

# What small businesses need from the California Secure Choice Savings Program

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July 27, 2015  
Small Business Majority

# About Small Business Majority

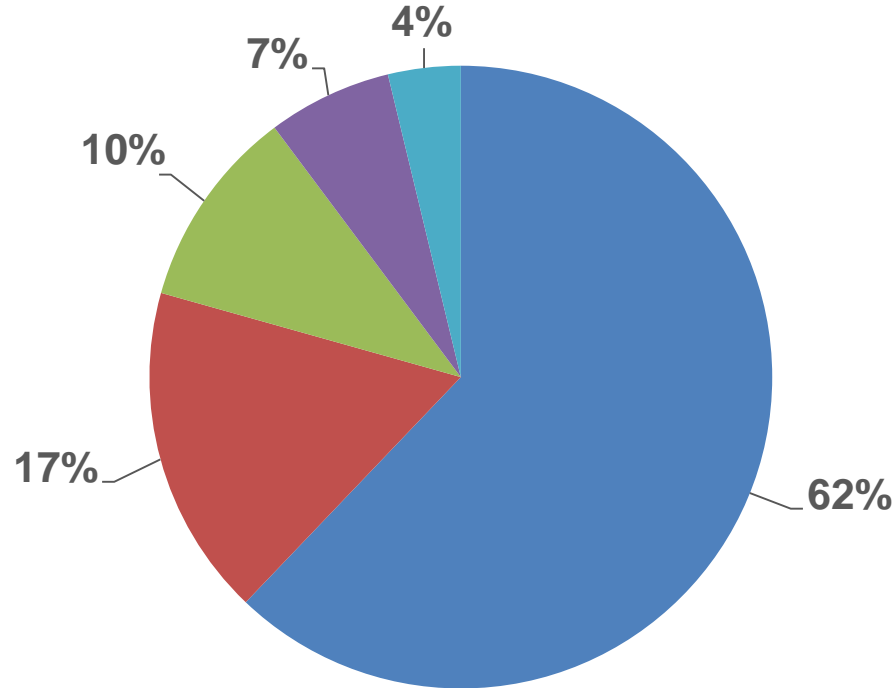


- **Small business education and advocacy organization** – founded and run by small business owners. Been in business nine years.
- **National** – 14 offices in Washington, D.C., California, Colorado, Illinois, Maryland, Michigan, Missouri, New Jersey, New York, Ohio, Oregon, Virginia and Washington state
- **Focus on issues of top importance to small businesses** (<100 employees) and the self-employed, including access to capital, workforce, healthcare, retirement, taxes, technology and energy savings.
- Work supported by extensive **research**

