



About the State Social Security Administrator Program Newsletter

The State Social Security Administrator Program Newsletter provides information about Social Security and Medicare coverage for state and local government employees.

Contact Us

CalPERS - SSSA Program
P.O. Box 720720
Sacramento, CA 94229-0720

Email

Phone: (916) 795-0810

Follow Us



August 5, 2019

State Social Security Administrator Program Newsletter

Summer 2019

State Social Security Administrator 2019 Annual Information Request

As the State Social Security Administrator (SSSA), communication with all California public agencies is vital to ensure tax compliance with Social Security and Medicare withholdings. All of California's public agencies and schools are required to complete an Annual Information Request (AIR) form. The AIR is a federal requirement for every government agency, regardless of retirement system or Section 218 Agreement status. The AIR is issued in myCalPERS in alphabetical order throughout the fiscal year. You will be notified to complete the AIR based on your communication preferences in myCalPERS. Once you are notified, you will have 60 days to complete the form.

The AIR assists us in capturing information about your agency's Social Security and Medicare withholding and reporting practices. Also, if your agency has changed names, merged, or consolidated, you can provide the information on the AIR. The SSSA is federally required to update the Social Security Administration (SSA) of public employer organizational changes. This is vital to ensure employees receive their proper benefits.

Get prepared early by checking your myCalPERS access and updating your password. To conduct business with the State Administrator program in myCalPERS you will need to have the Business Partner Social Security role. Contact your agency's System Access Administrator or the SSSA at sssa@calpers.ca.gov, to be assigned the Social Security role.

For questions regarding the AIR, contact the CalPERS Employer Contact Center at **888** CalPERS (**888-225-7377**).

State Social Security Administrator Program Funding

The State Social Security Administrator (SSSA) will begin to assess fees to public agencies that have a Section 218 Agreement to cover its operating costs. The SSSA has been operating up to this point using the interest that was earned from the Social Security and Medicare tax holding account. After 30 years the fund has now diminished, and it can no longer pay for the expenses required to continue to operate the SSSA. The Social Security Administration (SSA) does not provide any funding for the SSSA to operate. Additionally, the state Legislature does not allow CalPERS to use any retirement funds to cover expenses which are not related to the cost of the administration of the retirement system.

SSA regulations require each state to designate an official to administer that state's Section 218 agreement (Social Security Agreement). From 1955-1986, the SSSA was also responsible for collecting Social Security and Medicare withholdings for all public employers in California. The Omnibus Budget Reconciliation Act (OBRA) Bill of 1986 moved the responsibility of collecting taxes from the SSSA to the Internal Revenue Service (IRS).

Beginning July 1, 2019, there will be two types of fees that will be assessed. The first fee is a contracting fee of \$650 to establish a new Section 218 Agreement or to amend an existing Section 218 Agreement for Social Security and/or Medicare coverage. The second fee is an annual maintenance fee for all employers that have an existing Section 218 Agreement.

The annual maintenance fee will be based on the number of employees currently employed with your agency. Annual maintenance fees will be assessed using the criteria below. The invoice will be generated annually when the State Administrator AIR is sent to your agency.

Annual Maintenance Fee	
Number of Employees	Fee
1 - 4	\$200
5 - 9	\$250
10 - 19	\$300
20 - 49	\$400
50 - 99	\$500
100 - 249	\$1,000
250 - 499	\$1,500
500 - 999	\$2,000
1000+	\$2,500

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

For details on how to pay the fees, refer to Circular Letter [200-022-19](#).

2019 Webinar Calendar	
Time: 10:00 a.m. - 11:00 a.m.	
Date	Topic
7/31/2019	Common Errors in Social Security and Medicare Withholding.
8/28/2019	You Ask, We Answer*
09/25/2019	How to Complete the AIR
11/20/2019	Top Audit Findings Presented by IRS
12/18/2019	Windfall Elimination Provision and Government Pension Offset

* The August webinar will be based on your questions. Please email your Social Security and Medicare questions to sssa.education@calpers.ca.gov before August 15, 2019, so that we can incorporate them into the webinar.