



Livermore Chamber of Commerce

CalSavers and the State's Retirement Mandate

April 7, 2022

Director of Outreach and Education
CalSavers Retirement Savings Board



Disclaimer



CalSavers appreciates the opportunity to present alongside other organizations driven to close the retirement savings access gap. Sharing the stage is not an endorsement of any co-presenting firm or their products. Neither the company nor their products have been vetted by the State Treasurer's Office or by CalSavers.



Why is CalSavers Needed?



50%

Nearly **50%** of Californians are projected to retire into economic hardship -- at or below two times the federal poverty level.¹

7.5 million

7.5 million Californians lack a workplace retirement plan.²

15X

Workers are **15 times** more likely to save for retirement if they have access to a payroll deduction savings plan at work.³



Who is CalSavers for?



Employers



Do not offer an employer-sponsored retirement plan



5+ California employees



at least one of whom is eligible (18 or older)

Employees



Employed in the state of California



18 or older



Social Security Number or an Individual Taxpayer Identification Number

CalSavers is not intended to replace or compete with employer-sponsored plans

Employer required registration deadlines



Eligible employers can register **AT ANY TIME** but need to register by their enrollment deadline if they do not offer an employer-sponsored retirement savings vehicle.



Employers with <5 employees

Employers with less than five employees are not subject to the mandate, may not participate in automatic enrollment of their employees, and are not required to register for CalSavers. Non-mandated employers may choose, but are not required, to facilitate payroll deductions for employees who opt-in on their own as individual participants and subsequently request that their employer facilitate deductions.

Eligibility in the City of Livermore



- ❖ In the City of Livermore there are more than 700 eligible employers with more than 18,000 employees.

	Wave 1 >100 employees	Wave 2 >50 employees	Wave 3 ≥5 employees	Total
■ Employers	31	31	639	701
■ Employees	7,466	2,221	8,428	18,115



Facilitating CalSavers

Employer features



CalSavers addresses three key hurdles reported by employers that do not offer a plan:

