

Susan K. Neely
President & Chief Executive Officer

October 4, 2021

The Honorable James Lankford
U.S. Senate
216 Hart Senate Office Building
Washington, DC 20510

The Honorable Michael Bennett
U.S. Senate
261 Russell Senate Building
Washington, DC 20510

Dear Senators Lankford and Bennett,

On behalf of the American Council of Life Insurers (ACLI), I thank you both for your leadership on the issue of family financial security, and in particular, emergency savings with the introduction of S.1870, the Enhancing Emergency and Retirement Savings Act of 2021.

ACLI's core business is financial security and retirement security is a critical mission. Ninety million American families rely on our products for financial protection and retirement security. As society and work change, the industry is committed to solutions that protect all Americans, regardless of where and how they work, their life stage, or the economic status of their household. Insurance companies seek to expand the availability, accessibility, and affordability of products and services that provide financial protection for all.

The global pandemic has brought into sharp focus challenges Americans face with ensuring they have both short-term and long-term savings – both key components to financial health. In 2019 for example, almost 50 percent of all U.S. households had less than \$5,300 in liquid savings that can be used for an emergency. This was exacerbated in 2020 as families faced financial crises with the economic downturn related to COVID-19. Some retirement savers, having little to no emergency savings, utilized plan loans and distributions features, demonstrating the important need for thoughtful short-term savings solutions.

ACLI applauds your commitment toward solutions to help the many American families that lack short-term emergency savings. S.1870 seeks to address this critical savings need. ACLI and our member companies are eager to collaborate on additional ideas and concepts that further address the complexities and challenges related to emergency savings.

Thank you for your leadership and bipartisanship on S.1870, the Enhancing Emergency and Retirement Savings Act of 2021. We look forward to continued collaboration on the issue of helping American families address emergency savings.

Sincerely,



Susan K. Neely

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