

Author: De Leon Analyst: Victoria Favorito Bill Number: AB 2940

Related Bills: See prior Analysis Telephone: 845-3825 Amended Date: May 23, 2008

Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: California Employee Savings Program

- ANALYSIS NOT REQUIRED of this bill – Not within scope of responsibility of this department.
- TECHNICAL BILL – No program or fiscal changes to existing program.
- BILL AS AMENDED NO LONGER WITHIN SCOPE of responsibility or program of the department.
- TECHNICAL AMENDMENT – No change in previously submitted analysis required. Approved position of prior analysis is _____.
- MINOR AMENDMENT – Remainder of previous analysis of the bill as introduced/amended _____ still applies.
- MINOR AMENDMENT – No change in approved position of _____.
See Comments below
- OTHER – See comments below.

COMMENTS:

This bill would establish the California Employee Savings Program (CESP) under the administration of the California Public Employees' Retirement System (CalPERS) for the purpose of offering retirement savings opportunities to California's private sector employees.

The May 23, 2008, amendments would make the following changes to CESP:

1. Restrict participating employers and eligible employees only to the program and not other programs administered by CalPERS.
2. Define rules for reporting requirements to the Legislature.
3. Emphasize that the program under this bill is separate from those currently under the CalPERS.
4. Establish a mandate that the program shall be funded solely from contributions to, or investment returns, or assets of, or IRAs established under the program, except as the Legislature may provide for funding through appropriations.

In addition, the May 23, 2008, amendments would make the bill operative only if an annual Budget Act appropriates moneys in amount sufficient to implement the California Employee Savings Program.

These changes would not impact the department's programs, operations, or state income tax revenue. The department's analysis of this bill as amended April 10, 2008, still applies.

Board Position:	Franchise Tax Board Staff	Date
<input type="checkbox"/> S <input type="checkbox"/> NA <input type="checkbox"/> NP <input type="checkbox"/> SA <input type="checkbox"/> O <input checked="" type="checkbox"/> NAR <input type="checkbox"/> N <input type="checkbox"/> OUA <input type="checkbox"/> PENDING	Victoria Favorito	6/12/08