



The Honorable Richard Neal
2309 Rayburn House Office Building
Washington, DC 20515-2101

The Honorable Kevin Brady
1011 Longworth House Office Building
Washington, DC 20515-4308

March 22, 2022

Dear Chairman Neal and Ranking Member Brady:

Smart USA Co applauds you for your leadership in bringing up the Securing a Strong Retirement Act of 2022, often referred to as "SECURE 2.0," for a vote on the House floor. We believe that enactment of this bill would be a major step toward enhanced retirement security, following up on the historic SECURE Act passed in 2019.

Our United Kingdom parent, Smart Pension, was founded in 2014 to assist in implementing the UK legislation that introduced a requirement for all employers to automatically enroll employees into a retirement plan. Since then, our parent company has enrolled over 94,000 employers into the Smart Pension Master Trust (the UK version of a PEP). To put that number into perspective, that would place us second among US recordkeepers by number of plans. Because of our technology, we have been able to do this at no cost to the employer and to enroll many of the UK's smallest companies, including many one-person companies.

SECURE 2.0 is exactly the right sequel to the SECURE Act. Because of our experience in the UK, and the amazing results in the US, we know the power of automatic enrollment and automatic escalation in facilitating saving among individuals who most need to save. The provision that requires new plans to include automatic enrollment and automatic escalation will have a major beneficial effect on retirement security.

We also believe that the enhancement of the start-up tax credit for the smallest businesses could be a catalyst for dramatic increases in coverage. This could change the coverage landscape in unprecedented ways.

In addition, we are very supportive of the bill's provisions offering enhanced retirement income solutions. For example, we believe that QLACs are a very efficient and effective tool for

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individuals to use to protect themselves against longevity risk, while still being able to maintain flexibility to address emergencies with other retirement assets. The bill's QLAC provisions address key issues that have slowed their growth. We also strongly support the delay of the commencement of required minimum distributions to age 75. If individuals can delay commencing distributions, they can be better able to manage their savings to last a lifetime. Finally, we commend you for broadening coverage to include more part-time employees, a key source of the coverage gap.

We look forward to working with you further on these and other ideas to expand coverage, improve adequacy, and facilitate the retirement income solutions that individuals need. Thank you again for your leadership on both the SECURE Act and this bill, which would benefit millions of Americans.

Sincerely,

A handwritten signature in black ink, appearing to read "Jodan Ledford".

Jodan Ledford
CEO, Smart USA Co

A handwritten signature in blue ink, appearing to read "Catherine Reilly".

Catherine Reilly
Director of Retirement Solutions, Smart USA Co