



April 13, 2022

The Honorable Member Miguel Santiago
Capitol Office
1021 O Street, Suite 6150
Sacramento, CA 94249-0053

RE: AB 2847 Excluded Workers Program

Dear Assembly Member Santiago:

Small Business Majority writes today in support of AB 2847, an investment of \$690 million to create an Excluded Workers Program for employees in California who are excluded from unemployment insurance. This would ensure that all unemployed workers have the resources they need to recover and continue to support local small businesses.

Small Business Majority is a national small business organization that empowers America's 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 America's entrepreneurs, with a special focus on the smallest businesses and those facing systemic inequities.

When the COVID-19 pandemic began unemployment insurance benefits served as an essential lifeline for California small business owners and employees. However, based on outdated and racist policies, undocumented immigrant workers, who comprise 1 in 16 employees in California, were entirely excluded from these benefits, despite being some of the most severely impacted by the pandemic. This in turn has a ripple effect throughout local economies and small business communities.

Over the past ten years, \$4.4 billion have been paid into the California Unemployment Insurance Trust Fund by companies that employ excluded workers. Despite billions of dollars going into the unemployment insurance system on their behalf, millions of workers are excluded from accessing critical unemployment relief that consumers use to spend at small businesses in the interim.

This legislation would help address this issue by providing unemployed workers who are ineligible for regular unemployment insurance due to their immigration status with comparable compensation. This would benefit the small business ecosystem by ensuring our most vulnerable workers are able to contribute to local economies and California's recovery. If unemployed workers do not receive the assistance they need, that means they're not able to spend at small businesses in their communities.

We call on California to build on its momentum, and to begin addressing the impacts of exclusion on immigrant communities. Our proposal is for a state Excluded Workers Program for undocumented workers excluded from unemployment insurance, which would provide unemployed workers who are ineligible for regular unemployment insurance due to their immigration status with \$300 per week for up to 20 weeks and require an evaluation with input from key stakeholders to make recommendations for a permanent program.

The COVID-19 pandemic was not the first crisis that California faced and it will not be the last. This investment is key to modernizing our state's infrastructure and creating a strong and resilient economy.

For these reasons, we urgently request an investment of \$690 million to enact an Excluded Workers Program and help bolster our small business ecosystem.

Sincerely,

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

Bianca Blomquist
California Policy Director
Small Business Majority