



THE CITY OF NEW YORK
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NEW YORK, NY 10007

FOR IMMEDIATE RELEASE: February 25, 2016

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MAYOR DE BLASIO LEADS RALLY FOR RETIREMENT SECURITY FOR ALL NEW YORKERS

Broad coalition supporting the city's proposal includes business, labor, AARP, and more

NEW YORK—Mayor Bill de Blasio, Council Speaker Melissa Mark-Viverito, Public Advocate Letitia James, Comptroller Scott Stringer and a broad coalition of business, labor, and other leaders rallied today in support of New York City's push to become the first city in the country to create a retirement savings program for private sector employees.

"It's unacceptable that many working families – the backbone of our city – labor their whole lives only to be left with nothing when they retire," said **Mayor Bill de Blasio**. "That's why we're working to become the first city in the country to provide a retirement savings plan for private sector workers, and we're heartened by the broad coalition supporting us."

"All New Yorkers should have access to resources that will help them better plan for their future and provide peace of mind," said **Council Speaker Melissa Mark-Viverito**. "Savings Access NY will do just that, while reducing the arduous steps and costly fees involved in setting up a retirement account. I'd like to thank my colleagues on the Council for their leadership on legislation that will help all New Yorkers build toward greater security in retirement, as well as Public Advocate Letitia James and Mayor de Blasio for their support on this important issue."

Mayor de Blasio, who proposed the initiative in his State of Our City earlier this month, is working with the Council Speaker and Public Advocate to introduce legislation. The City has also submitted comments to the U.S. Department of Labor in support of a federal rule change that would ensure cities could create retirement savings programs without liability or burdensome requirements.

Most private sector workers in New York City do not have any access to a retirement savings program, disproportionately impacting low-income, immigrant, minority, and female New Yorkers:

- Only 43 percent of working New Yorkers have access to a plan that can help them save for retirement. Those that do have access often face large fees, because they do not have the leverage provided by a collectively-pooled savings program.
- Even those who have started to save do not have much: 40 percent of New Yorkers between the ages of 50 and 64 have less than \$10,000 saved for retirement.
- To simply live at poverty level for a 15-year retirement, a New Yorker would need roughly \$215,000 in savings.

The City's proposal would enable any New Yorker working at a business with ten or more employees to automatically enroll in an employee-funded retirement plan.

- The plan would create an automatic-enrollment individual retirement account for employees at businesses of 10 employees or more that do not already have a program. Businesses that have a program could not drop their current plan to enroll in this one.
- Contributions would be exclusively from employees (rather than from employers or the City) and made through payroll. Contributions would be based on a default rate; employees would have the ability to change their rate or opt out of the program.
- Employees would be able to transfer the savings account from job to job.
- The City would create a board to establish and oversee the management of the program, which will be phased in over the next few years. The City will also undertake a robust outreach and education effort on the program.

The retirement savings proposal follows other initiatives aimed at lifting up working families, including paid sick and parental leave, living and minimum wages, and more.

"Without bold action on retirement security, more than half of working New Yorkers will be forced to retire on a food budget of \$5 a day," said **Public Advocate Letitia James**. "That's why we are creating an infrastructure for New Yorkers to save for retirement and prepare for the future. Our legislation will ensure that a comfortable retirement is not simply a luxury for the already wealthy, but a reality for every individual in our City."

"Almost 60 percent of private sector workers do not have access to a retirement savings plan, which leaves millions of City residents to face life-altering financial decisions in their later years," said **Comptroller Scott M. Stringer**. "We have an obligation to find solutions to the retirement savings crisis, so that every New Yorker has a fair chance to make it in this City. Today's proposal is an important step toward that goal, as is the ongoing work of our existing Retirement Security Study Group. I look forward to collaborating with Mayor de Blasio, Speaker Mark-Viverito, and Public Advocate James to craft a plan that works for all New York City families."

"One of the strategic initiatives for DFTA is to promote economic security for both current and future older New Yorkers. We must start planning today for the economic security of the seniors of tomorrow," said **Department for the Aging Commissioner Donna Corrado**. "Nearly 1 in 5 New Yorkers over the age of 60 is living at or below the poverty level. The creation of a retirement savings program for private-sector employees will provide a pathway to a more economically secure future."

"Retirement isn't something aging New Yorkers should have to worry about. We need pensions for all so New Yorkers can retire in security," said **Council Member Ben Kallos**. "Thank you to Mayor Bill de Blasio, Public Advocate Letitia James, Speaker Melissa Mark-Viverito, and Council Member I. Daneek Miller for their leadership and partnership in bringing retirement security to the private sector."

