



California Public Employees' Retirement System
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Announcements

Circular Letter

June 2, 2021

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Distribution: V, VI, XII, XVI

To: Public Employers With an Existing Section 218 Agreement
Subject: State Social Security Administrator Program Funding

Purpose

The purpose of this Circular Letter is to inform you that the State Social Security Administrator (SSSA) will not be issuing the Annual Maintenance Fee for fiscal year 2021-22.

Background

The SSSA started collecting an Annual Maintenance Fee on July 1, 2019. The fee is charged to fund the State Social Security Administration (SSA) and its services, which:

- Serve as the liaison between SSA, Internal Revenue Service, public entities, and stakeholders
- Process modifications for public entities to provide coverage for their employees
- Maintain Section 218 related records
- Perform education and outreach including monthly webinars about Social Security coverage for public employers
- Conduct the Annual Information Request to ensure tax compliance with respect to Social Security and Medicare withholding for all public entities in California

The fees collected during the current fiscal year exceed our targeted amount to fund next fiscal year's anticipated expenditures; therefore, for fiscal year 2021-22, SSSA will not issue Annual Maintenance Fee invoices. The SSSA will still send the required Annual Information Request form to gather information related to your employee coverage. The SSSA will provide future communications once the invoices and respective rates are re-established.

The \$650 contracting fee for agencies entering into a Section 218 Agreement will not be affected by this decision and will continue being assessed when an agency establishes a new Section 218 Agreement or amends an existing Section 218 Agreement.

Questions

To learn more, read our [Understanding State Social Security Fees](#).

If you have any additional questions, [email the SSSA Office](#) or call the SSSA Office directly at (916) 795-0810. You may also call our CalPERS Customer Contact Center at **(888) CalPERS** (or **888-225-7377**).

Renee Ostrander, Chief
Employer Account Management Division