



California State Treasurer Fiona Ma, CPA

News Release

FOR IMMEDIATE RELEASE

PR 22:27
September 8, 2022

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State Treasurer Fiona Ma Announces Passage of Bill to Explore Path to Reduce Government Spending and Enhance Resources for Social Security Payment Recipients

SACRAMENTO – Governor Gavin Newsom signed Senate Bill 973 (SB 973), legislation sponsored by Treasurer Fiona Ma and authored by Senate Majority Leader Bob Hertzberg (D-Van Nuys), to explore ways to direct more resources to California’s aged, blind, and disabled populations. SB 973 directs the California Department of Social Services (CDSS) to report back to the Legislature on alternative options for the administration of the State Supplemental Program (SSP), potentially saving the State approximately \$100 million per year and redirecting these funds to California’s underserved. SSP supports those most in need, including seniors with low or no Social Security or pension income, and younger people of any age, including children, with blindness or other significant disabilities.

“This is the first step in helping to bring much needed resources to our most vulnerable citizens” said Treasurer Ma. “The State could do this by allowing CDSS to contract with another experienced government vendor, reducing the costs that come with using the federal government to administer the program, and redirecting those savings to this extremely financially disadvantaged population of our state.”

California is one of 11 states still contracting with the federal government to administer a portion or all of their SSP and pays the Social Security Administration a fee for each supplementary payment. This fee translates to a cost of roughly \$183 million in 2022 and will cost roughly \$200 million in 2023. SB 973 seeks to cut down on these unnecessary bureaucratic costs by directing CDSS to explore alternative options for administration,

including contracting with a government vendor willing to administer the SSP program for a smaller fee.

“My SB 973 will put California on the road to saving taxpayers money and enhancing a program serving those who need help the most – the aged, the blind and the disabled,” Senator Hertzberg said. “I am pleased to have partnered with Treasurer Ma on this thoughtful legislation that looks forward and is a win for California’s most vulnerable residents.”

Through her role as Chair of the CalABLE Act Board and the National Association of State Treasurers’ ABLE Committee, Treasurer Ma has heard first-hand the financial hardships these vulnerable citizens face. The Treasurer continues to discuss with her fiduciary colleagues all over the country best practices, good governance, and ways other states have streamlined SSP administration resulting in substantial savings of taxpayers’ dollars.

“As inflation rises and our communities recover from the pandemic, SSI/SSP benefits are more important now than ever” said Treasurer Ma. “Recipients are struggling to make ends meet as income inequality and structural economic changes make saving for retirement that much more difficult. High housing costs make the situation worse, putting seniors and people with disabilities at greater risk of homelessness. SB 973 is a creative, common-sense solution to serve those most in need during these difficult times.”

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Fiona Ma is California’s 34th State Treasurer. She was elected on November 6, 2018, with more votes (7,825,587) than any other candidate for treasurer in the state’s history. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer’s Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world’s fifth-largest economy and Treasurer Ma is the state’s primary banker. Presently, her office processes more than \$3 trillion in banking transactions. She provides transparency and oversight for the government’s investment portfolio and accounts, as well as for the state’s surplus funds. Treasurer Ma oversees an investment portfolio that currently averages over \$200 billion—a significant portion of which is beneficially owned by more than 2,200 local governments in California. She serves as agent of sale for all State bonds and is trustee of billions of dollars of state indebtedness.

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