

By: Farrar

H.R. No. 1439

R E S O L U T I O N

1 WHEREAS, The nation is facing a vast retirement savings
2 deficit, and it is estimated that half of all households are on a
3 path that leads to financial insecurity in retirement; this
4 retirement security crisis will have a significant impact on state
5 and local governments as well as on retirees and their families; and

6 WHEREAS, Although the preparedness of Texans to retire in a
7 financially secure manner has not been studied, it is estimated
8 that Social Security provides 90 percent of the retirement income
9 of nearly a quarter of Texans over the age of 65 and that the average
10 amount of a Social Security check in Texas is about \$1,375 per
11 month; and

12 WHEREAS, Many Texans can rely on an employer-sponsored
13 retirement plan to supplement their Social Security income;
14 however, more than half of Texas workers in the private sector work
15 for a business that does not offer such a plan; this is despite
16 evidence that offering a retirement plan makes a business more
17 competitive and helps with employee turnover; and

18 WHEREAS, Employees who are given the option of enrolling in a
19 payroll deduction retirement plan are 15 times more likely to save
20 for retirement; unfortunately, many small businesses do not choose
21 to offer a payroll deduction retirement plan because of concerns
22 about costs, complexity, time burdens, and potential liability; and

23 WHEREAS, The State of Texas has a vested interest in removing
24 obstacles that prevent Texans from saving for retirement, and a

1 study of retirement security in Texas would help to identify such
2 obstacles; now, therefore, be it

3 RESOLVED, That the House of Representatives of the 86th Texas
4 Legislature hereby request the speaker to provide for an interim
5 house study on retirement security in Texas; specifically, the
6 study should: (1) examine ways the State of Texas can reduce the
7 regulatory and operational burden on small businesses that want to
8 offer a payroll deduction retirement plan to employees; and (2)
9 study the preparedness of Texans to retire in a financially secure
10 manner; and, be it further

11 RESOLVED, That the speaker assign the study to a select or
12 standing committee at his discretion, exercising authority granted
13 to the speaker by House Rule 1, Section 17, Interim Studies, and
14 House Rule 4, Chapter F, Interim Study Committees.