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NEWS RELEASE

T. ROWE PRICE PUBLISHES WHITE PAPER ON THE SUCCESS OF DEFINED CONTRIBUTION PLANS AND THE FUTURE OF RETIREMENT

Commemorating 50 years of the Employee Retirement Income Security Act and its impact on retirement savings in America

BALTIMORE (September 13, 2024) – T. Rowe Price, a global investment management firm and a leader in retirement, today published a new white paper to mark the 50th anniversary of the Employee Retirement Income Security Act of 1974 (ERISA). The paper explores how defined contribution (DC) plans have improved the retirement savings landscape in America in the ERISA era and ways that DC plans can continue to support the evolving and diverse needs of retirement savers.

“Today, industry leaders, lawmakers and policy influencers gathered in Washington D.C. to celebrate 50 years of ERISA,” said Sudipto Banerjee, director of retirement thought leadership at T. Rowe Price, author of the white paper, and speaker at today’s event. “It was an incredible honor to speak at the ERISA symposium among fellow retirement leaders. Reflecting on the strong foundation ERISA has laid for retirement savings and discussing how we can build on its success was both inspiring and vital. Together, we can guide even more savers toward better retirement outcomes.”

Key insights from [The Success of Defined Contribution Plans and the Road Ahead](#) include:

- According to the Investment Company Institute, today, defined contribution plans across the private sector, government agencies, and non-profits, along with IRAs, account for 63% of the \$40 trillion in U.S. retirement market assets
- Defined contribution plans have expanded retirement plan access and participation, increased savings rates, and provided diversified investments for U.S. workers
- Wider adoption of auto-features, such as automatic enrollment, reenrollment, and auto escalation, could significantly enhance participation and outcomes. According to T. Rowe Price data, retirement plans with auto-enrollment have an 83% participation rate compared to 36% for plans without it
- According to data from the Survey of Consumer Finances, more than three-quarters of total liquid financial assets of middle-income families are invested in retirement accounts
- American workers can meaningfully replace their income in retirement through the combination of employer-sponsored retirement savings plans and Social Security
- Protecting Social Security, delivering retirement income solutions, and addressing savings barriers for workers could also improve the retirement system

“As a leader in retirement, T. Rowe Price recognizes the important role we have in driving positive change and innovation in the retirement industry,” said Michael Davis, head of global retirement strategy at T. Rowe Price. “Defined contribution plans have become the vital force behind a secure retirement for most U.S. workers, and while ERISA has laid a strong foundation for retirement savings in America, the work is not yet done. By focusing on adoption of effective auto-features, addressing racial and gender savings disparities, and delivering personalized solutions for workers, we can continue to improve retirement coverage and outcomes for all Americans.”

ABOUT T. ROWE PRICE

Founded in 1937, T. Rowe Price (NASDAQ – GS: TROW) helps individuals and institutions around the world achieve their long-term investment goals. As a large global asset management company known for investment excellence, retirement leadership, and independent proprietary research, the firm is built on a culture of integrity that puts client interests first. Clients rely on the award-winning firm for its retirement expertise and active management of equity, fixed income, alternatives, and multi-asset investment capabilities. T. Rowe Price serves millions of clients globally and manages US \$1.61 trillion in assets under management as of August 30, 2024. About two-thirds of the assets under management are retirement-related. News and other updates can be found on [Facebook](#), [Instagram](#), [LinkedIn](#), [X](#), [YouTube](#), and troweprice.com/newsroom.

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