



May 13, 2022

The Honorable Bryan Townsend  
Majority Leader  
Delaware State Senate  
411 Legislative Ave  
Dover, DE 19901

The Honorable Gerald Hocker  
Minority Leader  
Delaware State Senate  
411 Legislative Ave  
Dover, DE 19901

The Honorable Peter Schwartzkopf  
Speaker  
Delaware House of Representatives  
411 Legislative Ave  
Dover, DE 19901

The Honorable Daniel Short  
Minority Leader  
Delaware House of Representative  
411 Legislative Ave  
Dover, DE 19901

*RE: Small businesses support for House Bill 205*

Dear Members of the Delaware General Assembly:

As a representative of America's 31 million small businesses, Small Business Majority writes in support of Delaware House Bill 205, which would establish the Delaware Expanding Access for Retirement and Necessary Saving ("EARNs") program. The program would allow eligible employees to provide, on a voluntary basis, access to retirement savings through a state-facilitated retirement savings program in a convenient, cost effective, and portable manner.

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.

The way Americans work and start a business is changing, which has been especially true during the COVID-19 pandemic. The health crisis has also underscored why today's entrepreneurs and small business employees need a modernized and robust benefits infrastructure that promotes wealth creation, financial security and quality jobs for those who do not work for large organizations. We know through our work that [small business owners want](#) to offer robust benefits like retirement to their employees in order to attract and retain a talented workforce, but they are often unable to due to cost, administrative complexity and fear of fiduciary liability. Existing state auto IRA programs in California, Oregon and Illinois have had enormous success with adding employees to the pool of individuals who wouldn't have otherwise been able to save for their retirement.

The EARNs program would benefit small business owners and their employees by providing access to a state-facilitated program that is funded by employees and addresses the barriers that small employers face in administering retirement plans on their own. What's more, there are documented wealth gaps in Delaware, disproportionately impacting women and people of color, and a state-facilitated savings plan will help close the wealth gap among low to modest wage earners, and keep Delaware competitive with neighboring states by attracting talented workers.

It is time for Delaware to take steps to support small businesses that are struggling to access retirement benefits by passing HB 205. We urge the Members of the Delaware General Assembly to swiftly pass HB 205 and send it to Governor Carney's desk.

Sincerely,

A handwritten signature in cursive script that reads "John C. Arensmeyer".

John Arensmeyer  
Founder and CEO