



California Secure Choice Retirement Savings Investment Board

Summary of Proposed Amendments to CalSavers Regulations

January 28, 2019



Summary of Proposed Changes

- *Open Enrollment* – Change from annual open enrollment to biennial and extend timeframe for automatic enrollment from six months to one year.
- *Employer Eligibility* – Clarify that employers must have at least five California employees and at least one eligible employee to be deemed eligible.
- *Deadlines for Facilitating Contributions* – Add deadlines for facilitation of contributions consistent with language already included in the regulations.
- *Various* – Various other non-substantive edits necessary to improve clarity and consistent reading of the regulations.

Open Enrollment (Section 10004(f))

- Statute requires the Board to designate an open enrollment period at least once every two years.
- During open enrollment, employees that previously opted out will be subject to automatic enrollment—sent the info packet and auto-enrolled if they do not opt out.
- Staff propose:
 - Biennial open enrollment;
 - Auto enroll only those who opted out at least one year prior; and
 - Establishing an open enrollment schedule based on when an employer registers with CalSavers.

Employer Eligibility (as determined by number of employees)

- Employer eligibility is based on their number of employees and whether they sponsor a retirement plan.
- Statute doesn't clearly define "employee."
- Staff propose defining "employee" using CA definition and as those with CA-wages reportable on W-2.
- Staff proposal for eligibility: at least five CA employees, with at least one eligible for CalSavers

Deadlines for Contributions

- Regulations currently require employers to make alternative elections as quickly as possible, but no later than first payroll 30 days after election.
- Regulations did not establish these deadlines for an employee's first contributions to the Program.
- While most employers are unlikely to require 30 days, staff propose adding this requirement to provide employer's more certainty.



Visit website: www.calsavers.com or
www.treasurer.ca.gov/scib

Follow us on Twitter: [@CalSavers](https://twitter.com/CalSavers)

Sign up for ListServ: <http://bit.ly/2hPqR4Z>

Email: CalSavers@sto.ca.gov