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**STATEMENT FOR THE RECORD**  
**BEFORE THE HOUSE COMMITTEE ON BUSINESS AFFAIRS AND**  
**LABOR**  
**ON THE**  
**COLORADO SECURE CHOICE SAVINGS PLAN**

**April 5, 2017**

**Hunter Railey, Colorado Outreach Manager**  
**Small Business Majority**

Dear Chairman Kraft-Tharp, Vice-Chair Winter and the members of the House Committee on Business Affairs and Labor:

My name is Hunter Railey, and I'm the Colorado Outreach Manager 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.

The Colorado Secure Savings Plan (HB18-1298) would give more options to small businesses that don't offer retirement programs by establishing a program that allows private-sector employees to contribute to an individual retirement savings account through modest payroll deductions. This would help small business owners offer retirement savings benefits at no added cost to their business.

Small business owners know offering benefits like retirement savings makes for a happier and more engaged staff, which in turn leads to increased productivity. What's more, policies like these help level the playing field between small businesses that want to offer retirement benefits but can't, and their larger counterparts that can. This helps small businesses compete for and retain the best employees.

Many small business owners also think of their employees as family, so it's not surprising they support programs that enable them to foster a happier workforce while protecting their workers and their bottom line. In fact, scientific opinion polling released by Small Business Majority and AARP found almost 3 in 5 small business owners in Colorado (58%) support a privately managed state retirement savings program that would help small businesses offer employees a way to save for the future. Nearly 7 in 10 (69%) believe offering such a program makes small businesses more competitive by helping them attract and retain talented employees.

We know that unfortunately too many small business owners face barriers to providing a workplace savings account. Three in five 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.

These numbers reflect the stories I hear meeting with small business owners throughout Colorado. Kelli Riley, a Small Business Majority member based in Greeley and the owner of a law firm, has one employee currently and would like to hire another before the end of the year. But she has no HR staff and can't afford to offer a retirement plan, and she's worried about being able to compete for top talent as she expands her business. The Secure Choice program would allow her to offer a retirement benefit to her employees, which would help her hire the best possible employee to expand her business.

Some opponents of this measure claim it will harm small businesses by creating a burden for owners and their employees. This is simply not true. In fact, the bill explicitly states that employers have no liability for financial contributions and establishes a board of directors tasked with disseminating information to both employers and employees. The Secure Choice Retirement Savings Plan would be the easiest way for a small business employer to offer retirement plans to their employees without creating a new administrative burden.

Opponents also ignore that the bill proposes a solution to a very real problem. The United States currently suffers from a retirement savings gap of more than \$6 trillion, and more than 38 million households do not have any retirement savings at all. Colorado small business owners and their workers are no exception. In fact, almost half of private-sector workers in Colorado do not have access to a retirement savings plan through their employer.

These statistics will not change on their own. That may be why nearly 3 in 4 (72%) small business owners in Colorado believe state lawmakers should support a plan that would make it easier for small firms to offer an opportunity for their employees to save for retirement.

Small business owners and their employees are struggling to access retirement benefits, and the Colorado Secure Choice Savings Plan can help. I urge you to consider small business support for this issue as you consider this bill.

Thank you.

Hunter Railey, Colorado Outreach Manager  
Small Business Majority