

**United States House of Representatives Committee on Education & Workforce Subcommittee on Health,
Employment, Labor, and Pensions**

Hearing Titled:

“Modernizing Retirement Policy For Today’s Workforce”

Testimony for the Record

of

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Good morning, Chairman Allen, Ranking Member DeSaulnier, and members of the House Committee on Education and Workforce Subcommittee on Health, Employment, Labor and Pensions.

I am Wayne Chopus, the President and CEO of the Insured Retirement Institute (IRI).¹ IRI is the leading trade association for the entire supply chain of the insured retirement income industry – representing life insurers, broker-dealers, and asset managers who produce, sell, and manage the investment portfolios of lifetime income and annuity products.

This month marks my thirty-third year in the insured retirement industry. Throughout my career, I have seen firsthand the value of security and protection that lifetime income solutions provide to retirement savers.

With that in mind, I want to commend and thank the leaders and members of the Subcommittee for holding this hearing today and for inviting me on behalf of the members of IRI to share our thoughts and positions on the vital role that lifetime income plays in strengthening retirement security for our nation's workers and retirees. An overwhelming eighty percent of U.S. voters across the political spectrum believe our nation's policymakers should prioritize action to help people plan and save for a secure retirement.²

Today's hearing provides an opportunity for IRI to offer our insights as the Subcommittee begins building a record to inform potential congressional action to address the financial security concerns facing America's workers and retirees. These concerns are driven by widespread anxiety about whether individuals will have sufficient savings to avoid outliving their resources during retirement.

Lifetime income solutions can serve as a powerful way to ease the anxiety of workers and retirees. Today, we respectfully request the Subcommittee consider the policy proposals we offer in this testimony. The proposals we present have the potential to dramatically strengthen workers' and retirees' confidence in their financial futures, offering them financial security in their retirement they have worked tirelessly to attain, ensuring that their years of dedication are rewarded with the guaranteed protection they so rightly deserve.

America's Growing Retirement Insecurity

Our nation is at a crossroads. We are firmly within Peak 65, the massive demographic shift of 4.1 million Americans turning 65 every year through 2027.³ Despite the number of America's workers and retirees reaching traditional retirement age every day:

¹ The Insured Retirement Institute (IRI) is the leading association for the entire supply chain of insured retirement strategies, including life insurers, asset managers, broker-dealers, banks, marketing organizations, law firms, and solution providers. IRI members account for 90 percent of annuity assets in the U.S., including the foremost distributors of protected lifetime income solutions, and are represented by financial professionals serving millions of Americans. IRI champions retirement security for all through leadership in advocacy, awareness, research, and the advancement of digital solutions within a collaborative industry community. Our members support and advocate for common-sense, bipartisan policies to help America's workers and retirees achieve their retirement goals by expanding access to professional financial guidance and lifetime income products within an appropriate and effective consumer protection framework.

² ["Redefining Retirement – It's All Of Our Work."](#) BlackRock, January 2025.

³ ["2025 Protected Retirement Income and Planning Study."](#) Alliance for Lifetime Income. July 2025.

- Two-thirds are not confident they can retire between 65 and 70.⁴
- Only eighteen percent are very confident they will have enough money to last throughout retirement.⁵
- Sixty-four percent of Americans report worrying more about running out of money in retirement than about death.⁶

As workplace defined benefit pension plans⁷ have declined⁸, workers have lost one option for a guaranteed, predictable monthly retirement income for life. Now, the prevalence of defined benefit plans has been superseded by a substantial increase in employee-funded defined contribution plans.⁹ However, unlike a defined benefit plan, participants in defined contribution plans¹⁰ participants are responsible for making their own decisions about how they will convert the savings they accumulate during their working years into a predictable stream of guaranteed protected income that they cannot outlive during their retirement year.

Our nation took a historic step forward with the enactment of the SECURE Act of 2020¹¹ and the SECURE 2.0 Act of 2022.¹² These bipartisan laws enacted new and innovative policies to both increase access to employer-sponsored savings and better facilitate access to lifetime income. The laws empowered America's workers and retirees to save and invest more for retirement, expand financial opportunities to build wealth, and improve their prospects for a more secure retirement.¹³

However, there is still more that can be done to help access guaranteed, protected income to address the anxiety about outliving the savings they have accumulated during their working years. Several recent studies have shown:

- Sixty percent of investors of all ages believe generating a steady income is more important than growing assets.¹⁴

⁴ "[2025 American Retirement Confidence Survey](#)," TIAA. October 2025.

⁵ *Ibid*, Footnote 2.

⁶ "[How Americans Feel About Retirement in 2025](#)," Allianz Center for the Future of Retirement. July 2025.