**Easy to
facilitate**

**No fees for
Employers
(and no match)**

**Employers are
not fiduciaries**

Four Easy Steps



**Register by state-required
deadline**



**Submit and maintain
employee roster**



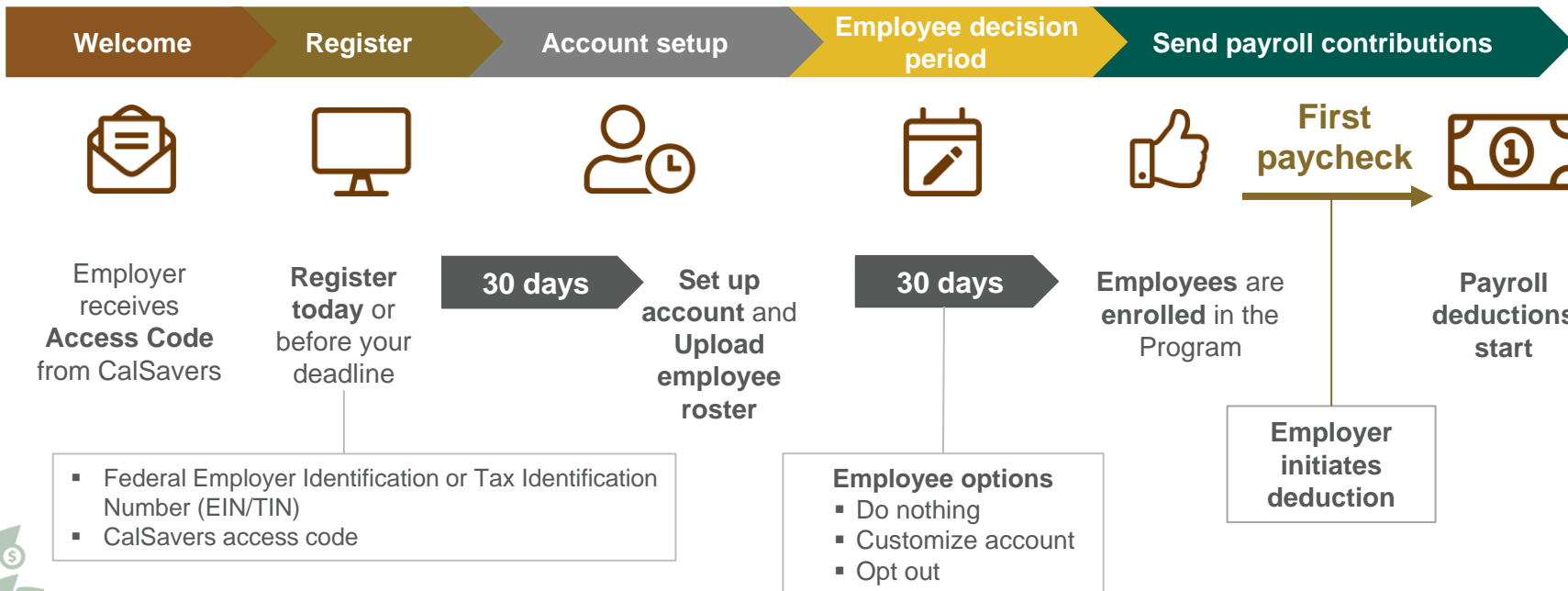
Set up account



**Submit employee contributions
each pay period**



Employer timeline



A young woman with long brown hair, wearing a white shirt and a dark green apron, stands behind a restaurant counter, smiling warmly at the camera. In the background, another server is visible, and the restaurant is decorated with warm lights and festive garlands. The counter in the foreground holds various items like a coffee machine, a container of colorful straws, and a glass of beer.

Your Money. Your Future.

Saver features



Simple

Automatic payroll deduction IRA w/ simple options

Stick with the default settings or easily customize.

Portable/ Accessible

Saver keeps their account even if they change jobs.
Roth default allows for tax & penalty free withdrawal of contributions.

Low Fee

Low cost for savers
Savers will pay a small fee to cover program administration costs.



Savers have three options when they are added



1

Do nothing

Standard (default) features



Roth IRA



5% of employee's gross pay w/ auto escalation to 8%



Target Retirement Fund after 30 days in Money Market Fund*

2

Customize account

- Recharacterize contributions Roth to Traditional.
- Change contribution rate.
- Change investment fund choices.
- Designate beneficiaries (who will inherit IRA in the event of Saver's passing).
- Manage personal information.
- Setup personal contributions from bank.

3

Opt out

How?

- Online
- Phone
- Paper form






Notes

- Can opt out (or back in) at any time

*Initial contributions will be invested in the CalSavers Money Market Fund for 30 days. After this period, existing savings and future contributions will be invested in a CalSavers Target Retirement Fund based on saver's age and the year closest to when a person that age is expected to retire.

Investment option details



Investment Options	Description	Total Annualized Asset-Based Fee	Investment Manager
 CalSavers Money Market Fund	Seeks to maximize current income, to the extent consistent with the preservation of capital and liquidity.	0.92%	STATE STREET GLOBAL ADVISORS
 CalSavers Target Retirement Fund (Age-based Funds for 2020, 2025, 2030, 2035, 2040, 2045, 2050, 2055, 2060 2065)	Investment Options that correspond with the year closest to when you will be the target retirement age, defined as age 65. This option seeks to provide for retirement outcomes based on quantitatively measured risk. The portfolios will be broadly diversified across global asset allocations becoming more conservative over time.	0.89%	STATE STREET GLOBAL ADVISORS
 CalSavers Core Bond Fund	The total return of an index composed of the total U.S. investment grade bond market.	0.83%	STATE STREET GLOBAL ADVISORS
 CalSavers Global Equity Funds	Invest substantially all of its investable assets in two SSGA FM-advised stock equity index funds.	0.84%	STATE STREET GLOBAL ADVISORS
 CalSavers Sustainable Balanced Fund (Environmental, Social, Governance)	Generate capital appreciation by investing in the equity securities of companies that demonstrate sustainable business practices and issuers of U.S. investment grade fixed income securities that satisfy certain environmental, social and governance (ESG) criteria.	0.95%	NEWTON Investment Management

Administrative fees: annual asset-based
 Accrue daily and are factored into each Investment Option's Unit Value
 Approximately \$0.83-\$0.95 for every \$100 in your account

Resources/Client Services Assistance



Website

www.calsavers.com

Saver Resources

- Program Details
- Forms
- Frequently Asked Questions

Employer Resources

- Tools, Tips, Templates
- Program Details
- Registration Timelines/Deadlines
- Frequently Asked Questions



Phone/Email

1-855-650-6918 (Savers)

1-855-650-6916 (Employers)

clientservices@calsavers.com

Hours:

8:00 am to 8:00 pm PT M-F



1 on 1 Support

- Dedicated onboarding team
- In-state representatives available to visit employers across the state.
- Assist employers with registration and account setup.
- Assist savers with enrollment.
- Saver education sessions
- [**fieldsupport@calsavers.com**](mailto:fieldsupport@calsavers.com)

Multilingual support available on website, phone/email and onsite support.

Thank you

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RETIREMENT SAVINGS PROGRAM