



November 17, 2022

The Honorable Charles Schumer
Senate Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Senate Minority Leader
United States Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
Washington, DC 20515

Dear Majority Leader Schumer, Minority Leader McConnell, Speaker Pelosi, and
Minority Leader McCarthy:

We write to commend Congress on prioritizing bipartisan solutions to address America's emergency savings challenge in the retirement security bills ([HR.2954](#); [S.4353](#); [S.4808](#)) under consideration for passage this session. As you deliberate, we urge you to incorporate emergency savings provisions that enable access to tools that help workers build short-term, liquid savings, such as those included in the pair of Senate committee-approved bills. We also encourage you to consider solutions for employees who may not have access to a workplace retirement plan.

As you are keenly aware, American households face widespread financial insecurity, with the lack of short-term "emergency" savings a particularly urgent issue. The rising cost of goods and services has only made the problem more acute and increased the need for tools to help people save for emergencies. Even before the pandemic, [40%](#) of Americans reported that they would struggle to afford a \$400 unexpected emergency expense. Today, [1 in 4](#) households say they have no emergency savings, a figure that is nearly [double](#) for those making less than \$50,000 a year. A lack of emergency savings affects workers' and their families' wellbeing and diminishes [economic productivity](#), inflicting harm on our communities and economy.

Research consistently [shows](#) that access to emergency savings enhances financial [wellness](#) and [protects](#) retirement savings by buffering against early withdrawals. During the height of the pandemic, households with at least \$1,000 in emergency savings were [half as likely](#) as their otherwise similar counterparts to withdraw from their employer-provided retirement savings accounts.

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But while [employers](#) and [employees](#) have signaled [interest](#) in offering and participating in workplace-based solutions, public policy is playing catch up. Changes in law are needed to maximize the effectiveness of these programs. There is now an opportunity to leverage insights from the retirement security space, such as automatic enrollment features and a diversification of plan offerings, to help workers build emergency savings.

The proposed legislation would help workers strengthen their short- and long-term savings by removing outdated legal and regulatory barriers, expanding flexibilities, and establishing guardrails for employers seeking to enroll employees in a variety of emergency savings tools in concert with their existing retirement plan offerings. The provisions—spearheaded by Senators Cory Booker (D-NJ), Todd Young (R-IN), Michael Bennet (D-CO), and James Lankford (R-OK)—were included in Senate committee-approved bills and share strong bipartisan support.

As you finalize retirement security legislation, it is also important to consider emergency savings solutions for the nearly [30%](#) of American workers without access to an employer-sponsored retirement plan. Senators Booker and Young have long been champions of this issue, and they are currently updating legislation to allow employers to automatically enroll employees into short-term savings accounts not directly tied to retirement plan offerings, a provision we urge you to include in any final package.

We firmly believe emergency savings policy aligns with the goals of the U.S. retirement system and will help boost financial resiliency for American households. As you collaborate to secure a brighter, stronger economic future for the nation, we stand with you ready to help demonstrate your commitment to ensuring that every worker has the tools and resources they need to weather the next financial crisis, whether personal or national in scope. Together, let's do right by all Americans.

Sincerely,

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ProsperBridge
Prosperity Now
Risk Cooperative
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SoFi
Sunny Day Fund
Third Way
USAA
U.S. Chamber of Commerce
UnidosUS
Vestwell
Voya Financial
Women's Institute for a Secure Retirement (WISER)
&Pizza Company

cc:

The Honorable Patty Murray, Chair, Senate Committee on Health, Education,
Labor and Pensions
The Honorable Richard Burr, Ranking Member, Senate Committee on Health,
Education, Labor and Pensions

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The Honorable Ron Wyden, Chairman, Senate Committee on Finance
The Honorable Mike Crapo, Ranking Member, Senate Committee on Finance
The Honorable Sherrod Brown, Chairman, Senate Committee on Banking,
Housing, and Urban Affairs
The Honorable Patrick Toomey, Ranking Member, Senate Committee on
Banking, Housing, and Urban Affairs
The Honorable Richard E. Neal, Chairman, House Committee on Ways and
Means
The Honorable Kevin Brady, Ranking Member, House Committee on Ways and
Means
The Honorable Robert Scott, Chairman, House Committee on Education and
Labor
The Honorable Virginia Foxx, Ranking Member, House Committee on Education
and Labor

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