department of Retirement Systems, is modeled after the state's successful deferred compensation program.

“People tend to save for retirement when it is easy to do so,” said Senator Spanel. “WVAs, with a paycheck check-off feature, can encourage regular savings.”

Workers will appreciate that their account is portable and voluntary. Small businesses, which often face administrative and cost barriers to implementing their own retirement plan, will appreciate the simplicity of making this benefit available to their employees.

“Small businesses will particularly benefit from this legislation,” said Representative McIntire. “Now it's just too costly in time and money to set up a retirement plan. WVAs will take away the barriers and help small businesses retain good workers.”

Hearings on the legislation are planned for February.

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[Note: Detailed information about WVAs can be found on the EOI web site at www.eoionline.org.]