

House Bill 2728

Sponsored by Representative HOLVEY

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Directs Department of Consumer and Business Services to register retirement investment vendors and establish website for retirement planning information.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to retirement planning information; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

SECTION 1. As used in sections 1 to 3 of this 2013 Act:

4
5 (1) **"Retirement investment vendor" means a private business entity or individual that**
6 **enrolls small businesses and individuals in, or offers for sale, retirement planning products**
7 **in this state.**

8 (2) **"Retirement planning product" includes but is not limited to pension, profit-sharing,**
9 **retirement or other employment-related benefit plans, annuity contracts or investment se-**
10 **curities. The Department of Consumer and Business Services may further define "retirement**
11 **planning product" by rule.**

12 SECTION 2. (1) **The Department of Consumer and Business Services shall establish a**
13 **registry of retirement investment vendors.**

14 (2) **To be eligible for registration, a retirement investment vendor must provide to the**
15 **department:**

16 (a) **Evidence sufficient to the department that the vendor is certified by an organization**
17 **certifying securities dealers approved by the department.**

18 (b) **A description of the vendor's experience in offering retirement planning products in**
19 **Oregon.**

20 (c) **A description of the retirement planning products the vendor offers.**

21 (d) **A disclosure of all expenses paid directly or indirectly by retirement planning product**
22 **participants, including but not limited to penalties for early withdrawals, declining or fixed**
23 **withdrawal charges, surrender or deposit charges, management fees and annual fees.**

24 (e) **Other information required by the department.**

25 (3) **The department may charge a reasonable fee to register a retirement investment**
26 **vendor under this section. Fees charged to a vendor under this subsection shall be deposited**
27 **into the Consumer and Business Services Fund created by ORS 705.145.**

28 (4) **The department shall require a retirement investment vendor participating in the**
29 **clearinghouse to renew the vendor's registration at least annually.**

30 SECTION 3. (1) **The Department of Consumer and Business Services shall establish a**
31 **website that provides information about retirement planning products, and services and re-**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 sources related to retirement planning, that are offered by retirement investment vendors
2 registered under section 2 of this 2013 Act.

3 (2) The website must include a table that shows, for each retirement planning product
4 offered by a registered retirement investment vendor, the total fee cost, in dollars, that
5 would be incurred by an investor that initially invests \$5,000, earns a five percent rate of
6 return and maintains the investment for periods of 1, 5, 10, 15 and 20 years.

7 (3) The table described in subsection (2) of this section must be accompanied by a state-
8 ment explaining that the assumed rate of return is included for purposes of illustrating the
9 respective impacts of different fee amounts on each investment and is not included to predict
10 future investment returns.

11 (4) If the department determines that information about a retirement planning product
12 provided by a retirement investment vendor for inclusion on the website is inaccurate, the
13 department shall notify the retirement investment vendor. If the retirement investment
14 vendor does not correct the inaccurate information within 60 days of the date of the notice,
15 the department shall remove the retirement planning product from the website.

16 (5) A retirement investment vendor may not charge a fee relating to a retirement plan-
17 ning product that is not disclosed on the website established under this section.

18 (6) The department, the Secretary of State and the State Treasurer shall each include
19 on their website a link to the website established under this section.

20 **SECTION 4.** (1) Sections 1 to 3 of this 2013 Act become operative on January 1, 2014.

21 (2) The Department of Consumer and Business Services may take any action before the
22 operative date specified in subsection (1) of this section to enable the department to exercise,
23 on and after the operative date specified in subsection (1) of this section, all the duties,
24 functions and powers conferred on the department by sections 1 to 3 of this 2013 Act.

25 **SECTION 5.** This 2013 Act being necessary for the immediate preservation of the public
26 peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect
27 on its passage.
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