

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3436 - A

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Creates Oregon Retirement Savings Investment Board.

Government Unit(s) Affected:

Legislative Administration Committee (LAC), Office of the Governor, Oregon State Treasurer

Summary of Expenditure Impact:

Please see analysis

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The measure creates a seven member board for the purpose of developing recommendations for the establishment of a state-operated retirement investment plan to be offered to private sector employees who have no retirement plan option through their employer. The membership of the board includes the State Treasurer and six other members appointed by the Governor. The measure requires the Legislative Administration Committee (LAC) to provide staff support to the board.

LAC staff support for the Board is dependent on requirements placed on staff and the type, frequency, and location of board meetings.

The report required by the measure is to be based on a legal analysis of federal and state retirement law, a review of similar plans in other states, a review of investment products and services, and a review of industry best practices. The Legislative Fiscal Office assumes that analyses of this type would likely require contracting with private firms rather than be provided by state agencies, especially given the relatively short timeframe for completion of the report. The cost of such analyses is indeterminate and LAC does not have budgeted resources for such contracting.

The funding source for the measure is from gifts, grants or contributions received by the Board, if available. The lack of an identified source of funding could delay completion of the report.

The measure would have no fiscal impact on the State Treasurer or the Governor's Office. The measure would have an indeterminate on LAC.