



March 4, 2021

The Honorable Michael Halpin
Chair, House Personnel & Pensions Committee
272-S Stratton Office Building
Springfield, IL 62706

RE: HBO117 – Expanding participation in Illinois Secure Choice

Dear Chairperson Halpin:

As a representative of the nearly 1.2 million small businesses in Illinois, Small Business Majority writes today in support of HBO117, which would expand Illinois Secure Choice so that employers with at least one employee may participate and auto-enroll their employees. This is an important step to supporting very small businesses and their employees who are unable to access traditional retirement programs, particularly those who have been impacted by the COVID-19 pandemic.

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 80,000 small businesses and 1,000 business and community organizations to advocate for public policy solutions and deliver resources to entrepreneurs that promote equitable 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.

Many small businesses suffer from a retirement savings gap: just 19% of small employers are able to offer a retirement plan, despite many wanting to do so. What's more, businesses owned by people of color and women experience lower rates of access to retirement programs than their white, male counterparts. In fact, women retire with 80 times less wealth than men.

We also know that small businesses want to offer retirement benefits to attract and retain talented employees, but they struggle to do so due to the cost and complexity of administering a retirement plan. In fact, Small Business Majority's research found 68% of Illinois small business owners support an auto-enroll retirement savings program¹, and they agree that Illinois should do more to help small businesses participate in basic retirement savings programs.² This legislation would address this while solving the biggest challenges small employers face in offering retirement programs—time, financial liability and administrative burden.

I urge you to vote in favor of HBO117 and support Illinois' small businesses during this difficult time.

Sincerely,

Geri Aglipay, Midwest Director

CC: Vice Chair Kelly Burke and Representative Will Guzzardi

¹ Small Business Majority, Illinois small business owners say government doesn't understand their concerns”
<https://smallbusinessmajority.org/our-research/entrepreneurship-freelance-economy/small-business-owners-say-government-doesn-t-understand-their-concerns-need-help-healthcare-costs-and-other-challenges>

² Small Business Majority, “Small Businesses Believe Illinois Needs to do More to Help Workers Prepare for Retirement”
<https://smallbusinessmajority.org/sites/default/files/research-reports/111814-Illinois-Retirement-Poll.pdf>