



August 13, 2022

The Honorable Gavin Newsom
Governor, State of California
State Capitol, Suite 1173
Sacramento, CA 95814

RE: Small Business Majority Support for SB 1126 (Cortese)—CalSavers Eligibility Expansion

Dear Governor Newsom:

As a representative of the four million small businesses in California, Small Business Majority writes to support Senate Bill 1126 (Cortese), which will enable the CalSavers Retirement Savings Program to achieve its mission of ensuring all Californians have a path to financial security in retirement.

Small Business Majority is a national small business organization with multiple offices throughout California, founded and run by small business owners to empower America's entrepreneurs to build a thriving and equitable economy. We actively engage small business owners and policymakers in support of solutions that promote small business growth. A key component of our work involves outreach to small business owners on a range of small business issues, including access to capital, workforce issues, healthcare and more.

SB 1126 will help the state's small businesses by expanding CalSavers to an estimated three-quarters of a million California employees and ensure virtually all small businesses and Californians have access to a retirement savings program. The bill would also remove an inequity for the state's smallest employers and allow them to access a no-fee, easy tool to aid in employee recruitment and retention.

Most small business owners don't have the means employ a dedicated human resources department typically tasked with identifying, selecting, and implementing a work-place based retirement program. Traditional retirement savings programs can be financially burdensome and administratively burdensome on small business owners who wish to help their employees save for retirement. By giving California's smallest business owners access to this state run program, we can begin to level the playing field for entrepreneurs in a difficult hiring market who cannot provide the same competitive benefits packages that larger companies can. CalSavers is free for small business owners to participate and does not involve fiduciary liability on behalf of the employer. CalSavers is an innovative and practical solution for California's smallest business owners.

Operating at no taxpayer expense, CalSavers ensures all Californians have a path to retire with dignity. We encourage you to take quick action and sign SB 1126 in order to support California's small businesses.

Sincerely,

A handwritten signature in black ink, appearing to read "Bianca Blomquist", written over a horizontal line.

Bianca Blomquist

Policy Director, California