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## **CARDIN LAUDS PASSAGE OF BILL TO PROTECT SENIORS' SAVINGS DURING VOLATILE ECONOMIC TIMES**

WASHINGTON – **U.S. Senator Benjamin L. Cardin** (D-MD), a member of the Senate Budget Committee, today praised his Senate colleagues for acting swiftly to protect the savings of America's seniors with unanimous passage of the *Technical Corrections to the Pension Protection Act* (H.R. 7327). Among other provisions, this legislation places a one-year moratorium on the required minimum distributions found in many retirement plans like IRAs and 401(k)s. The House of Representatives passed the bill yesterday, also by a unanimous vote. The legislation is similar to legislation then-Congressman Cardin sponsored in 2005 while a senior member of the House Ways and Means Committee.

“This bill is critically important for millions of seniors who might have been penalized financially for our nation’s economic downturn. If we had failed to pass this moratorium, seniors would have been forced to take a loss on their investments just because they reached age 70 ½, after they worked hard all their lives to save for retirement,” **said Senator Cardin**. “I am pleased we were able to pass this before the end of the year and help secure seniors’ savings during such a volatile time for worldwide financial markets. Passage of this legislation also will also help reduce the real fear many retirees have as they watch their retirement account balances drop sharply.

Current law requires that at age of 70 ½, seniors must begin to take a required minimum distribution from their individual retirement accounts and defined contribution plans, such as 401(k)s. With the state of the financial markets, such mandatory cash-outs could result in the loss of thousands of dollars for up to 400,000 retirees in Maryland who are over age 70 ½. The moratorium will allow seniors to choose whether or not to withdraw funds when they reach age 70 ½.

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