



California State Treasurer Fiona Ma, CPA

News Release

FOR IMMEDIATE RELEASE

PR 22:05
February 28, 2022

Contact: [Noah Starr](#)
(916) 653-2995

CalSavers Prevails in Federal Court

SACRAMENTO – The Supreme Court of the United States today declined to review the Ninth Circuit Court of Appeals’ ruling in favor of the CalSavers Retirement Savings Program, ending an advocacy organization’s effort to halt the program. CalSavers is designed to help millions of private sector workers in California prepare for retirement.

“The United States Supreme Court’s denial of review preserves the ability of millions of hard-working Californians to save for their futures through this portable, simple option,” said California State Treasurer Fiona Ma, who chairs the CalSavers Retirement Savings Board. “CalSavers is a simple solution to level the playing field for workers who for too long haven’t had effective access to retirement savings plans. Without this program, and programs like it across the country, millions of Americans would be left behind.”

The lawsuit by the Howard Jarvis Taxpayers Association sought to block CalSavers on the grounds that the federal Employee Retirement Income Security Act (ERISA) preempts CalSavers, making the program invalid.

In denying the Howard Jarvis Taxpayers Association’s petition for writ of certiorari, the Supreme Court leaves intact the Ninth Circuit Court’s decision rejecting that argument, and holding that CalSavers is not preempted. The Ninth Circuit ruling stated: “We hold that the preemption challenge fails. CalSavers is not an ERISA plan because it is established and maintained by the State, not employers; it does not require employers to operate their own ERISA plans; and it does not have an impermissible reference to or connection with ERISA. Nor does CalSavers interfere with ERISA’s core purposes. Accordingly, ERISA does not preempt the California law.”

“It’s great that this matter is finally behind us after nearly four years, but we never let it slow us down,” said Executive Director Katie Selenski. Selenski reported that more than 30,000 employers have registered since the program launched on July 1, 2019 and more than 233,000 workers are saving with funded accounts amounting to more than \$186 million. “We are laser focused on bringing on tens of thousands more employers this year leading up to and following the June compliance deadline and supporting hundreds of thousands more savers as they begin their savings journeys,” Selenski said.

Eligible employers must register for CalSavers before their applicable deadline. The final deadline for businesses with five or more employees is four months away, on June 30, 2022. Deadlines for businesses with more than 100 employees and more than 50 employees passed on September 30, 2020 and June 30, 2021, respectively. Businesses subject to this deadline and the previous deadline can still register for CalSavers. Noncompliant employers will face penalties of \$250 per employee and additional penalties for sustained noncompliance. Penalty imposition began in January 2022.

In 2012, California was the first state in the nation to pass legislation establishing an automatic enrollment retirement policy for private sector workers who lack access to work-based retirement plans. Authorized in final form in 2016 by Senate Bill 1234 (de León), the program began a limited pilot phase at the end of 2018 and launched fully statewide on July 1, 2019. CalSavers seeks to facilitate the largest expansion of retirement security since the advent of Social Security in the 1930’s and is already a model for a growing number of states seeking to establish a similar program. Learn more at www.calsavers.com

###

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. Her office processes more than \$2 trillion in transactions, within a typical year. 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 has averaged well over \$100 billion during her administration—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.

###

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