



CALIFORNIA STATE TREASURER JOHN CHIANG

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Treasurer Chiang Announces \$1.1 Million Grant from the Arnold Foundation to Support CalSavers' Partners

SACRAMENTO – California State Treasurer John Chiang today announced a \$1.1 million grant from the Laura and John Arnold Foundation (LJAF) to support the rollout of the CalSavers retirement savings program. The grant is being made directly to program partners, Small Business Majority and the United Ways of California, and will be used to educate small business owners and other stakeholders — through presentations, webinars, and online resources — on how they can participate in CalSavers and its pilot program, and provide feedback as CalSavers is implemented.

“Next month marks a milestone for CalSavers as we launch our pilot program and open up employer registration for the greatest expansion in retirement security since the passage of Social Security more than 80 years ago,” said Treasurer Chiang. “We are grateful to the Arnold Foundation for their generous support as we create a pathway for more than 7.5 million hard-working Californians to save for a dignified retirement.”

Kelli Rhee, President and Chief Executive Officer at the LJAF, said, “People deserve to retire at the end of their careers. But many hourly-wage workers, small business owners, and others don't have a way to save for retirement. CalSavers is a low-cost, professionally managed retirement savings program that will finally give workers a means to prepare for their future.”

“CalSavers is a game changer for the millions of California small businesses and employees struggling to access retirement savings,” said Mark Herbert, California Director for Small Business Majority. “Once CalSavers is up and running, it will go a long way toward leveling the playing field for the many small firms that simply lack the resources to enroll their employees in a retirement savings program. We are glad to have the opportunity to help educate employers, media, and the general public about CalSavers and the good it can do for the Golden State's small firms.”

And Pete Manzo, President and CEO of United Ways of California, added, “More than seven million private-sector employees in California work for employers that do not offer retirement plans. As a result, too few California workers save for retirement and far too many retire into financial hardship. CalSavers is a public-private partnership that will ensure nearly all

Californians working in the private sector have an option to save for retirement through payroll deduction, which research has shown sharply increases savings rates, while giving employers a no-cost, hassle-free way to help their employees save for the future.”

CalSavers is a state-backed program that will help workers — from millennials to baby boomers — save for their retirement. It will give employees access to a completely voluntary, low-cost, portable retirement savings vehicle, with professionally managed investments, overseen by a public and transparent board of directors chaired by Treasurer Chiang. Additionally, the program is fully sustained by participant fees, meaning taxpayers will not spend a single penny on it. Similarly, there are no fees for employers. Funding from today’s grant will also go toward lowering initial program costs, ultimately serving to lower fees on savers.

Next month, Treasurer Chiang will join supporters in a series of events around the state to introduce the CalSavers pilot program for employers. And beginning in mid-2019, the program will open fully for statewide enrollment. Employers with 100 or more employees, who do not already offer a retirement plan, will have one year from the full program launch date to register. Employers with 50 or more employees will be required to register within two years, and those with five or more employees in year three. Employers of any size can register at any time, as can individuals who want to start saving for their retirement immediately.

In 2012, California was the first state in the nation to enact legislation aimed at remedying the personal financial crisis faced by millions of working people in California and nationwide. California was also the first to enact legislation establishing a board and program, providing a model for other states, including Oregon and Illinois, which followed California’s lead.

The Laura and John Arnold Foundation, with offices in Houston, New York, and Washington, D.C., focuses on improving lives by strengthening social, governmental, and economic systems. Small Business Majority represents more than 58,000 small business owners in supporting policies that promote small business growth. United Ways of California advances opportunities for low- and moderate-income people to lead successful lives.

For more information about CalSavers, visit the [CalSavers website](#), email CalSavers@sto.ca.gov, or follow the program on Twitter at [@CalSavers](#).

For more news about the State Treasurer’s Office, please follow Treasurer Chiang on Twitter at [@CalTreasurer](#), and on Facebook at [California State Treasurer’s Office](#).

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