

**Delaware House of Representatives**

**Rep. Larry Lambert**

**For Immediate Release:**

**May 17, 2022**

**House Passes Lambert Bill to Launch State-Run**

**Retirement Savings Plan**

*HB 205 would offer benefits to employers and employees across Delaware.*

DOVER – In an effort to help more Delaware workers save for the future, the House passed legislation Tuesday addressing thousands of private sector workers who lack access to an employer-sponsored retirement program.

Sponsored by **Rep. Larry Lambert**, House Bill 205 would create the Delaware Expanding Access for Retirement and Necessary Savings (“EARNS”) program, automatically enrolling employees into a state-facilitated retirement savings plan unless they elect to opt-out.

**“**It shouldn't matter what your background or job is: every Delawarean deserves the opportunity to enter into retirement with economic dignity and security,” said **Rep. Lambert**, D-Claymont. “For small businesses and the more than 200,000 Delaware workers lacking an employer-sponsored saving program, the Delaware EARNS program will be financially transformative, allowing residents to save for the future while filling a critical need in the marketplace.”

During the past decade, more than 40 states have explored, considered, or implemented legislation to create retirement savings initiatives to reach workers without a plan. At least a dozen have signed such programs into law. In most cases, the goal has been to close the wealth gap among low to modest wage earners. Local leaders recognize that as well and understand it's necessary to keep Delaware competitive with neighboring states by attracting talented workers to Delaware.

“Social security provides our seniors with a critical safety net, but the added financial security of a retirement savings account can be the difference between surviving and thriving for many older Delawareans,” said **Sen.** **Nicole Poore**, the prime Senate sponsor of HB 205. “I want to thank Rep. Lambert for sponsoring this legislation to both make saving for retirement easier for thousands of working families and level the playing field for Delaware small businesses and helping them compete for talent.”

For employers, Delaware EARNS would require businesses with more than five employees to participate and would also benefit small businesses that are currently unable to offer retirement plans to employees due to financial reasons. Predictions indicate the state could save almost $9 billion between 2021-2035 if retirees have sufficient savings.

“DE EARNS will be the ultimate win-win for Delaware businesses and workers,” said **State Treasurer Colleen Davis**, whose office has championed this issue. “Companies will be able to offer employees a secure program to save for the future, helping small businesses attract and maintain a strong workforce. This legislation plays a key part in continuing to focus on my three main priorities of bolstering retirement security and readiness, creating pathways to economic empowerment, and promoting a culture of financial excellence.”

HB 205 now heads to the Senate for consideration.

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