

Automating Saving: Making Retirement Saving Easier in the United States, the United Kingdom and New Zealand

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Industrialized societies are facing major challenges with respect to their citizens' retirement security. Across the globe, populations are aging rapidly. At the same time, too many households are not saving adequately for their retirement and other long-term needs even though saving vehicles are available.

This policy brief summarizes major parallel efforts currently under consideration in the U.S., the UK and New Zealand to address the retirement security shortfall by expanding personal saving for retirement. The proposals would employ a common strategy — promoting “automatic” saving by individuals within a voluntary private pension system — to make private-sector savings a more effective supplement to a base of government-provided pensions.

Two Problems with the Current System in the United States

In the United States, much of the shortfall in private retirement savings is attributable to two factors. First, the structure of financial incentives for saving in the United States is ineffective. For decades, our system of tax preferences for retirement saving has been essentially “upside down.” By basing our employer plan and individual retirement account (“IRA”) income tax incentives mainly on deductions and exclusions — which are proportional to the saver's tax bracket — we tend to “encourage saving least for those who need to increase their saving most, and most for those who need to increase their saving least.”¹

A second major reason for the shortfall — and the focus of the proposals described here — is that the system does not make it easy enough to save. In the U.S. (as in the United Kingdom), a shrinking percentage of workers are covered by a defined benefit or other employer pension plan that does the job of saving for them through automatic employer contributions that demand no employee initiative. Most American employees who have a retirement plan at work are covered by a 401(k) plan, which typically requires them to take initiative and work their way through several key decisions in order to save. Most 401(k) plans currently require employees to decide whether to participate, to take action if they wish to enroll in the plan, to decide on the level of their contributions, and to decide how those contributions will be invested.²

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In fact, these employees are the fortunate ones. About half of the U.S. work force — some 71 million employees and self-employed individuals — have no employer plan.³ If these individuals wish to save for retirement on a tax-favored basis, they generally need to do even more than those who are 401(k)-eligible: they need to select an IRA provider from among many financial institutions and then take the steps necessary to open the IRA, in addition to navigating the decisions regarding level of contributions and investment.

Employees who do join 401(k) plans (as well as some IRAs) benefit from the automatic nature of payroll deduction. Plans typically permit but do not require participating employees to renew their contribution elections every year, so payroll deductions and the related contributions, once begun, continue automatically until the employee elects to make a change. However, 401(k)s traditionally have not made the initial election to participate automatic, nor have they encouraged participants to increase their contributions or to rebalance their investment portfolios over time.⁴ The force of inertia and the difficulty of making some of the associated decisions have adversely affected millions of employees.

These shortcomings can be remedied by a simple approach called the “automatic 401(k),” a plan designed “to recognize the power of inertia in human behavior and enlist it to promote rather than hinder saving.”⁵ The automatic 401(k) is based on an integrated strategy, formulated by the U.S. Treasury in the late 1990s, of using default arrangements to promote saving without sacrificing individual choice. Starting when automatic enrollment was first defined and approved as a permissible option for 401(k) plans in 1998, increasing numbers of plans have provided that employees will automatically participate in the plan at a prescribed contribution level and with a default investment unless the employee takes the initiative to opt for a different contribution percentage or investment or to opt out entirely.⁶

Ideally, unless the employee chooses otherwise at any time, contributions would automatically increase from year to year (or in conjunction with pay raises), would automatically be invested in appropriately asset-allocated, balanced, diversified, and low-cost funds, and, ultimately, when the employee leaves the employer, would be automatically rolled over to an IRA or another plan. Workers could always choose to override these defaults.

As of last year, an estimated 30 percent of large 401(k) plans were using automatic enrollment.⁷ Economists who have systematically observed several of these plans have concluded that the evidence strongly indicates that automatic enrollment has been effective at increasing participation, especially among lower- and moderate-income workers, minorities and women.⁸ This evidence, including the expanding use of automatic features in U.S. 401(k) plans, has had a persuasive influence on the three proposals discussed here.⁹

Current “Automatic Saving” Initiatives in the U.S., UK and New Zealand

The U.S., UK, and New Zealand are all actively pursuing efforts to attack the retirement security shortfall through new strategies that are largely similar. In the United Kingdom, the government issued a white paper last month¹⁰ proposing an ambitious program of employer-facilitated personal retirement accounts based in large part on the recommendations of an independent Pensions Commission (the “Turner Commission”).¹¹ In New Zealand, the government has introduced a bill called “KiwiSaver” that takes a generally similar approach, requiring employers to automatically enroll new employees in voluntary retirement savings accounts.¹² In the United States, automatic features in employer-sponsored 401(k) plans are spreading, and an ambitious proposal is being discussed to dramatically expand private pension coverage by combining the automatic nature of employer payroll systems with the existing IRA vehicle and encouraging automatic enrollment in such payroll deposit IRAs.

