



Timothy E. Lane
Managing Director

3 University Plaza | Suite 614
Hackensack, NJ 07601

T 201 498-8310
F 609 720-1326
tlane@tiaa-cref.org

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The Honorable Representative Paul Holvey
Chairman, House Business and Labor Committee
Oregon State House of Representatives

Re: Support HB 2960 & SB 615; the Oregon Retirement Savings Board

Dear Representative Holvey:

As an organization that has worked for nearly 100 years to help Americans achieve retirement security, TIAA-CREF strongly supports Oregon's efforts to create a retirement savings plan for its private sector workers. We urge your consideration and passage of HB 2960, which creates the Oregon Retirement Savings Board.

As one of the nation's leading financial services firms and the largest private pension system in the U.S., TIAA-CREF provides more than \$12 billion in retirement and other benefit payments to 500,000 participants each year. We manage \$4.3 billion in assets for more than 37,000 Oregon residents, including employees of the Oregon University System since 1967. We are also privileged to have been selected as program manager for the Oregon College Savings Plan, serving over 100,000 Oregonians.

Many individuals are covered by employer-sponsored retirement plans, and depend on such plans to help them prepare for a secure retirement. These plans are powerful tools, usually funded by both employer contributions and/or employees' own tax-deferred savings. However, for individuals who work where such plans are not available, the challenge of saving for their retirement years is extraordinarily challenging because they are not exposed to the importance of establishing a regular savings discipline.

The implementation of a well-designed savings plan by Oregon can change the landscape for these individuals. By making retirement savings a "given" through an automatic savings provision, the State will empower these employees to take command of their financial future. A straightforward and easy-to-understand investment program, paired with an efficient administrative approach for employers to remit savings on behalf of their employees, can help start individuals on the path toward meeting their financial needs in retirement—and expose them to the long-term savings habit.

TIAA-CREF supports this financial empowerment initiative throughout the nation, engaging in discussions in multiple states and as a supporter of the Center for Retirement Initiatives at Georgetown University. While the establishment of state-sponsored savings plans will require additional work to ensure they meet high quality standards at reasonable expense levels, Oregon is taking an important step toward making such a plan a reality. We look forward to offering our assistance on this important project.

Please do not hesitate to contact Brian McAndrews (RVP, Government Relations; bmcandrews@tiaa-cref.org) or myself if we can be of further service to you on this or any other matter relating to financial security.

Sincerely,

Timothy E. Lane
Managing Director