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**From:** Abby Fuller [mailto:fuller.abby@gmail.com]  
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**To:** EBSA, E-ORI - EBSA  
**Subject:** Comments on Lifetime Income RFI

#### Comments on Lifetime Income RFI

I am writing as a concerned individual. My husband and I are self-employed and manage our own retirement accounts.

While I have no objections to employers retirement plans offering annuities (or other fixed income options), the choice is already available for anyone who rolls their 401k over into an IRA. If people want annuities, they can get them.

Why would a person chose not to have an annuity? Three reasons: one, the risk of inflation eating up the value of the income stream; two, once bought, you cant change your mind; and three, the hope of a better return through other investment options. None of my retirement assets are in annuities and I expect to keep it that way for my lifetime. The big problem, as I understand it, is not a lack of annuities but lack of money set aside. But saving for retirement is the responsibility of the individual; not the employer, and not the government. Its up to the individual to spend less and save more.

If you must meddle, there are several ways to encourage more retirement saving. Increase the amounts that people can set aside in tax-favored accounts (IRAs, 401ks, etc.). Keep tax rates low on capital gains and dividends, so people can save more than the tax-favored amount without losing half of their investment gain to the taxman.

And, as a related concern, dont let the Solo 401k die when the 2001 Tax Reforms sunset next year. The self employed need the tax breaks to be able to set money aside for retirement. An IRA alone is not enough.

The sellers of annuities seem to be pushing this idea that employers must offer annuities. They are interested in selling more of their own product, not in the welfare of retirees. People have a right to control their own retirement planning, even if it means nobody buys annuities. If the insurance companies want to sell more annuities, let them produce a better product.

As for how much information an employer-sponsored plan should provide the more the merrier. A fully informed consumer has a better chance of making a smart choice. But do make sure whatever information is provided is not misleading.

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