Common Elements of the Three Initiatives

This policy brief summarizes the most basic elements of these three proposals. Each is designed to make the private pension and retirement savings system a more effective means of supplementing the first-tier mandatory government-provided pension (Social Security in the U.S.). Each of the UK and New Zealand proposals was introduced as part of a package of initiatives that included major reforms of the first-tier mandatory government-provided pension systems in those countries (State Pension, State Second Pension and related programs in the UK and New Zealand Superannuation), but the first-tier public pension system reforms are separate and beyond the scope of this policy brief. (The automatic IRA proposal in the U.S. is a stand-alone private savings proposal wholly unrelated to Social Security.)

Common Purposes

While these initiatives differ in significant respects — many of them stemming from differences between the institutional contexts of each country — the similarities in the basic approach reflected in all three are rather striking.

The UK proposal is designed to “introduce low-cost personal accounts to give those without access to occupational pension schemes the opportunity to save. People will be automatically enrolled into either their employer’s scheme or a new personal account, with the freedom to opt out.”¹³ This “new system of personal accounts with automatic enrolment will provide a simple and straightforward way” to save.¹⁴

New Zealand’s KiwiSaver proposal is intended “to encourage a long-term savings habit and asset accumulation.” “KiwiSaver focuses on encouraging saving through the workplace . . . [to] allow for deductions at source, benefits from economies of scale, and . . . an avenue to reach a high proportion of the population who are able to save.”¹⁵ It is based on the observation that “automatic enrolment leads to higher participation in retirement savings schemes, as it helps overcome inertia, which prevent some people saving.”¹⁶

The U.S. automatic 401(k) and the automatic IRA proposal is intended to “expand dramatically retirement savings . . . especially to those not currently offered an employer . . . plan. . . . The essential strategy is to make saving more automatic – and hence easier, more convenient, and more likely to occur.”¹⁷ The Automatic IRA proposal would offer “most American employees not covered by an employer-sponsored retirement plan . . . the opportunity to save through the powerful mechanism of regular direct payroll deposits that continue automatically” to a “low-cost, diversified individual retirement account.”¹⁸

Basic Common Elements. The three proposals share the following basic elements:

- The fundamental goal of supplementing the public pension system by increasing retirement security through retirement savings accounts
- Automatic enrollment of employees in accounts so that they automatically participate unless they take the initiative to opt out (but with participation remaining voluntary)
- A requirement that employers that do not sponsor retirement plans for their employees use their payroll system to deliver deposits to the accounts
- Individual ownership of the accounts
- Limited individual choice regarding account investments, and a basic defined contribution model in which neither the employer nor the government guarantees investment performance
- An intent to avoid replacement or erosion of existing employer plans
- Access to the individual accounts for the self-employed and other individuals not connected to the work force
- Tax preferences for the accounts
- An account design that generates low costs, minimizes administrative and investment management expenses, and is portable across jobs.

The proposals can be briefly summarized as follows:

United Kingdom: Personal Accounts¹⁹

The UK's Department for Work and Pensions, under the leadership of Secretary of State for Work and Pensions John Hutton, has proposed a widely accessible new system of low-cost, portable, personal retirement savings accounts to take effect in 2012.²⁰ Based largely on the Turner Commission's recommended "National Pension Savings Scheme," the proposal would require employers to automatically enroll their employees either in the new accounts or in the employer's own plan.²¹ The default contribution rate to the personal accounts for employees would be four percent of pay (excluding pay below £5,000 a year and above £33,000 a year).

Employers would be required to inform employees of the saving opportunity, administer the automatic enrollment, remit employees' contributions to the government, and also make minimum matching contributions to the accounts in the amount of three percent of pay (similarly defined to the base for employee contributions). The employer

contribution requirement would be phased in one percentage point a year over the first three years of the program. The government's white paper describing the proposal emphasizes that "personal accounts are intended to complement, and not replace," existing employer plans.²² Accordingly, employers would be able to seek exemption from these requirements if they sponsor their own plan that uses automatic enrollment, have contribution levels (or equivalent benefits) at least equal to those required for personal accounts, and meet certain other conditions.

