

Oregon

Position Paper

HB 2960 – State Retirement Plan for the Private

Representing about 7,000 private sector small businesses from throughout the state of Oregon, **NFIB strongly opposes HB 2960 A – State Retirement Plan for the Private Sector.**

Our reasons for opposition:

- **Mandated** burden upon small employers for compliance, reporting and potential fiduciary liability without any study of this impact
- Potential cannibalization of existing private retirement plans if they are not “qualified” by state adjudication
- Proceeding to spend taxpayer dollars when the foundational ERISA question has not been answered. We believe the plan as represented in HB 2960A would trigger ERISA and shut down all efforts of HB 2960A after extensive state efforts and expense
- Continual mischaracterization of HB 2960A as being like the 529 College Savings Plan. A profoundly significant difference is the fact that the *529 plan does not contain any employer mandate*
- Placement of the state in competition with private sector businesses that provide a multitude of retirement programs
- Non-existent legislative oversight in HB 2960A
- Existence of the federal program – MyRa – that meets this need without any employer mandate, state expense or state overreach into the activities of the private sector. A MyRa plan can be set up for \$25 with scheduled savings for as little as \$20 per month. This focuses on the target market of HB 2960A.
- The potential taxpayer burden. Fiscals from other states have estimated the cost of such a plan between \$2 million - \$20 million. It is estimated HB 2960A will involve more than 500,000 Oregonians. It is suspect that the fiscal provided on HB 2960A falls short of the real potential cost to Oregon’s general fund.
- Not one state of the several that have considered such a plan have moved forward with adoption due to the complexity, expense to taxpayers and the burden upon the private sector

As the voice of small business we urge you to Oppose HB 2960