

May 06, 2015

To: Senator Steiner Hayward and Representative Greg Smith
Ways and Means Subcommittee on General Government
From: Main Street Alliance Business Owners
Re: Confronting the Retirement Security Crisis – Support For HB 2960

Co-chairs Steiner Hayward and Smith and Committee Members,

My name is Lee Mercer. I am a retired small business owner and member of the Executive Team of Main Street Alliance of Oregon. We are a network of over 2500 small business owners statewide engaging on policy impacting our businesses and our communities.

Main Street Alliance of Oregon supports HB 2960 to create an Oregon Retirement Savings Board to design a defined contribution retirement plan to improve the retirement security of the employees of private businesses throughout Oregon.

As small business owners it is a challenge to provide adequate retirement benefits to employees. Many of us have neither the time nor the money to invest in creating adequate retirement plans. As a result, half of all private sector employees are not participating in an employer-based retirement plan and amongst Oregon's smallest employers, less than one-third of all employees participate. The result is that low and middle income Oregonians are relying on Social Security for between 70 – 80% of their retirement income. We all know that Social Security alone will not provide enough to pay the bills during our retirement years.

Let me mention two key ways HB 2960 will help improve retirement security in Oregon:

1. Many small businesses would like to offer retirement investment options to their employees, but currently find it difficult and cost-prohibitive to establish their own retirement plan. By creating a uniform, accessible statewide solution, HB 2960 will make it easier for all businesses (small and large) to offer retirement investment plans to their employees. When I was surveying businesses for Main Street Alliance of Oregon several years ago, a strong majority of business owners supported such a plan.
2. By not acting to improve retirement security in Oregon the state will incur more safety net costs in the long run as more and more Oregonians— employees and employers alike— retire into poverty.

Again, Main Street Alliance of Oregon enthusiastically supports HB 2960 and urges you to vote in the affirmative on this important legislation. Thanks for your time and consideration in this matter.

Lee Mercer,
Executive Team Member
Main Street Alliance of Oregon