The government would contribute an additional one percent of pay, which the white paper describes as "normal tax relief on individuals' contributions."²³ As a result, the white paper (following the Turner Commission) describes the required minimum contributions to the account as totaling eight percent of pay.

Employees would not be required to participate. They could opt out, and if they did, their employers would not be obligated to make matching contributions on their behalf. The self-employed and other non-employees would be able to opt into the new system of personal accounts. No attempt would be made to subject them to any kind of automatic enrollment.

The payment collection system would be centralized to avoid burdening employers and to ensure continuity of contributions to a single personal account as individuals change jobs or move in and out of the workplace. Other functions that would be centralized include allocation of a default provider to individuals who do not affirmatively choose one, information collection and "customer" service.

Many of the specifics of the proposal have not yet been formulated. The Department for Work and Pensions has stated its intent to flesh out the proposal later this year, including the administration of the personal accounts, structure and types of investments, distribution of benefits, exemption process for existing employer plans, indexing, disclosure and transition issues.²⁴ Thus, the current white paper states generally that among the investment choices available to individuals would be "a small number of bulk-bought options" and that the accounts would have "a suggested annual management charge of 0.3 per cent in the long run."²⁵

With respect to administration of the accounts, the white paper outlines two alternative approaches and seeks public comment. The approach recommended by the Turner Commission would have a single non-departmental public organization provide all personal accounts and outsourcing operations (establishment, maintenance and operation of accounts, annual statements, customer service, etc.) to a number of pension administrators. Individuals therefore would not be required or permitted to choose their provider. Funds would still be entrusted to "professional and independent fund managers for investment, as in current industry practice."²⁶

The alternative approach would allow multiple "branded providers" to offer personal accounts. As a result, individuals would have the option of choosing among competing providers to administer their account (in addition to having the choice of whether to opt

out, whether to contribute more than the minimum, and which investments to select). The individuals would choose among the investment options offered by the selected provider. Under this approach, individuals who failed to select a provider would be assigned a provider and an investment by default.

New Zealand: KiwiSaver²⁷

The New Zealand government's KiwiSaver proposal, which the government expects will take effect in April 2007, would seek to expand private retirement savings by automatically enrolling new employees in a four percent of pay tax-deductible contribution through payroll deduction. These new hires would have the choice to opt out (either from the outset or later, for between three months and five years, with the opt-out being renewable). Alternatively, they could increase their deductible contribution to eight percent of pay. Existing employees and self-employed individuals (up to age 65) would not be automatically enrolled but could opt in to the arrangement. They would send their contributions directly to the national tax authority (Inland Revenue), which would pass them on to plan providers and would generally administer the program.

Enrollees (automatic and other) would choose a provider and an investment from among the choices the provider offered. A default provider and default investment would be assigned by Inland Revenue to those who made no affirmative election and whose employer did not designate a default provider for them. The government would negotiate fees with prospective providers of default accounts and select a limited number of default providers by competitive bidding. Each provider would offer a single default investment and a limited number of other investment options (such as conservative, balanced, and growth). The government would not guarantee investment returns.

Employers would be required to inform employees of the program, automatically enroll new hires, enroll existing employees who affirmatively elect to participate, and remit employees' salary reduction contributions to Inland Revenue together with the employer's otherwise required regular withholding deposits. Employers would not be required to contribute but would be permitted to do so. Employers could also designate a default KiwiSaver plan (provider and investment array) for employees who do not affirmatively choose one.

Employers that sponsor a registered plan of their own that is open to all new permanent employees (and that meets certain other conditions relating to minimum employee and employer contributions, vesting and transferability) could obtain a government exemption from the requirement to automatically enroll new employees. However, such exempt employers would still be required to enroll employees wishing to participate in KiwiSaver, deduct elected contributions from those employees' wages, and remit the contributions to Inland Revenue. Exempt employers could also make voluntary contributions to KiwiSaver.

KiwiSaver accounts would be managed by the private sector and would need to be registered with the government. To qualify, a KiwiSaver plan would need to meet existing requirements for private pension plans and additional KiwiSaver conditions, such as transferability, restrictions on withdrawals, and fees that are not unreasonable.

