



**California Public Employees' Retirement System**  
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## **Announcements**

# **Circular Letter**

May 11, 2022

Circular Letter: 200-028-22

Distribution: IV, V, VI, X, 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 invoices for fiscal year 2022-23.

This decision was made because the fees collected during previous fiscal years exceed our targeted amount to fund anticipated expenditures for the next fiscal year.

### **Background**

The SSSA started collecting an Annual Maintenance Fee on July 1, 2019. The purpose of the fee is to fund the SSSA and the services it provides, including:

- Serve as the liaison between Social Security Administration (SSA), the 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

## **Additional Information**

The SSSA will still send the required Annual Information Request form to gather information related to your employee coverage.

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

The SSSA will provide future communications once the invoices and respective rates are re-established.

## **Questions**

To learn more, read [Understanding State Social Security Fees](#) located on the CalPERS website.

If you have any questions, email the [SSSA Office](#) or call SSSA 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