

**401kWire.com**The insiders' edge for defined contribution executives!
an InvestmentWires' Publication

Monday, October 07, 2013

Wagner Warns of a 401k Inflection Point

"We are really at a true, a veritable inflection point where we as a society have to decide, have to determine what type of pension system we want and what we can afford."

Marcia Wagner, managing director of the **Wagner Law Group**, gave those words of warning this morning in her keynote remarks at the opening of the 2013 *CFDD* conference at the Grand Hyatt in San Antonio.

"Those that are in favor of centralization, who have long distrusted private industry in the pension realm, are using the opportunity of our current fiscal crisis as a means to an end of increasing the power of the state and federal government [in the retirement plan arena]," Wagner said. "We as a society have to decide ... what type of pension system we want and what we can afford."

Wagner drew conferees' attention to a variety of tax reform and pension reform proposals that threaten the 401(k) status quo. Those looming potential threats include: automatic (i.e. payroll deduction) IRAs championed by Mark Iwry, SAFE pushed by the Center for American Progress, GRAs proposed by Teresa Ghilarducci, universal DC suggested by Jack Bogle, the account size cap proposed by the Obama administration, the tax deduction elimination suggested by William Gale of Brookings, the USA Retirement Funds proposed by Senator Tom Harkin (D-Iowa) and more. Auto-IRAs in particular, Wagner said, are still on the table.

"It has bipartisan appeal," Wagner said. "It is not dead, no matter how many times people want to tell me that it is."

Wagner predicted that, while pension system reform is more likely to come out of a single party Congress, tax reform that impacts 401(k)s and other retirement plans "has to come no

matter what."

"The only question is system reform." "This internal revenue code does not work any more," Wagner said. "The only question is system reform."

Printed from: <http://www.I-Wires.com/story.aspx?s=46331>

**Copyright 2013, InvestmentWires, Inc.
All Rights Reserved**

[Back to Top](#)