



STATEMENT FOR THE RECORD
BEFORE THE SENATE FINANCE COMMITTEE
ON THE
COLORADO SECURE SAVINGS PLAN

March 14, 2019

Hunter Railey, Colorado Director
Small Business Majority

Dear Chairman Court, Vice Chair Lee and the members of the Senate Finance Committee:

My name is Hunter Railey, and I'm the Colorado Director for Small Business Majority, a national small business advocacy organization with an office here in Denver. Thank you for allowing me to share comments with you on the importance of publicly administered retirement savings programs to our small business owners and their hard-working employees.

Colorado is suffering from a serious retirement savings gap, and small business owners and their employees are significantly impacted by this crisis. According to research from Bell Policy Center, almost one million workers in Colorado don't participate in any retirement savings plan. Specifically, 81% small business employees in Colorado lack access to a workplace retirement plan. Our scientific opinion polling has found this reflects national trends, with just 19% of small employers reporting that they are able to offer a retirement plan to all employees.

SB19-173 would take steps to address this by establishing the Colorado Secure Savings Plan Board to study the feasibility of a program that allows private-sector employees to contribute to an individual retirement savings account through modest payroll deductions. Such a plan would help small business owners offer retirement savings benefits at no added cost to their business.

We know that unfortunately too many small business owners face barriers to providing a workplace savings account. According to scientific opinion polling released by Small Business Majority and AARP, 3 in 5 Colorado small employers do not currently provide a workplace retirement savings plan, with cost cited as the primary reason. Among those who do not offer retirement benefits, two-thirds say they would offer a state retirement savings plan, if such a plan were available.

Small business owners want to offer flexible retirement options, which they know