
NOVEMBER 13, 2023

AGENDA ITEM 2
INFORMATION ITEM

CALSAVERS RETIREMENT SAVINGS BOARD

Executive Director's Report

I. TOPICS TO BE PRESENTED DURING MEETING

Review of Program Participation and Funding

- See **Attachment 2B**.

Update on Employer Compliance Enforcement

State law established penalties for eligible employers that do not make the Program available to their employees. For each wave of employers, after months of marketing and notices from Ascensus, staff begin distribution of enforcement notices (“due process notices”) to employers who are not compliant due to missing their registration deadline, failing to upload their employee roster, or failing to facilitate contributions.

State law requires a series of three due process notices at least 90, 60 and 30 days prior to penalty imposition. Following these notices and extensive staff research efforts to identify exempt employers, staff began referring employers to the Franchise Tax Board (FTB) for penalty imposition.

Summaries of enforcement activity are reported in **Attachment 2C**.

Risk Monitoring

Quarterly risk heat map (**Attachment 2D**)

Contracts / Interagency Agreements / Amendments

Exceeding \$300,000 or Otherwise Requiring Board Action

1. Employer Enforcement Services Amendment with Franchise Tax Board (FTB): under review
2. Investment Consultant Services: Authority to award contract in Agenda item 8

Up to \$300,000 (Executive Director's Delegated Authority)

No updates

Legislation and Policy

Federal Legislation

S. 3102 (Hickenlooper, Tillis) “The Retirement Savings for Americans Act” and also known as the "Hickenlooper" bill) was reintroduced on October 19, 2023 to establish a new federal retirement savings program. There are concerns about how this would negatively impact both state programs like CalSavers and private retirement plans.

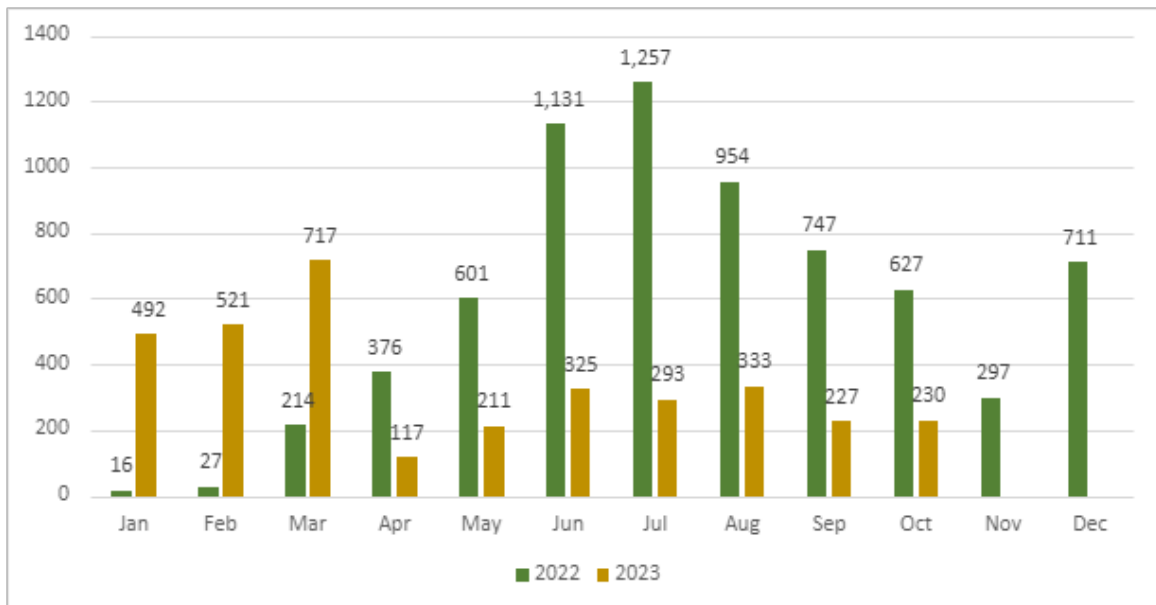
CalSavers Regulations

Regular Rulemaking (Amendments to Conform Regulations with SB 1126): Board approved amendments to conform with Senate Bill 1126 at the November 21, 2022, Board meeting; amendments approved by OAL through the emergency rulemaking process and took effect January 1, 2023; staff initiated the regular rulemaking process to make the amendments permanent on March 24, 2023. The public comment period closed on May 8, 2023, with no public comments received. Staff submitted the complete rulemaking package to OAL on June 23 for review and are currently in communication with OAL staff as they complete their review period. The regulations are expected to be approved before the expiration of the emergency regulations on September 29, 2023.

