

Election 2020: Retirement Policy Positions

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We are nearing the final stretch of the 2020 campaign. What have the parties proposed for the future of the U.S. retirement system? A chart below summarizes the policy documents prepared by the parties outlining their goals for both the private retirement system and Social Security.

Republican Party

The Republican Party decided to re-adopt its 2016 [platform](#) for 2020 (the “GOP Platform”). The GOP Platform contains only limited retirement-related proposals. Those proposals are summarized in the chart below. We do, however, have an indication of how the Trump Administration and Congressional Republicans view various retirement policy issues, so where relevant, those views also are reflected below.

Democratic Party

For 2020, Democrats have released the following policy documents:

- [The Biden Plan for Older Americans](#) (the “Biden Plan”). The Biden Plan is one of a series of policy documents released by the Biden campaign. It discusses a number of issues relevant to older Americans and includes a significant number of retirement policy proposals.
- [2020 Democratic Party Platform](#) (the “Democratic Platform”). The Platform lays out the official policy positions of the Democratic Party for 2020. It was approved by the delegates at the convention.
- [The Biden-Sanders Unity Task Force Recommendations](#) (the “UTF”). Shortly after securing the nomination, Vice President Biden and his chief rival Senator Bernie Sanders established a “Unity Task Force” to develop a set of policy recommendations. The UTF was submitted to the Democratic National Committee for consideration in the development of the Democratic Platform.

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The proposals in the Biden Plan, Democratic Platform, and UTF are summarized in the chart below. At a high level, the three documents are largely consistent on most key retirement policy issues. For example, the documents all take the following positions:

- “Equalizing” retirement savings tax incentives, which could include proposals to replace the deduction for retirement savings with a refundable tax credit or making the existing Savers’ Credit refundable.
- Protecting pension benefits and, in particular, benefits earned under multiemployer pension plans, some of which are facing insolvency;
- Ensuring that every worker has access to a retirement savings plan and is automatically enrolled; and
- Expanding Social Security benefits and preventing any efforts to cut benefits or privatize the system.

That said, there are some differences between the documents. For example, only the Democratic Platform references the 2016 regulations issued by the Department of Labor (“DOL”) to modify the definition of fiduciary “investment advice” (the “Fiduciary Rule”) under the Employee Retirement Income Security Act of 1974, as amended. Although it is likely that a Biden Administration would revisit the Fiduciary Rule, it is notable that the Biden Plan does not mention it.

Private Retirement Plans

	Biden Plan	Democratic Platform	UTF	Republican Position
<i>Tax Incentives</i>	“[E]qualize benefits across the income scale.”	“[E]qualize the network of retirement savings tax breaks so that working people can build their nest eggs faster....”	“[E]qualize the tax benefits.”	There is no reference to the tax incentives for retirement savings in the GOP Platform. During tax reform in 2017, some Republicans floated “Rothification” of the 401(k) system (<i>i.e.</i> , requiring all employee contributions to be made on a post-tax basis), but the idea was ultimately rejected.
<i>Universal Coverage</i>	“[A]lmost all workers without a pension or 401(k)-	“[A]dvocate [for] federal legislation to make it easy for all workers to save, not	Provide “more equitable	No mention in the GOP Platform.

	type plan will have access to an “automatic 401(k).”	just those in states or municipalities that have established their own programs.” Provide “more equitable access to [savings] accounts through automatic enrollment.”	access to [savings] accounts through automatic enrollment....”	
<i>State Savings Programs</i>	No mention.	“[S]upport approaches to retirement saving that enable workers and retirees to prepare for and prosper in retirement, including reforms that will allow states and municipalities to create public individual and pooled retirement account options that are easy for workers to access and understand.”	No mention.	There is no mention in the GOP Platform. However, the Republican-controlled Congress in 2017 passed, and President Trump signed, legislation to overturn a DOL rule facilitating state savings programs.
<i>Fiduciary Rule</i>	No mention.	“[W]hen workers are saving for retirement, the financial advisors they consult should be legally obligated to put their client's best interests first.” “[T]ake immediate action to reverse the Trump Administration's regulations allowing financial advisors to prioritize their self-interest over their clients' financial wellbeing.”	No mention.	The GOP Platform does not discuss the Fiduciary Rule. However, President Trump issued an Executive Order requiring DOL to review the rule, and DOL recently issued a proposed regulation and prohibited transaction exemption.