⁷ "A defined benefit plan provides employees with a guaranteed, predictable monthly income for life after retirement, with the employer bearing the investment risk and responsibility for funding—a guaranteed stream of revenue for the duration of their lifetime", [U.S. Department of Labor, Retirement Plans Benefits and Savings, Types of Retirement Plans](#).

⁸ "In 1985, there were over 114,000 private pension plans insured by the Pension Benefit Guaranty Corporation (PBGC). Today, that number is 23,000 – covering 19 million workers (roughly 11 percent of the United States' workforce), [PBGC Releases FY 2024 Annual Report](#)," PBGC. November 2024.

⁹ "70% of private-sector workers had access to defined contribution plans," [Bureau of Labor of Statistics, Employee Benefits In The United States Report](#), March 2025.

"76% of employed workers are offered an employee-funded 401(k) or similar retirement plan by their employer. Among those offered a plan, 81% participate in the plan and they contribute 10% (median) of their annual salary", [Retirement in the USA: The Outlook of the Workforce](#)," Transamerica Center For Retirement Studies. March 2025.

¹⁰ "A defined contribution plan does not guarantee a specific benefit amount at retirement. Instead, in these plans, the employee, the employer (or both) contribute to the employee's individual account under the plan, sometimes at a set rate of earnings per year. These contributions are generally invested on the employee's behalf, and the employee will ultimately receive the balance in their account, based on contributions plus or minus investment gains or losses," *Ibid*, Footnote 8.

¹¹ [Public Law 116–94, Division O](#).

¹² [Public Law 117-328, Division T](#).

¹³ "[The SECURE Act: Opening doors to lifetime income](#)", TIAA, December 2021.

"[SECURE for All](#)," American Council of Life Insurers, December 2022.

¹⁴ "[What Investors Want for Retirement](#)," Capital Group. 2025.

- Ninety-three percent of 401(k) participants think it's important that their plan offers a way to convert savings into protected income.¹⁵
- Seventy percent of employer-sponsored retirement savers say they would consider an annuity investment if available in their retirement plan.¹⁶

Therefore, as our nation's workers and retirees with defined contribution plans contemplate retirement, they need to make a crucial decision about how to balance their desire to maintain or improve their current living standards with the need to ensure their assets last throughout retirement.

Building "Mailbox Money"

"Mailbox" money refers to a "regular paycheck" that arrives in the mailbox on an annual, semiannual, quarterly, or monthly basis. It's the income retirees are guaranteed each month, such as Social Security, a defined-benefit pension plan payment (if they have one), or annuity payments.

When retirees have the confidence that their essential monthly expenses will be met through guaranteed income, such as Social Security and annuities, they gain more than financial stability—they gain peace of mind. That assurance allows them to approach retirement with confidence, knowing they can meet their needs while still enjoying the experiences that make retirement meaningful and fulfilling.¹⁷

IRI's Recommendations for Lifetime Income Legislation

IRI's 2025 Federal Retirement Security Blueprint¹⁸ contains several common-sense policy recommendations to facilitate the greater use of protected, guaranteed lifetime income.

The details of the proposals summarized below can be found in Attachment 1 of this written testimony. IRI recommends that Congress consider enacting legislation to:

- Allow plan sponsors to utilize annuities that provide a guaranteed return and have delayed liquidity features as a portion of a plan's qualified default investment alternative (QDIA).¹⁹
- Require defined contribution plans to offer participants the option to invest in protected, guaranteed lifetime income solutions.
- Authorize the use of a diversity of lifetime income options to be used as qualified longevity annuity contracts.²⁰

¹⁵ ["Retirement Savings to Retirement Income."](#) TIAA Institute and Nuveen. November 2025.

¹⁶ ["Retirement Plan Participants Seek Lifetime Income and Guidance."](#) Allianz Center for the Future of Retirement." April 2025.

¹⁷ ["Annuity Owners Significantly More Confident in Ability to Retire on Time."](#) Nationwide. November 2025. This report found that 70 percent of consumers were confident they would receive annuity income payments as promised, compared to only 61 percent who were confident they would receive full Social Security benefits.

¹⁸ [2025 Retirement Security Blueprint](#), Insured Retirement Institute, March 2025.

¹⁹ [H.R.3942-118th Congress](#): The Lifetime Income for Employees Act.

²⁰ [S.1770-117th Congress](#): Section 201(5) of the Retirement Security and Savings Act of 2021.

- Clarify that the annuity selection safe harbor covers the selection by an employer of an annuity contract, not just the selection of an insurance provider of the annuity contract.²¹

By enacting these new policies, Congress can deliver even greater financial security and peace of mind to America’s workers and retirees. Our recommendations will expand access to lifetime income solutions, such as annuities, which offer the only path to transform their hard-earned savings into protected, guaranteed income that lasts throughout retirement.

