



VIA Electronic Mail Delivery

January 21, 2015

Honorable Vern Buchanan
United States House of Representatives
2104 Rayburn House Office Building
Washington, D.C. 20515

Honorable Ron Kind
United States House of Representatives
1502 Longworth House Office Building
Washington, D.C. 20515

Dear Representatives Buchanan and Kind:

On behalf of Principal Financial Group, I want to thank you for your leadership in seeking to improve and enhance the existing voluntary defined contribution system through the Retirement Security Act of 2015. Employer sponsored 401(k) plans and other worksite retirement plans have helped millions of workers save trillions of dollars. These plans have proven to be resilient even in challenging times but more is needed to expand access to worksite retirement plans. Your proposal builds upon the strength of the existing system, providing main street businesses the necessary tools to address retirement savings adequacy and coverage challenges.

Principal Financial Group is a leading provider of defined contribution plans with more than 70 years' experience working with small to medium-sized employers and their employees. We currently provide retirement services to more than 41,000 retirement plans and 4.5 million employee participants.

Principal was particularly pleased with your inclusion of the enhanced automatic contribution safe harbor. We must find ways to encourage far greater numbers of plan sponsors to adopt automatic enrollment and escalation features with substantive employer match contributions. To do this, we feel more flexibility is needed in the existing safe harbor requirements and your proposal offers a good starting point for gaining that additional flexibility.

Thank you for your leadership in this area. We look forward to working with you as the process continues. Seeking solutions to these important policy considerations to expand savings rates in the current employer based retirement system is vital to the economic wellbeing of millions of future retirees.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Burrows", written over a light blue horizontal line.

Gregory J. Burrows
Senior Vice President