

March 25, 2025

The Honorable Mia Bonta, Chair
Assembly Health Committee
State Capitol, Room 390
Sacramento, California 95814

RE: Support for AB 4 (Arambula)— Health4All in Covered California - SUPPORT

Dear Chair Bonta,

As a representative of the more than four million small businesses in California, Small Business Majority is pleased to support AB 4, which will remove immigration status as a barrier to eligibility to access healthcare coverage within Covered California. This will ensure more small business employees and entrepreneurs are able to access the health coverage they need to fully participate in our state's economy.

Small Business Majority is a small business organization with offices across California that empowers diverse entrepreneurs to build a thriving and equitable economy. We engage our network of more than 85,000 small businesses and 1,500 business and community organizations to deliver resources to entrepreneurs and advocate for public policy solutions that promote inclusive small business growth. Our work is bolstered by extensive research and deep connections with the small business community that enable us to educate stakeholders about key issues impacting entrepreneurs, with a special focus on the smallest businesses and those facing systemic inequities.

Undocumented immigrant communities make immeasurable contributions to the social and economic fabric of California. In fact, California is home to roughly 2.4 million undocumented individuals (6% of the state's workforce), many of whom own or work for small businesses. In 2021, undocumented Californians contributed roughly \$5.5 billion in state and local taxes. What's more nearly one in five businesses in 2023 were started by immigrants, who are more likely to have employees than non-immigrant owned businesses and contribute more the \$1 trillion to our national economy annually. Despite their important contributions to our state's economy, undocumented immigrants are explicitly prevented by the Affordable Care Act from enrolling into healthcare coverage plans sold in the Covered California marketplace. This means undocumented workers are accessing our healthcare system in an inefficient manner, which also drives up costs for all Californians.

This is an important issue for Main Street because healthcare costs are increasing and continue to be a huge burden for small business owners and their employees. In fact, our [polling](#) shows that nearly one-quarter (24%) of small businesses have dropped health coverage altogether. When small business owners can't afford private health insurance plans, they must rely on the state marketplace to keep themselves and their employees healthy. Healthy employees equal healthy bottom lines. AB 4 will not only support undocumented business owners who are contributing to our local economies and communities, but it will also support the small business workforce, creating a healthier small business ecosystem.

AB 4 will address these issues by directing Covered California to create a program that will allow undocumented Californians—who would otherwise be eligible if not for their immigration status—to purchase in health coverage plans as similar as possible to those offered in Covered California. Additionally, it will create a state funded and operated healthcare marketplace where undocumented Californians will be able to compare and shop for health coverage plans.

Immigrants are a critical part of our small business ecosystem and must have access to quality and affordable healthcare to truly create an equitable and thriving economy in California. AB 4 will help the state advance this goal.

For these reasons, Small Business Majority is proud to support AB 4 (Arambula) and we urge your support of this important legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Bianca Blomquist". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Bianca Blomquist
California Director
Small Business Majority