# How small are small businesses



**79% of small businesses  
have fewer than 10 employees**



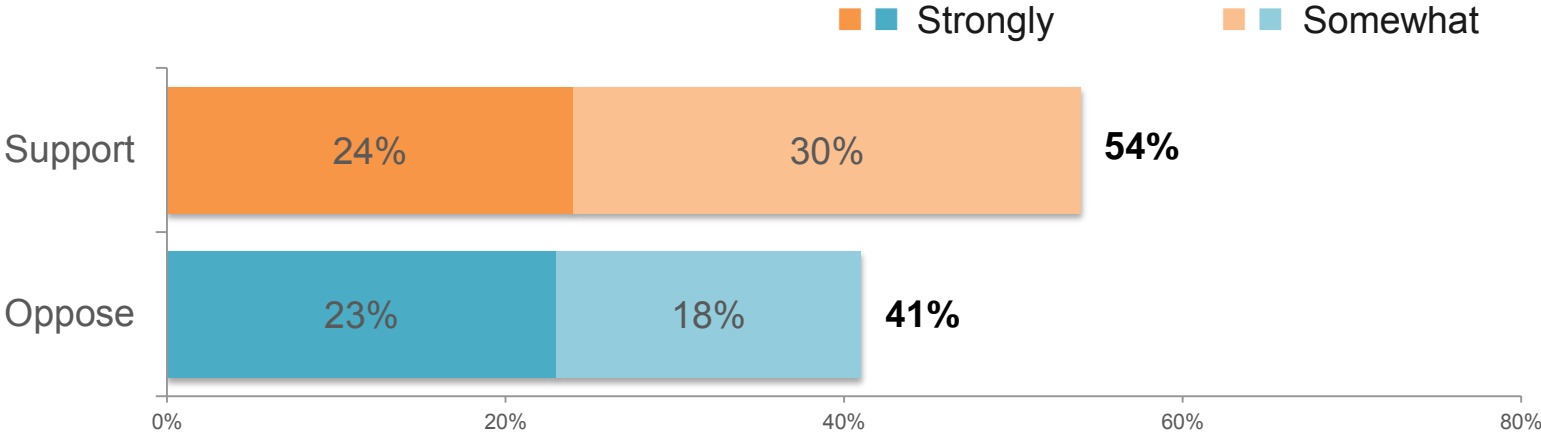
NUMBER OF EMPLOYEES

■ 0-4 ■ 5-9 ■ 10-19 ■ 20-49 ■ 50+

# Small businesses support state-administered retirement funds



Would you strongly support, somewhat support, somewhat oppose, or strongly oppose such legislation?

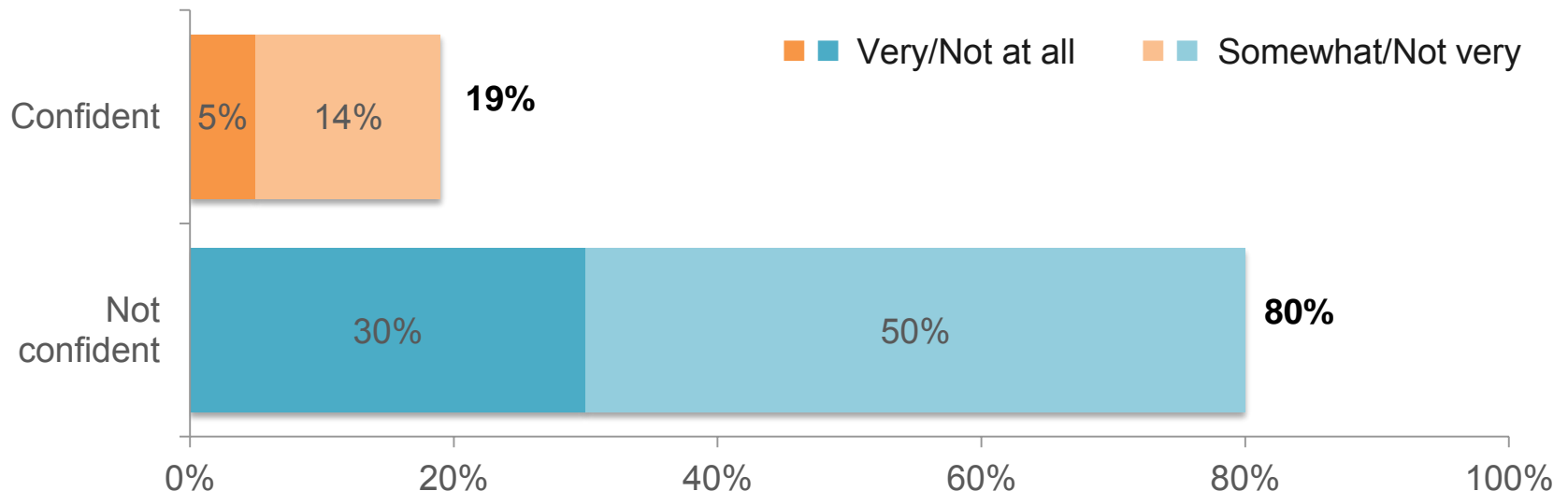


# Small businesses concerned about retirement security



**Small Business Majority survey:** Small employers believe most state residents are unprepared for retirement, and they are concerned their workers won't have enough saved for their golden years.

How confident are you that most residents will have enough saved for retirement: very confident, somewhat confident, not very confident, or not confident at all?



# Barriers to offering retirement savings



- Small businesses struggle to offer retirement plans based on a variety of barriers, such as:
  - Too expensive to set up
  - Don't have the HR capacity
  - Business is too small
  - Concerned about how to choose a plan provider
- 80% of small businesses have fewer than 10 employees, and most do not have an HR department to help administer employee benefits like these.

# Benefits to small business



- Provides affordable and convenient option for small businesses without an HR department
- Allows small businesses with limited resources to offer an extra benefit to their employees
- Helps attract talented employees and boost employee morale
- Helps employers offer retirement without the overhead and administrative costs



# Important aspects to include in the program



- As state policymakers begin the implementation process, it's vital they tailor the program to best include the needs of small businesses. This includes:
  - Making it simple and convenient for employers
  - Avoiding placing additional administrative burdens on small businesses
  - Ensuring safeguards for employers



Questions?



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