"Our city's working families need an equal shot at attaining retirement security. This initiative will strengthen our joint vision for a New York City where nobody has to retire in poverty. I look forward to working with the Administration and the Speaker to make this a reality," said **Council Member Julissa Ferreras, Chair of the Committee on Finance**.

Congressman Gregory Meeks said, "I applaud the announcement of Mayor Bill de Blasio and his administration to create new and innovative paths for retirement savings. Making sure that each and every New

Yorker possesses access and a pathway to building long term wealth through common sense saving practices, not only helps families build a foundation for themselves, it provides stability for our entire economy. I look forward to working with the Mayor on this and other initiatives to increase economic opportunity for all Americans."

"Most New Yorkers working in the private sector don't have access to a retirement savings program, and that's got to change," said **Congresswoman Carolyn B. Maloney**. "I applaud Mayor de Blasio's plan to create automatic-enrollment individual retirement accounts. This will give many New Yorkers their first access to a payroll-deduction retirement savings plan, significantly increasing the likelihood that they will be prepared to retire."

"For many women, immigrants and other low wage earning New Yorkers working their entire careers in the private sector, saving for retirement remains an unattainable and impossible goal," said **Congresswoman Yvette D. Clarke**. "In order to maintain the most basic standard of living in an ever increasingly costly city, it is estimated that retirees would need at least two hundred thousand dollars in savings to survive over fifteen years. Once again New York City is leading the way as our nation's first municipality to offer this important economic protection for our working families through a retirement savings program. As a longtime advocate for working families, and a member of the House Committee on Small Businesses, I recognize the critical importance of providing economic support and security to New Yorkers during and long after their careers. I applaud the leadership of Mayor De Blasio, City Council Speaker Mark-Viverito and Public Advocate James on this ground breaking policy and pledge to support their efforts on the federal level."

Congresswoman Nydia M. Velázquez said, "Access to a secure retirement is an important social justice issue and, currently, too many New Yorkers do not have an affordable vehicle to put aside resources for the future. This proposal will help empower many working families employed by the private sector to achieve retirement security. I applaud Mayor de Blasio and Speaker Mark-Viverito for moving this measure forward."

"I commend Mayor de Blasio for coming up with a solid initiative that will allow thousands of private employees to plan for a financially secure retirement, something that would not have been possible for many of them otherwise," said **Assembly Member Steven Cymbrowitz, Chair of the Committee on Aging**. "With the population of older adults increasing every year, helping members of the workforce prepare for the future is an issue of increasing concern and I'm pleased that the Mayor is addressing it."

"The business community supports the Mayor's commitment to improve the retirement security of New Yorkers and we look forward to working with him to develop a local program that achieves that objective," said **Kathryn Wylde, President and CEO of the Partnership for New York City**.

"Most New Yorkers know from the state of their own finances just how serious the retirement security crisis is. By taking the historic step of creating the first city-run retirement savings plan in the nation for private sector workers, Mayor de Blasio, Speaker Mark-Viverito and Public Advocate James are demonstrating tremendous vision and boldly tackling one of the most serious income inequality concerns we face. One of the best parts of this plan is that it's a winner both for our workers and our businesses. By creating a new, vital benefit for our businesses that is easy, doesn't require burdensome paperwork, and will cost them nothing, we're making New York more competitive for attracting employees and getting them to stay here. Having spent years advocating for a government-run program like the one the de Blasio administration is putting forth, EffectiveNY is enormously gratified and pleased to see this tremendous progress toward providing all New Yorkers the means to retire with dignity," said **Bill Samuels, Founder, EffectiveNY**.

"The retirement savings crisis will devastate this country if millions of retirees fall into poverty. I applaud Mayor de Blasio for leading the way on an important national issue that must be addressed," said **Hamilton ("Tony") E. James, President and Chief Operating Officer of Blackstone**.

"The important task of planning for retirement will become easier for New York's private sector workforce," said **John H. Banks, III, President of The Real Estate Board of New York**. "I want to thank Mayor de Blasio for establishing an individual retirement account program for private sector workers. Allowing workers the convenience of saving through automatic payroll deductions and enabling employees to bring accounts with them if they leave for other jobs are two common sense features of the program that will encourage New Yorkers to make smart decisions about retirement planning."

"This is an area where the public and private sector can work together. We applaud Mayor de Blasio, the Speaker and the Public Advocate for bringing us together to help private sector employees achieve retirement security," said **Michael Mulgrew, president of the United Federation of Teachers**.

