
AUGUST 22, 2022

AGENDA ITEM 3
INFORMATION ITEM

CALSAVERS RETIREMENT SAVINGS BOARD

Report on Private Retirement Plan Market & Impact of State Retirement Mandates

At the February 28, 2022, Board meeting, the executive director presented program growth and budget projections to the Board, prompting Board discussion on the meaning and impact of employer exemptions, rates of employee exclusion within employer sponsored retirement plans, and trends in new private retirement formation, among other topics.

The trend of new private plan formation and its correlation with California's statutory employer compliance deadlines has been the subject of recent news articles¹ and industry-wide discussion. While the publicly available data on new plan formations lags activity by about a year, research on 2020 activity is now available and can shed light on the potential effects of the first CalSavers employer compliance deadline of September 30, 2020. Data for calendar year 2021 will be available following the extended filing deadline for plan sponsors in October 2022.

As the Board seeks to further understand these topics to inform its operating strategy, the executive director invited John Scott, Director of the Retirement Savings Project at The Pew Charitable Trusts, to present related research and analysis.

Attachments

- Attachment 3A: Presentation by John Scott, The Pew Charitable Trusts
- Attachment 3B: Report from The Pew Charitable Trusts "State Auto-IRAs Continue to Complement Private Market for Retirement Plans," July 25, 2022

¹ <https://www.plansponsor.com/in-depth/calsavers-tops-100000-enrolled-employers-auto-ira/>; <https://www.asppa-net.org/news/how-are-state-auto-iras-impacting-small-plan-market>