Emergency Rulemaking (Employer Registration Process Change): Board approved amendments to change the Program regulations to simplify the employer registration process at the May 22, 2023, Board meeting; amendments were submitted to OAL through the emergency rulemaking process and were approved on June 19, 2023; staff is expecting to begin the regular rulemaking process in the near future.

Emergency Rulemaking (SB 1126 Conforming Readoption): Board approved amendments to conform with Senate Bill 1126 at the November 21, 2022, Board meeting; amendments approved by OAL through the emergency rulemaking process and took effect January 1, 2023; staff initiated the regular rulemaking process to make the amendments permanent on March 24, 2023. Staff began the readoption process for the emergency regulations to ensure the regulations would not lapse before the regular rulemaking process was completed. Staff initiated the emergency readoption process on May 30, 2023, and received approval of the regulations readoption on June 19, 2023.

Staff Customer Service Caseload Referred by Ascensus Call Center



External Presentations

Public Webinars Summary

	English	Spanish	Mandarin	Cantonese	TOTAL
Attendees Aug-Oct	575	31	4	0	610
Attendees YTD	1,351	92	12	4	1,459
Sessions Aug-Oct	25	13	10	9	57
Sessions YTD	83	39	20	21	163

Stakeholder/Community Presentations, Employer visits, and Policy Forum Remarks

(Events Since August Board Report)

	Date	Organization	Event	Location
1.	8/24-25/23	Negoziante Summer Seminar	Resource Fair	Fullerton
2.	8/28/23	Regional Women's Business Center - Santa Cruz, Monterey, San Benito Counties	CalSavers Orientation (Spanish)	Virtual
3.	9/12/23	Eden Housing	Coach Check-In 2023	Virtual
4.	9/13/23	Su Socio De Negocios	Latino Expo	Montebello
5.	9/26/23	NorCal SBDC	Cal Savers, Now What? There are important deadlines for Employers to register!	Virtual
6.	10/4/23	Poway Chamber of Commerce	Introduction to CalSavers	Virtual
7.	10/17/23	Engage Hospitality General Managers Meeting	Employer visit and presentation	San Carlos
8.	10/26/23	National Latina Business Women Association - Inland Empire	2023 Latina BizCon™ Technovation: Powering Small Businesses into the Future	Ontario
9.	11/2/23	Valley Sierra SBDC	Central Valley Business Expo 2023	Modesto
10.	11/4/23	Yacanex Community	Latina Emprendedora	San Jose
11.	11/6/23	League of California Cities	Cal Cities Webinar with CalSavers	Virtual
12.	11/8/23	Treasurer Fiona Ma in Conjunction with NorCal SBDC	Small Business Workshop	Mountain View
13.	11/9/23	NorCal SBDC	CalSavers, Now What?	Virtual

II. TOPICS AVAILABLE FOR PRESENTATION BY REQUEST

Budget

- SB 840 – Budget Act of 2022 loan authority for \$6,000,000 is scheduled to be drawn down in October 2023; January 2024 and April 2024.

Audits

- Program Fund Audit FY 22-23: Field work in process (MGO)
- Administrative Fund FY 22-23: No updates (Gilbert CPAs)

Earned Media

Media coverage, including articles, television and radio segments, and podcasts published since the previous Board report, is summarized below.