The government would make a one-time \$1,000 startup contribution to the account of each employee who participates in KiwiSaver plus an additional amount to defray a portion of the investment and administration fees. These government contributions would apply only to KiwiSaver, not to employer-sponsored plans.

Withdrawals from KiwiSaver accounts could not be made for at least five years (or until age 65, if earlier), except in the case of serious financial hardship, purchase of a new home after three years of participation, or permanent emigration. At 65, participants would be able to take a lump sum distribution unless the plan offers annuity or other options.

United States: Automatic 401(k) and Automatic IRA Proposals

Legislation is pending in the United States Congress to give further impetus to the automatic 401(k) concept. Proposed legislative provisions would confirm that state laws requiring employee signatures as a condition of payroll deduction do not preclude 401(k) sponsors from using automatic enrollment, that plan sponsors should not be overly concerned about exposure to fiduciary liability because they provide asset-allocated default investments (such as balanced or life cycle funds),²⁸ and that sponsors could repay (without restrictions or early withdrawal penalties) automatic contributions to an employee who makes a timely claim that he or she did not realize salary reduction contributions were being made. The proposed legislation would also seek to encourage automatic enrollment and automatic increases in contributions by relaxing nondiscrimination standards for plans that use these techniques.²⁹

In addition, a proposal has recently been made by the author on behalf of The Retirement Security Project and by David C. John, senior research fellow at The Heritage Foundation, to build on the promise and success of workplace saving and the automatic 401(k) in order to dramatically expand pension coverage for the 71 million U.S. workers without access to an employer plan. The “automatic IRA” would give most workers not covered by an employer-sponsored retirement plan the opportunity to save in a low-cost diversified IRA through regular payroll deposits that continue automatically (an opportunity now limited mostly to 401(k)-eligible employees).

Employers with more than 10 employees that have been in business for at least two years but that still do not sponsor any plan for their employees would be called upon to offer employees this payroll-deduction saving option. For most employees, the payroll deductions would be made by direct deposit similar to the very common direct deposit of paychecks to employees’ accounts at their financial institutions. Employers would receive a temporary tax credit for serving as a conduit for saving by making regular payroll deposit available to their employees, and would receive a small additional tax

credit for each employee who participates. Employers that are exempt from the requirement to offer an automatic IRA would nonetheless receive the tax credit if they voluntarily offered payroll deduction saving.

To maximize participation, firms would be provided a standard enrollment module reflecting best practices in enrollment procedures, including a notice informing employees of the automatic IRA payroll-deduction saving option. One version of the notice would be for use if the employer chose automatic enrollment, while another version would apply in conjunction with a standard form requiring each employee to decide to participate or to opt out. Evidence from the 401(k) universe strongly suggests that high levels of participation tend to result not only from automatic enrollment but also from the practice of eliciting from each eligible individual an explicit decision to participate or to opt out. Employers would be encouraged to choose automatic enrollment by appropriate framing of the enrollment choice and of the related forms and by the fact that employers using automatic enrollment would not need to obtain responses from unresponsive employees.

Employers making payroll deduction available would be protected from potential fiduciary liability and from having to choose or arrange default investments. Instead, diversified default investments and a handful of standard, low-cost investment alternatives would be specified by statute and regulation. Payroll deduction contributions would be transferred, at the employer's option, to a central repository, which would remit them to IRAs designated by employees or, absent employee designation, to a default collective retirement account.

Investment management as well as record keeping and other administrative functions would be contracted to private sector financial institutions to the fullest extent practicable. Costs would be minimized through a no-frills design relying on index funds, economies of scale, and maximum use of electronic technologies, and modeled to some degree on the Thrift Savings Plan for federal government employees. Once accounts reached a predetermined balance making them sufficiently profitable to attract the interest of the full range of IRA providers, account owners could transfer them to IRAs of their choosing.

This approach would involve no employer contributions, no employer compliance with qualified plan or ERISA requirements, and, as noted, no employer liability or responsibility for selecting investments. It also is intended to avoid any adverse impact on employer-sponsored plans or on the incentives designed to encourage firms to adopt new plans, and, in fact, to draw small employers into the private pension system.

