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April 15, 2008

The Honorable George Miller United States House of Representatives Washington, DC

Dear Chairman Miller,

PSCA commends you, on behalf of plan sponsors, for the significant changes provided in the substitute to HR 3185. It provides a strong framework to ensure that plan sponsors receive the information needed to help them deliver quality defined contribution plans to American workers. The legislation recognizes that, for small and mid-size businesses, service providers are much better positioned to provide disclosures than plan sponsors are to request information that they may not know exists. PSCA also supports the participant disclosure requirements in the legislation. We look forward to working with you to enact these important provisions.

The requirement to offer an index fund is a concern for our members. While the majority of plan sponsors offer some type of index fund to workers, we don't agree that a government-directed investment option is appropriate or in the best interests of participants. We strongly support increased transparency and the provisions in the revised bill that will make that possible. However, nothing in the bill prevents plan fiduciaries, especially small businesses, from being charged with the responsibility for evaluation of more information than service providers are required to give them. This puts fiduciaries in an impossible situation and legally exposed. It is critical, that as HR 3185 progresses, these concerns are addressed.

We look forward to working with you on this and future efforts to increase the retirement security of American workers.

Sincerely,

David L. Wray President