



MetLife
200 Park Avenue
New York, NY 10166

Marlene Debel

Executive Vice President
Head of Retirement & Income Solutions

March 14, 2018

The Honorable Orrin Hatch
Chairman
US Senate Committee on Finance
219 Dirksen Building
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
US Senate Committee on Finance
219 Dirksen Building
Washington, DC 20519

Dear Chairman Hatch and Ranking Member Wyden:

MetLife appreciates and supports your introduction of the Retirement Enhancement and Savings Act of 2018 (RESA). In introducing this bill, you have highlighted the importance of guaranteed income throughout retirement for millions of Americans. We agree this is of critical importance.

RESA serves to increase attention to a number of key challenges, including the importance of lifetime income to retirement security and the importance of clear regulatory guidelines for plan sponsors. RESA's provisions, taken together, will strengthen the foundation of our overall retirement system. As a leading global provider of employee and retirement benefits, MetLife believes that RESA would have a meaningful impact on defined contribution (DC) plan participants' awareness of – and ability to achieve – retirement security. With DC plan sponsors increasingly being called upon to help their plan participants achieve successful retirement outcomes, this legislation also would enable employers to increase the availability of lifetime income solutions at the workplace. For many years, MetLife has supported the lifetime income provisions set forth in the RESA bill and we remain steadfast in our support.

Of particular importance are three RESA elements that work together. The first is RESA's clarification of the safe harbor for annuity carrier selection. We know from plan

sponsors that the existing guidance is not sufficient, and our research¹ suggests that the common-sense and workable provisions under RESA are critical for plan sponsors to consider offering lifetime income options for DC plan participants. In concert with this, lifetime income disclosures can be one of the most effective ways to enable DC plan participants to begin to think about – and use – their DC plan as a complete retirement plan, rather than a savings plan for retirement. Presented in simple, easy-to-understand language, these disclosures provide both the DC plan accumulated balance and its lifetime monthly income equivalent². Finally, enabling lifetime income solutions to be more portable is also important. Concerns about the portability of annuities have discouraged some DC plan sponsors from offering these products in their plans. RESA will protect plan participants' guaranteed benefits in lifetime income options in the event of a plan sponsor or provider change by allowing them to take a distribution of a "lifetime income investment" without regard to the restrictions on plan withdrawals that would otherwise apply prior to a "distributable event."

For many Americans, worries about their financial future are intensified by fewer employer-based and public safety nets - and by inadequate levels of personal savings and retirement income protection. MetLife believes that policymakers, insurers and employers all play an important role in revitalizing and establishing programs that can provide certainty in today's uncertain world.

MetLife is proud to support this comprehensive package of legislation to modernize private-sector retirement savings options and urge you and your colleagues to advance this legislation quickly for consideration. We thank you for your leadership in pursuing legislation that will help more Americans achieve a financially secure retirement.

Sincerely,



Marlene Debel

¹ Based on MetLife's research, 92% agree that it is important to have a workable safe harbor for annuity carrier selection criteria in order to make it easier for plan sponsors to include income annuities in their DC plans.

² Nearly all DC plan sponsors surveyed in MetLife's Lifetime Income Poll (96%) agree that it would be helpful for plan participants if account balances shown on benefits statements were required to also be communicated as lifetime income. Participants also would welcome lifetime income illustrations. Eight in ten respondents (85%) contributing to an employer-sponsored retirement plan believe an illustration similar to the lifetime income estimate calculator produced by the DOL would be useful, according to the 2014 Employee Benefit Research Institute Retirement Confidence Study, which polled 1,000 workers and 501 retirees.



MetLife
200 Park Avenue
New York, NY 10166

Marlene Debel

Executive Vice President
Head of Retirement & Income Solutions

March 14, 2018

The Honorable Mike Kelly
US House of Representatives
1707 Longworth House Office Building
Washington, DC 20515

The Honorable Richard Neal
US House of Representatives
1502 Longworth House Office Building
Washington, DC 20515

Dear Representatives Kelly and Neal:

MetLife appreciates and supports your introduction of the Retirement Enhancement and Savings Act of 2018 (RESA). In introducing this bill, you have highlighted the importance of guaranteed income throughout retirement for millions of Americans. We agree this is of critical importance.

RESA serves to increase attention to a number of key challenges, including the importance of lifetime income to retirement security and the importance of clear regulatory guidelines for plan sponsors. RESA's provisions, taken together, will strengthen the foundation of our overall retirement system. As a leading global provider of employee and retirement benefits, MetLife believes that RESA would have a meaningful impact on defined contribution (DC) plan participants' awareness of – and ability to achieve – retirement security. With DC plan sponsors increasingly being called upon to help their plan participants achieve successful retirement outcomes, this legislation also would enable employers to increase the availability of lifetime income solutions at the workplace. For many years, MetLife has supported the lifetime income provisions set forth in the RESA bill and we remain steadfast in our support.

Of particular importance are three RESA elements that work together. The first is RESA's clarification of the safe harbor for annuity carrier selection. We know from plan

sponsors that the existing guidance is not sufficient, and our research¹ suggests that the common-sense and workable provisions under RESA are critical for plan sponsors to consider offering lifetime income options for DC plan participants. In concert with this, lifetime income disclosures can be one of the most effective ways to enable DC plan participants to begin to think about – and use – their DC plan as a complete retirement plan, rather than a savings plan for retirement. Presented in simple, easy-to-understand language, these disclosures provide both the DC plan accumulated balance and its lifetime monthly income equivalent². Finally, enabling lifetime income solutions to be more portable is also important. Concerns about the portability of annuities have discouraged some DC plan sponsors from offering these products in their plans. RESA will protect plan participants' guaranteed benefits in lifetime income options in the event of a plan sponsor or provider change by allowing them to take a distribution of a "lifetime income investment" without regard to the restrictions on plan withdrawals that would otherwise apply prior to a "distributable event."

For many Americans, worries about their financial future are intensified by fewer employer-based and public safety nets - and by inadequate levels of personal savings and retirement income protection. MetLife believes that policymakers, insurers and employers all play an important role in revitalizing and establishing programs that can provide certainty in today's uncertain world.

MetLife is proud to support this comprehensive package of legislation to modernize private-sector retirement savings options and urge you and your colleagues to advance this legislation quickly for consideration. We thank you for your leadership in pursuing legislation that will help more Americans achieve a financially secure retirement.

Sincerely,



Marlene Debel

¹ Based on MetLife's research, 92% agree that it is important to have a workable safe harbor for annuity carrier selection criteria in order to make it easier for plan sponsors to include income annuities in their DC plans.

² Nearly all DC plan sponsors surveyed in MetLife's Lifetime Income Poll (96%) agree that it would be helpful for plan participants if account balances shown on benefits statements were required to also be communicated as lifetime income. Participants also would welcome lifetime income illustrations. Eight in ten respondents (85%) contributing to an employer-sponsored retirement plan believe an illustration similar to the lifetime income estimate calculator produced by the DOL would be useful, according to the 2014 Employee Benefit Research Institute Retirement Confidence Study, which polled 1,000 workers and 501 retirees.