For the many firms that already offer their workers direct deposit, including many that use outside payroll providers, direct deposit to an IRA should entail little or no additional out-of-pocket cost, insofar as payroll systems have unused fields that could be used for the additional direct deposit destination. Many of the small businesses that still write paychecks and complete federal tax deposit forms and W-2 forms by hand would be exempted under the exception for very small and new businesses.

The proposal would allow employers to “piggyback” the payroll deposits to IRAs onto the federal tax deposits they currently make, using the same schedule and logistics for both sets of deposits. Appended to the existing federal tax deposit forms would be a similar payroll deposit savings form enabling the employer to send all payroll deposit savings to a single destination. Small employers that mail or deliver their federal tax deposit checks and forms to the local bank would add another check and form to the same package.

For the self-employed and others who have no employer, the proposal would facilitate regular contributions to IRAs by (1) extending the payroll deposit option to many independent contractors who work for employers (other than the very smallest businesses); (2) enabling taxpayers to direct the IRS to make direct deposit of a portion of their income tax refunds³⁰; and (3) expanding access to automatic debit arrangements, including online and traditional means of access through professional and trade associations that could help members arrange for automatic debit and direct deposit to IRAs. Automatic debit essentially replicates the power of payroll deduction insofar as it continues automatically once the individual has chosen to initiate it.

In addition, the proposal notes that a powerful financial incentive to contribute might be provided by means of matching deposits to IRAs, and that private financial institutions that maintain the accounts could deliver matching contributions and be reimbursed through tax credits from the federal government.

Conclusion

Current proposals to expand private retirement savings in the United States, the United Kingdom, and New Zealand are based largely on a common strategy — promoting “automatic” saving by individuals within a voluntary private pension system. All three proposals would seek to make saving easier for individuals by requiring employers to make their payroll systems available as a saving mechanism, while seeking to minimize any impact on employer plans and employers’ administrative burdens and costs. All three proposals would require or encourage the use of automatic enrollment and default investments to promote contributions to an expanded system of low-cost, portable, tax-preferred individual accounts owned by individuals. And all of the proposals would make this system of accounts available to the self-employed and other non-employees in order to make private-sector saving a more effective supplement to a base of government-provided pensions.

Transnational comparisons can be overly facile; it is easy to draw inappropriate lessons when comparing potential solutions to similar problems that arise within different institutional and social contexts. Failing to take into account relevant differences among

the U.S., UK, and New Zealand political, economic, legal and tax systems, as well as subtle cultural differences, can readily result in misleading inferences and conclusions. However, the basic problems of promoting greater retirement security and saving in the three nations are similar, and the convergence of current proposals to address those basic problems is striking. Further sharing of experience and collaboration in analyzing the problems and developing solutions cannot help but be constructive.

¹ See, e.g., William G. Gale, J. Mark Iwry, and Peter R. Orszag, "The Saver's Credit: Expanding Retirement Savings for Middle- and Lower-Income Americans" (Retirement Security Project Policy Brief No. 2005-2, March 2005), page 3. The major exception to this deduction-based tax structure is the Saver's Credit, enacted in 2001, which provides a progressive government match for retirement savings, delivered as a tax credit. The Retirement Security Project has proposed to expand and improve the Saver's Credit in various ways. See *id.*

² For a fuller discussion of the problem and suggested solutions, see William G. Gale, J. Mark Iwry, and Peter R. Orszag, "The Automatic 401(k): A Simple Way to Strengthen Retirement Savings" (Retirement Security Project Policy Brief No. 2005-1, March 2005) and William G. Gale and J. Mark Iwry, "Automatic Investment: Improving 401(k) Portfolio Investment Choices" (Retirement Security Project Policy Brief No. 2005-4, May 2005). The Retirement Security Project policy briefs are available at www.retirementsecurityproject.org.

³ J. Mark Iwry and David C. John, "Pursuing Universal Retirement Security Through Automatic IRAs" (Retirement Security Project Working Paper, February 2006), pages 1-4 ("Automatic IRAs"), available at www.retirementsecurityproject.org.

⁴ Gale, Iwry and Orszag, cited at note 2, pages 4-5.

⁵ *Id.*, page 5.