"From raising wages to expanding paid sick leave and paid parental leave, New York City has become a national leader on issues that matter to working families over the past two years. Creating a retirement plan for private sector employees would be one more important step forward. This plan – the first of its kind for any American city – would give more New Yorkers the chance to save for retirement without paying unnecessary fees to Wall Street. We applaud Mayor de Blasio, Speaker Mark-Viverito, and Public Advocate James for their leadership on this proposal," said **Bill Lipton, State Director of New York Working Families Party**.

"Access to retirement with dignity is a vital component to providing economic security for working families in New York City. By creating legislation that would require most private sector employers to provide IRA's for their employees, Mayor de Blasio has once again shown that he is committed to supporting and fighting for working people, close to 60 percent of whom do not have access to employer provided retirement accounts in New York City. We are proud to stand with the Mayor and support his bold new initiative," said **Peter Ward, President of New York Hotel and Motel Trades Council**.

"Too many working New Yorkers face the prospect of getting older with no retirement savings -- rather than retiring with the respect and dignity that they deserve. I applaud Mayor de Blasio and Speaker Melissa Mark-Viverito for taking this crucial issue head on, creating a new kind of private sector 'minimum pension,' analogous to the minimum wage, that will set a floor for retirement security and ensure that more workers can enjoy a decent, dignified retirement. And critically, this program is an important step towards re-establishing the idea that every working person deserves a decent pension," said **Bob Master, Assistant to the Vice President at Communications Workers of America, District 1**.

"The National Conference on Public Employee Retirement Systems (NCPERS) applauds Mayor de Blasio for his leadership in proposing a New York City based retirement savings initiative. NCPERS welcomes all policymakers and proposals that further retirement security for working Americans," said **Mel Aaronson, President, and Hank Kim, Executive Director & Counsel, National Conference on Public Employee Retirement Systems**.

"Businesses thrive only when there are enough customers with enough income to afford goods and services. In fact, national, scientific polling of small business owners, commissioned by American Sustainable Business Council found that 70 percent of small business owners identified the lack of retirement security as a critical issue to their business interests. This plan should give every business leader more confidence in the future strength of our economy since more New Yorkers will have increased retirement savings, which eventually will be spent in the economy, fueling new growth and job creation," said **David Levine, CEO American Sustainable Business Council**.

"This is a wonderful plan that could be transformational for working New Yorkers. This plan provides a way for workers to responsibly provide for their financial future while leveraging a business' infrastructure without being overly burdensome. It is the right thing to do and I wholeheartedly support this plan. Any responsible business person managing a business should also endorse this plan as they are not only responsible for managing their business, but should also take an active interest in the well-being of their employees and their

families. Indeed, that is good business and would provide for a more productive work force. I applaud the Mayor for developing an ‘out of the box’ solution and providing leadership that should provide for a stronger New York City with a more financially secure future for its citizens,” said **Tracy Maitland, CEO at Advent Capital Management**.

Igal Jellinek, Executive Director of LiveOn NY said, "LiveOn NY applauds Mayor de Blasio, Speaker Mark-Viverito and Public Advocate James for introducing groundbreaking legislation to establish a retirement savings plan for New Yorkers who now do not have that opportunity. As the leading voice for low income older New Yorkers, we know well the struggle to live without enough money in old age. Health care, affording the rent, adequate nutrition and quality of life are all negatively impacted by lack of money. Growing old without enough money can be frightening and daunting. This plan must be implemented."

“It’s exciting to see Mayor de Blasio introduce a program that will enable all workers to save for their retirement. This is a goal that all businesses should support – providing workers with an opportunity to fund their own retirement. Along with his support for increasing the minimum wage and providing for Paid Family Leave, I’m very pleased that our Mayor understands that our workers need to succeed in order for our businesses to thrive,” said **David Bolotsky, Founder & CEO of UncommonGoods**.

“Providing private sector employees with access to a great savings plan is an extremely positive and forward-thinking initiative that will allow countless New Yorkers – particularly young, low-income, immigrant, minority, and female residents – to invest in their futures and take advantage of an incredible benefit enjoyed by public sector workers,” said **Brooklyn Chamber of Commerce President Carlo Scissura**. “New York is usually a trailblazing city, so it is no surprise that we are leading the way for the rest of the country on this issue. I want to thank Mayor Bill de Blasio, Council Speaker Melissa Mark-Viverito and Public Advocate Letitia James for spearheading this legislation, which will result in a brighter horizon for both businesses and employees alike.”

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