

COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

March 6, 2018

Mr. Jamie Dimon
Chairman
Business Roundtable
300 New Jersey Avenue, NW
Suite 800
Washington, D.C. 20001

Dear Mr. Dimon,

This past December the President signed into law a \$2.3 trillion tax bill that cuts the corporate tax rate by almost a third and allows many corporations to lower their tax obligations. For our nation's most profitable companies, the financial benefit of this tax law is substantial.

At the same time, our country is in a retirement crisis. According to the Center for Retirement Research at Boston College, 50 percent of Americans do not have the savings necessary to maintain a high quality of life once they retire. In fact, over half of Americans have no retirement savings at all.

Companies now face a choice. Will they choose to spend their newfound financial windfall on stock buybacks or will they make a real investment in their workers' financial and retirement security? As millions of Americans face dire futures of financial uncertainty, it is my hope that the Business Roundtable will use its leadership and influence to encourage companies to contribute greater amounts to their employees' retirements, so that more Americans will be prepared for life after work.

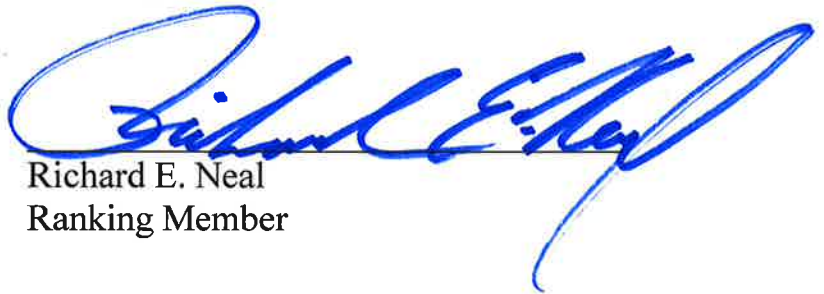
Specifically, I would encourage companies to use a portion of their tax breaks to increase funding for their pension plans. I am pleased to see that a number of companies are already doing this. I also would encourage companies to increase employer contributions to their employees' 401(k) plans. During the recent recession, a number of companies suspended these contributions, which resulted in

many retirees having to postpone their retirement. Fortunately, with improvements to the economy and markets, most employers have reestablished those contributions. This new tax break provides an opportunity for companies to "make up" those contributions and even increase levels of savings for employees.

While there are many reports of employers providing employee bonuses in response to the tax law, which I certainly commend, companies should also not forget the promises they have made to support their workers into the future. Companies should consider using their tax breaks to fund their pension plans and increase employer contributions for their employees' 401(k) plans.

Thank you for consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Richard E. Neal", is written over a horizontal line. The signature is fluid and cursive, with a large initial "R" and a long, sweeping tail that extends to the right.

Richard E. Neal
Ranking Member