	Pub. Date	Publication	Headline/Link
1.	8/17/2023	American Society of Pension Professionals & Actuaries	CalSavers: Slow but Steady Growth in First Half of '23
2.	8/22/2023	Fenwick	Considerations When Establishing a New 401(k) Plan or Migrating to a New 401(k) Provider
3.	8/23/2023	Pensions & Investments	CalSavers to Launch Investment Consultant RFP
4.	8/23/2023	American Society of Pension Professionals & Actuaries	Cool Summer for CalSavers Registrations
5.	8/23/2023	CAMEO	CalSavers Update - August 2023
6.	9/8/2023	Slidell's California Minute	Podcast: CalSavers and California's Retirement Mandate
7.	9/12/2023	American Society of Pension Professionals & Actuaries	A Closer Look at the Management of CalSavers' Investment
8.	9/22/2023	Comstock's Magazine	Still At It
9.	10/2/2023	SixFifty	Hiring Hurdles: The Top 3 Most Challenging States for Hiring
10.	10/4/2023	Experian	What is a State-Sponsored Retirement Plan and How Does it Work?
11.	10/10/2023	Small Business Majority	PROGRAMA DE AHORROS PARA JUBILACIÓN CALSAVERS: LO QUE LAS PEQUEÑAS EMPRESAS NECESITAN SABER
12.	10/10/2023	Small Business Majority	CALSAVERS RETIREMENT SAVINGS PROGRAM: WHAT SMALL BUSINESSES NEED TO KNOW
13.	10/11/2023	League of California Cities	A new retirement mandate is kicking in for businesses. Here's how city leaders can help
14.	10/17/2023	Musto Tax and Insurance Services	Retirement Planner: Comparing Retirement Plan Features with A Planner
15.	10/24/2023	SEIU Local 2015	Memorandum of Understanding Between SEIU Local 2015
16.	10/31/2023	Public	A New Retirement is Kicking in for Business
17.	11/2/2023	California State Association of Counties	Retirement for All: CalSavers Provides Access to Workplace Retirement Savings Accounts
18.	11/6/2023	League of California Cities (Webinar)	How Cities can Help Businesses with their Retirement Mandate

Stakeholder Outreach

	Date	Organization	Event	Location
1.	8/03	Riverside County IHSS Advisory Council	CalSavers Overview and Program Updates	Riverside County
2.	8/07	Regional Women's Business Center	CalSavers Orientation (Spanish)	Santa Cruz, Monterey, San Benito Counties
3.	8/09	CalSavers	Statewide Stakeholder Working Group Annual(ish) Meeting	Sacramento, CA
4.	8/10	FDIC	Banca Segura y de Bajo Costo para Latinos (Spanish)	San Jose, CA

	Date	Organization	Event	Location
5.	8/26	Negoziante Summer Seminar (Spanish)	Resource Fair	Fullerton, CA
6.	8/28	Regional Women's Business Center	CalSavers Orientation (Spanish)	Santa Cruz, Monterey, San Benito Counties
7.	9/12	Eden Housing	CalSavers Briefing with the STO savings programs	
8.	9/13	Su Socio De Negocios	Latin Business Expo	Montebello, CA
9.	9/26	Truesdale Facial Plastic Surgery, Inc.	Participating Employer Visit & Employee Presentation	Beverly Hills, CA
10.	9/26	NorCal SBDC	Webinar: "CalSavers, Now What? There are important deadlines for Employers to register!"	Virtual
11.	10/04	Poway Chamber of Commerce	Introduction to CalSavers	Virtual
12.	10/10	League of CA Cities	Meeting to discuss outreach opportunities	Sacramento
13.	10/12	CalAsian Chamber	Meeting to discuss outreach opportunities	
14.	10/17	Engage Hospitality	General Managers Summit Employer meeting and presentation	San Carlos, CA
15.	10/19	SCORE Capital Corridor		
16.	10/25	California Hispanic Chambers of Commerce	In-person meeting	
17.	10/26	National Latina Business Women Association – Inland Empire	2023 Latina BizCon	Ontario, CA
18.	10/31	CSAC (Counties)	Meeting to discuss pushing out information	
19.	11/02		Central Valley Business Expo 2023	Modesto, CA
20.	11/03	Secretary of State	Meeting regarding integration and cross-pollination of messaging and content	Sacrament, CA

Staffing

- Eric Lei received a promotion in place in the Data Management, Enforcement & Reporting Unit
- See revised organization chart in **Attachment 2A**.

Attachments

- Attachment 2A: CalSavers Organization Chart
- Attachment 2B: Summary of Program Participation & Funding as of October 31, 2023
- Attachment 2C: Employer Enforcement Activity (as of October 31, 2023)
- Attachment 2D: Quarterly Risk Heat Map