



California State Treasurer Fiona Ma, CPA

# News Release

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PR 20:13

March 10, 2020

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## Federal Court Order a Win for CalSavers

**Sacramento** – The United States District Court for the Eastern District of California today dismissed claims by a conservative tax group that sought to block the California Secure Choice Retirement Savings Program (CalSavers), a program designed to help millions of private sector workers in California prepare financially for retirement.

“We are very pleased with the Court’s ruling,” said California State Treasurer Fiona Ma, whose office oversees the program. “CalSavers is pioneering and building momentum. Workers without access to a savings program at work are eager to start saving. There is no reason to deny millions of hardworking Californians access to this savings program when the alternative is to see them work until they drop, or suffer the hardships that come with little to no savings.”

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.

U.S. District Judge Morrison C. England turned aside that argument, however, finding that ERISA does not preempt CalSavers. “In sum, the Court finds that CalSavers is neither an employee benefit plan nor does it relate to an ERISA plan. On these grounds, the Court concludes that CalSavers is not preempted by ERISA and accordingly, Defendants’ Present Motion is granted.”

Executive Director Katie Selenski reported that “more than 1,500 employers have registered since the program launched on July 1, 2019 and the pace of new registrants is accelerating in the lead up to the first employer deadline on June 30, 2020. Even in these early days, we are already proving that when given an easy, automatic, portable option, workers will save for their futures.”

Employers with more than 100 employees who do not already sponsor a retirement plan must register for CalSavers by June 30, 2020. Employers with more than 50 employees have until June 30, 2021, and employers with at least five employees have until June 30, 2022 to register. *Learn more at* [www.calsavers.com](http://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 payments 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 also oversees an investment portfolio of more than \$90 billion, approximately \$20 billion of which are local government funds. She is responsible for \$82 billion in outstanding general obligation and lease revenue bonds of the state.*

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