⁶ See Revenue Ruling 98-30, 1998-25 I.R.B. 8; Revenue Ruling 2000-8, 2000-7 I.R.B. 617; General Information Letter dated March 17, 2004 from the Internal Revenue Service to J. Mark Iwry. See also Testimony of J. Mark Iwry Before the Special Committee on Aging, United States Senate (April 12, 2005); "Using the Private Pension System and IRAs to Promote Asset Accumulation for Lower-Income Families," Testimony of J. Mark Iwry Before the Subcommittee on Social Security and Family Policy of the Committee on Finance, United States Senate (April 28, 2005).

⁷ Profit Sharing/401(k) Council of America, "The 48th Annual Survey of Profit Sharing and 401(k) Plans," October 2005.

⁸ See, e.g., Brigitte Madrian and Dennis Shea, "The Power of Suggestion: Inertia in 401(k) Participation and Savings Behavior," *Quarterly Journal of Economics* 116, no. 4 (Nov. 2001), pp. 1149-87; Richard Thaler and Shlomo Benartzi, "Save More Tomorrow: Using Behavioral Economics to Increase Employee Saving," *Journal of Political Economy* 112, no. 1, pt. 2, pp. S164-87; James Choi, David Laibson, Brigitte Madrian and Andrew Metrick, "For Better or Worse: Default Effects and 401(k) Savings Behavior," in *Perspectives in the Economics of Aging*, edited by D. Wise (University of Chicago Press, 2003), pp. 81-121. See also Cass R. Sunstein and Richard H. Thaler, "Libertarian Paternalism is Not an Oxymoron," *University of Chicago Law Review* 70, no. 4 (2003), pp. 1159-1202; Alicia Munnell and Annika Sundén, *Coming Up Short: The Challenge of 401(k) Plans* (Brookings, 2004).

⁹ See New Zealand Treasury, "KiwiSaver: Detailed Information" (February 2006) ("NZT 2006"), page 1; Department for Work and Pensions, "Security in retirement: towards a new pensions system" (Presented to Parliament by the Secretary of State for Work and Pensions by Command of Her Majesty, May 2006) ("DWP 2006"); Automatic IRAs, cited at note 3, above, pages 1-13.

¹⁰ DWP 2006.

¹¹ Pensions Commission, 2005, "A new pension settlement for the twenty-first century: The second report of the Pensions Commission"; Pensions Commission 2004, "Pensions: challenges and choices: The first report of the pensions commission."

¹² NZT 2006.

¹³ DWP 2006, page 15.

¹⁴ *Id.*, page 16. “[T]hese reforms will mean that it is much simpler for individuals to save.” *Id.*, page 23.

¹⁵ NZT 2006, pages 2-3.

¹⁶ *Id.*, page 5.

¹⁷ Automatic IRAs, page 1.

¹⁸ *Id.*

¹⁹ See DWP 2006, pages 15-16, 20-81.

²⁰ The new proposal would build on and go beyond the existing stakeholder pensions, which were introduced in April 2001. These are individual plans that employers with at least five employees are required to make available to their work force unless the employer already sponsors a plan of its own or pays at least three percent of pay for these “personal pensions.” The stakeholder pensions are subject to a 1.5 percent cap on annual management charges, scheduled to decline to 1 percent in the future. It has been estimated that over 2.7 million stakeholder pensions have been sold, mostly to moderate- and lower-income workers, and the British Government estimates that the low cost of stakeholder pensions has helped put downward pressure on costs of individual accounts generally. See DWP 2006, pages 37-38.

²¹ *Id.*, page 72.

²² *Id.*, page 71.

²³ *Id.*, page 69.

²⁴ *Id.*, page 81. The white paper also indicates that the Department for Work and Pensions has commissioned two case studies on the “Save More Tomorrow” (SMarT™) technique of automatically increasing contributions in conjunction with pay raises. *Id.*, pages 77-78. See Shlomo Benartzi and Richard H. Thaler, “Save More Tomorrow: Using Behavioral Economics to Increase Employee Saving,” *Journal of Political Economy* (2003).

²⁵ *Id.*, page 46.

²⁶ *Id.*, page 57.

²⁷ See NZT 2006, pages 2-21.

²⁸ The Department of Labor is preparing to propose regulatory guidance to this effect as well.

²⁹ See H.R. 2830, The Pension Protection Act of 2005, and S. 1783, The Pension Security and Transparency Act of 2005.

³⁰ See J. Mark Iwry, “Using Tax Refunds to Increase Savings and Retirement Security” (Retirement Security Project Policy Brief No. 2006-1, January 2006).