



**TESTIMONY OF
RICHARD FIESTA
EXECUTIVE DIRECTOR, ALLIANCE FOR RETIRED AMERICANS**

**SENATE COMMITTEE ON HEALTH, EDUCATION, LABOR AND PENSIONS
THE FUTURE OF RETIREMENT
NOVEMBER 20, 2025**

Chairman Cassidy, Ranking Member Sanders, and members of the committee. My name is Richard Fiesta, and I am the Executive Director of the Alliance for Retired Americans. I thank you for the invitation to testify today. The Alliance is a 4.4-million-member national grassroots advocacy organization with 40-state chapters and members in every state. Our mission is to educate, mobilize, and advocate for a healthy and secure retirement for all Americans.

Today's hearing, "The Future of Retirement," is very timely.

But does retirement have a future? Is it something for all Americans, or is it becoming a privilege reserved only for the wealthy? There is no better time to act to strengthen retirement security for all Americans, since the United States is experiencing what demographers have dubbed "Peak 65."

Peak 65 refers to the years 2024 to 2027, when more Americans will turn 65 than at any other such period in our history —11,400 people each day. The Baby Boom peak is driving historic numbers of Americans into retirement.

At the Alliance, we believe that every American deserves a secure retirement after a lifetime of hard work.

Why do we think a secure retirement for all is at risk?

Because the latest [Census Bureau](#) data found that Americans 65 years and older were the only age group to see an increase in poverty, which last year rose to 9.7%.

Nearly 50% of older Americans are living on less than \$30,000 annually, and over 1 in 5 survive on less than \$15,000.

Of course, for 90 years, Social Security's guaranteed, earned benefits have kept generations of American seniors out of poverty. But today it's not enough.

Another reason is the decline of defined benefit pension plans, which guarantee workers a steady, lifelong, predictable income while shielding workers from market volatility and the risk of outliving their savings. The shift to defined contribution retirement plans, such as 401(k)s and IRAs, placed all investment risk on individual workers and has proven to be an inadequate replacement for traditional pensions.

Importantly, there are structural economic reasons for the retirement security crisis. Americans cannot save what they do not earn. Since 1979, the real wages of 90% of wage earners have grown by a meager 15%. In contrast, real wages for the top 1% grew 138%. The post-war model in which wages increased with productivity has been severed, leaving families with stagnant buying power and the inability to save.

So, what can be done?

First, we must strengthen and expand Social Security. We strongly support Senator Sanders' Social Security Expansion Act, which subjects all income above \$250,000 to the Social Security payroll tax. This change would create enough revenue to extend the Social Security Trust Fund's solvency for 75 years and increase benefits for all by \$200 a month.

Second, we recognize that the long-term solution is to ensure that workers earn higher wages and receive increased benefits. One of the primary factors in our nation's rapidly widening economic divide is the decline in the number of unionized workers covered by collective bargaining agreements and able to bargain for wages, health care, and retirement benefits. In fact, 64 percent of union workers have access to a pension plan that guarantees an income in retirement compared to just 11 percent of non-union workers, and higher wages translate directly to increased savings and more secure benefits later in life.

Congress must pass Senator Sanders' Protecting the Right to Organize Act (S. 852, H.R. 20) to fix our nation's broken labor laws and ensure that all Americans have the unencumbered right to form and join a union.

Another significant threat to a secure retirement is the federal minimum wage, which has remained at \$7.25 per hour since 2009. Senator Sanders' bill, [the Raise the Wage Act](#) (S. 1332), would increase the minimum wage to \$17 an hour by 2030, benefiting approximately 22 million American workers. Raising the minimum wage would increase earnings now, add revenue to the Social Security Trust Fund, and ultimately lead to higher Social Security benefits at retirement.

We also support Senator Sanders' Pensions for All Act, S. 2335, because it would dramatically increase retirement security for the 56 million Americans who currently lack access to a retirement plan. It would require employers to either provide a pension plan equivalent to the one offered to members of Congress under the Federal Employees Retirement System (FERS) or contribute to FERS at a level that ensures all workers

receive the same retirement benefits as members of Congress.

Finally, more than \$2.1 trillion in unclaimed 401(k) funds is sitting in thousands of dormant accounts held by employers and financial institutions. That's a staggering figure. The Department of Labor should act quickly and decisively to get those funds into the hands of the workers who earned them, as was envisioned when Congress passed the Secure 2.0 Act.

I once again thank this committee for inviting me to participate on behalf of the Alliance for Retired Americans in today's important hearing. I am available to answer any questions you have.