



March 13, 2015

SUBJECT: Oregon Retirement Savings Plan, House Bill 2960/Senate Bill 615

Dear Senator Thatcher and Representative Post,

Your Keizer Chamber of Commerce believes that encouraging more citizens to develop and realize well-deserved retirement plans is important. Most of our members offer some form of federally- and state-regulated retirement plan options for their employees. However, we agree that more can be done.

However, neither House Bill 2960 nor Senate Bill 615 answer this need. We are opposed to these bills for these reasons:

- a) It is not clear that this legislation will not run afoul with the IRS. The IRS could rule after passage, that the amounts contributed by employees are not tax-deductible. We cannot afford to have our employees enter into plans without absolute certainty that their hard-earned savings may or may not be tax-deductible. This is particularly true with employees currently having options for plans which are known to be tax-deductible.
- b) The U.S. Department of Labor could also rule that these retirement plans will require/mandate that we, as employers, have costs, liabilities, and requirements not contemplated or fully vetted in these bills.
- c) There should be legislative oversight for any board you form. Funding for the board should not compete with scarce General Fund resources.

Before you leap into what may seem to be a good idea and a necessary one, please take the time to ensure that we aren't out in front of federal law and create another program which does not have legislative oversight, i.e. Cover Oregon, recreational marijuana. Employees deserve solid due diligence by the legislature with their money; employers deserve to know what their costs and their role is.

Thank-you for considering these important thoughts.

Sincerely,

Dan Clem
Keizer Chamber of Commerce

