



## City of Seattle Mayor Tim Burgess

October 10, 2017

Honorable Bruce A. Harrell  
President, Seattle City Council  
City Hall, 2nd Floor  
Seattle, WA 98124

Dear Council President Harrell:

Attached for Council consideration is legislation that establishes a framework to give Seattle workers whose employers do not offer a workplace retirement savings plan an easier way to save for retirement, the Seattle Retirement Savings Plan. Accompanying this legislation is a clerk file that contains reports and memos that I referenced in developing this legislation.

This bill is modeled after legislation establishing similar retirement systems, called “Auto-IRA,” in the states of Oregon and California. Oregon is far along in its process, and anticipates opening its retirement system for enrollment in 2018. Illinois and Connecticut have also passed Auto-IRA legislation and are in the process of developing their own programs.

Passing this legislation would put Seattle at the forefront nationally, becoming the first city in America to implement this type of city-facilitated, privately-administered plan.

The Seattle Retirement Savings Plan will be a great benefit to many of our fellow residents. Individuals are far more likely to save for retirement if they have an option available through their workplace, especially if they are automatically enrolled. Yet 40 percent of our workers—an estimated 200,000—have no access to a workplace retirement savings plan. Of Seattle workers, people of color are disproportionately more likely to lack access to workplace retirement plans, and 68 percent of small business employees lack access.

Beyond automatic enrollment for workers whose employers do not offer a retirement savings plan, this legislation also enables employees to:

- Opt out of the plan if they wish at any time,
- Determine how much of their paycheck will be deposited in their personal IRA, and how their funds will be invested, and
- Take their IRA with them when they change jobs—it will be portable and exclusively their own.

This is a pro-business, pro-economic stability, pro-growth, and pro-worker idea. It just makes sense. I look forward to working with the Council, and Seattle workers and businesses to help make sure everyone can retire securely.

Sincerely,



Tim Burgess  
Mayor, City of Seattle

cc: Honorable Members of the Seattle City Council