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<i>Pensions</i>	<p>“In the months ahead, Biden will continue to outline in further detail his related proposals, including on issues related to pensions, starting with passing the Butch Lewis Act.”</p> <p>Ensure “that teachers not eligible for Social Security will begin receiving benefits sooner – rather than the current ten-year period for many teachers.”</p>	<p>“[T]ake action to protect public and private pensions to ensure workers keep the benefits they have earned, including through multiemployer plans.”</p> <p>“[O]ppose changes to the multiemployer pension system that would endanger workers’ and retirees’ pensions, including composite pension plans.”</p> <p>Amend “federal bankruptcy laws to protect workers’ earned pensions from being taken away by employers going through bankruptcy.”</p>	<p>“[A]ct to protect public and private pensions to ensure workers keep the benefits they have earned.”</p>	<p>The GOP Platform states that employees need “flexibility and family-friendly options... especially portability in pension plans...”</p>
<i>Employee Stock Ownership Plans (“ESOPs”)</i>	No mention.	No mention.	No mention.	<p>The GOP Platform expresses support for ESOPs, stating that such plans “enable workers to become capitalists, expand the realm of private property, and energize a free enterprise economy.”</p>
<i>Caregivers</i>	<p>“[A]llow caregivers to make ‘catch-up’ contributions to retirement</p>	<p>Provide “more equitable access to [retirement] accounts through... relaxed contribution restrictions for unpaid caregivers.”</p>	<p>“Address retirement-saving penalties for caregivers....”</p>	<p>No mention in the GOP Platform.</p>

	accounts, even if they're not earning income in the formal labor market."		"[I]ncrease caregiver access to certain retirement benefits so that being a caregiver does not jeopardize one's future retirement security."	
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Social Security

	Biden Plan	Democratic Platform	UTF	Republican Position
<i>Benefit Increases</i>	<p>"[P]rovide the oldest beneficiaries... with a higher monthly check..."</p> <p>"Revolutionize the...minimum benefit... [W]orkers who spent 30 years working will get a benefit of at least 125% of the poverty level."</p>	<p>Increase "benefits for all beneficiaries," including "benefits for long-duration beneficiaries."</p> <p>"[M]eaningfully increasing minimum benefit payments."</p>	<p>Increase benefit levels, including adopting the CPI-E for indexing.</p> <p>Increase SSI asset limits.</p> <p>"[M]eaningful increases in the minimum benefit."</p>	<p>No mention in the GOP Platform. However, Republican members indicated they oppose benefit increases during a 2019 Ways and Means Committee hearing.</p>

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<i>Benefit Reductions</i>	“[P]roposals to make the program ‘means-tested’... jeopardizes the program’s universal nature and key role as the bedrock of American retirement.”	“[R]eject every effort to cut, privatize, or weaken Social Security, including attempts to raise the retirement age, diminish benefits by cutting cost-of-living adjustments, or reduce earned benefits.”	No social security benefit cuts of any kind including raising retirement age, means-testing of benefits, adverse adjustments to benefit calculator, or through COLA.	The GOP Platform states that “current retirees and those close to retirement can be assured of their benefits,” but “all options” should be considered in evaluating the future of the program.
<i>Survivor Benefits</i>	“[A]llow surviving spouse to keep a higher share of the benefits.”	Protect “surviving spouses from benefit cuts.”	Increase payments for surviving spouses.	No mention in the GOP Platform.
<i>Payroll Taxes</i>	Ask “Americans with especially high wages to pay the same taxes on those earnings that middle-class families pay.”	No mention.	“[E]xpand payroll taxes on upper-income taxpayers....”	The GOP Platform states “we oppose tax increases...”
<i>Privatization</i>	“Efforts to privatize the program... will undermine the program’s solvency, while putting at risk individuals’	“[R]eject every effort to... privatize... Social Security.”	“[R]eject every effort to... privatize... Social Security.”	The GOP Platform states “we... believe in the power of markets to create wealth and to help secure the future of our Social Security system.”

	income in retirement.”			
<i>Coordination with Public Pensions</i> (<u>WEP/GPO</u>)✎	“[G]et rid of the benefit cuts for workers and surviving beneficiaries who happen to be covered by both Social Security and another pension.”	“[E]liminate provisions that unfairly reduce public sector workers’ earned Social Security benefits.”	“[E]liminate WEP/GPO which penalize the Social Security benefits of many public workers.”	No mention in the GOP Platform.
<i>Caregivers</i>	No mention.	“[S]upport... reform which better accounts for the challenges facing unpaid caregivers— including incremental reforms to the benefit formula to mitigate the penalty for unpaid care.”	“[S]upport... expansion which better accounts for the challenges facing unpaid caregivers and caregivers for family members— including mitigating the benefit formula penalty for unpaid care.”	No mention in the GOP Platform.

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