July 29, 2026

Chairman Bill Cassidy
Senate HELP Committee
428 Dirksen Office Building
Washington, DC 20510

Ranking Member Bernie Sanders
Senate HELP Committee
428 Dirksen Office Building
Washington, DC 20510

Dear Chairman Cassidy and Ranking Member Sanders,

I want to express our strong support for the Cassidy amendment in the nature of a substitute to S. 3333, the Emergency Savings Enhancement Act, specifically as it relates to the Employee Ownership Initiative (EOI) at the Department of Labor (DOL). By extending and expanding this important bipartisan program, Congress can support the benefits of employee ownership and more accurately gauge the program's effectiveness.

As you know, in 2022 the bipartisan Worker Opportunity, Retirement and Knowledge (WORK) Act portion of the SECURE 2.0 Act created the Employee Ownership Initiative at the DOL, including a grant program to promote employee ownership by partnering with state agencies to leverage federal funds. Funding for this grant program was delayed until recently, meriting this appropriate extension of the program's authorization.

Employee ownership, and ESOPs specifically, offers proven benefits to workers, businesses, and communities in the form of increased retirement security, more productive companies, and the preservation of jobs and local economic stability, respectively.[1] States have been fertile grounds for promoting employee ownership, including state employee ownership programs (SEOPs), as outlined in the first Employee Ownership Initiative Report to Congress.[2] Since the WORK Act's passage, several states have implemented measures supporting employee ownership, demonstrating the growing state-level demand in this area to help preserve jobs.

The WORK Act authorized grant funding from FY 2025 through FY 2029. However, no funding was approved for FY 2025, while FY 2026 funding was finalized in February 2026. This delay pushed back required preparation and guidance to responsibly administer these grants. Guidance for grant applications has not been released yet, and subsequent grant approval will take time, with funds expected to be disbursed in February 2027. Current FY 2026 funding allows for a relatively small number of maximum-level grants (6), making program evaluation difficult before reauthorization. This extension allows a more accurate measure of efforts undertaken.

American businesses face historic succession challenges while American workers face enormous retirement challenges. ESOPs are a bipartisan tool that address both issues and the Employee Ownership Initiative can maximize Congress' efforts, given the time and resources under this agreement. Please feel free to reach out to me if you have further questions or would like additional information. Thank you.

Sincerely,

James J. Bonham
President and CEO
The ESOP Association

[1] ESOP Top 10_Updated 12.15.2025_0.pdf
[2] Employee Ownership Initiative Report to Congress | U.S. Department of Labor