Conclusion

IRI’s proposals can be the next steps Congress takes to build on the bipartisan achievements of the SECURE Act of 2020²² and the SECURE 2.0 Act of 2022.²³

IRI stands ready to partner with you to enact our policy recommendations into law to help ease the retirement anxiety of America’s workers and retirees and make converting their savings into protected, guaranteed “mailbox” income more available and accessible.

Thank you again for the opportunity to provide IRI’s perspectives on these timely and critical issues for America’s workers and retirees.

Attachments

Attachment 1: Detailed Summary of IRI Lifetime Income Legislative Proposals

²¹ [29 U.S. Code § 1104](#); Section 404(e) of ERISA, Safe Harbor for Annuity Selection

²² *Ibid*, [Footnote 12](#).

²³ *Ibid*, [Footnote 13](#).



ATTACHMENT 1

Facilitate the Greater Use of Protected, Guaranteed Lifetime Income Solutions

Require Lifetime Income Options in Defined Contribution Plans

Numerous surveys have found that a majority — between one-half and two-thirds — of America's workers and retirees are anxious about not having sufficient savings to last throughout their retirement. Most retirement savings come from employer-sponsored defined contribution plans. However, these plans do not typically include a distribution option to convert savings into protected, guaranteed lifetime income. According to the Life Insurance Marketing and Research Association (LIMRA), 49 percent of private sector plan sponsors with at least 10 or more employees who do not offer an in-plan annuity said they have considered offering one but have not yet done so.

Recommendation:

- » Congress should enact legislation to require defined contribution plans to offer participants the option to invest in protected, guaranteed lifetime income solutions. Including lifetime income solutions in a defined contribution plan during participants' accumulation years will help retirement savers build larger balances and generate income to sustain them during their retirement years. Enacting legislation to require in-plan lifetime income solutions will help enhance workers' and retirees' financial security by mitigating risks of outliving their savings.

Expand the use of Lifetime Income Products as Default Investment Options

Qualified default investment alternatives (QDIAs), created by the *Pension Protection Act of 2006* ([P.L.109-280](#)), have proven to be an essential tool in enhancing retirement security for America's workers. The current Department of Labor regulations mandate that any fund in a QDIA must be available for the participant to transfer or withdraw "not less frequently than once in any three-month period," thereby inhibiting the use of certain investment options that do not meet specific liquidity requirements. As such, the liquidity requirement effectively disqualifies the use of protected, guaranteed lifetime income solutions that have delayed liquidity features — despite the fact that these features allow for the offering of higher returns.

Recommendation:

- » Congress should enact the *Lifetime Income for Employees Act* ([H.R.3942-118th Congress](#)), which would allow plan sponsors to utilize annuities that provide a guaranteed return on investment and have delayed liquidity features as a default investment vehicle for a portion of contributions made by a retirement saver who has not made investment selections.

Authorize the use of Indexed and Variable Annuities in QLACs

Qualified longevity annuity contracts (QLACs) are a valuable retirement income planning tool that addresses the risk many savers and retirees face of outliving accumulated retirement savings. The *SECURE 2.0 Act of 2022* ([P.L.117-328, Div. T](#)) directed the Treasury Department to amend the regulations governing QLACs to allow retirement savers to convert more of their savings into protected, guaranteed lifetime income. Additionally, the *SECURE 2.0 Act* established a 90-day “free-look” period to give investors time to ensure that they have selected a product that fits their needs while also clarifying the applicability of joint and survivor benefits in the event of divorce. However, the products that can be treated as a QLAC remain limited.

Recommendation:

- » Congress should enact legislation, such as Section 201(5) of the *Retirement Security and Savings Act of 2021* ([S.1770-117th Congress](#)), that would make a diverse slate of indexed and variable annuity contracts with guaranteed benefits eligible to be treated as QLACs to better meet the diverse needs of retirement savers.

Clarify the Safe Harbor for Selecting Annuity Contracts

The *SECURE Act of 2019* ([P.L.116-94, Div. O](#)) enacted protections that enabled plan sponsors to rely on the expertise and diligence of state insurance commissioners in deciding to select an insurance company to provide protected, guaranteed lifetime income solutions as a part of a plan’s investment menu. While the safe harbor enacted under the *SECURE Act* provides liability protection for a plan sponsor’s selection of an insurance provider, that protection does not apply to selecting the insurance provider’s protected, guaranteed lifetime income product.

Recommendation:

- » Congress should enact legislation clarifying that the annuity selection safe harbor ([P.L.116-94, Div. O, Section 204](#)) will provide a plan sponsor with the same protections in selecting an annuity contract. This legislation should be tailored to ensure policymakers encourage the adoption of safe and stable solutions. The amendment to existing law will provide plan sponsors with additional legal certainty and it will further facilitate access to and the use of protected, guaranteed lifetime income solutions within employer-sponsored retirement plans.