

HOUSE AMENDMENTS TO HOUSE BILL 2960

By COMMITTEE ON BUSINESS AND LABOR

March 27

- 1 On page 2 of the printed bill, line 25, delete “9” and insert “10”.
- 2 Delete lines 33 through 45 and delete page 3.
- 3 On page 4, delete lines 1 through 18 and insert:
- 4 **“SECTION 3. Requirements for Oregon Retirement Savings Plan. (1) The plan developed**
- 5 **and established by the Oregon Retirement Savings Board under section 2 of this 2015 Act**
- 6 **must:**
- 7 **“(a) Allow eligible individuals employed for compensation in this state to contribute to**
- 8 **an account established under the plan through payroll deduction.**
- 9 **“(b) Require an employer to offer its employees the opportunity to contribute to the plan**
- 10 **through payroll deductions unless the employer offers a qualified retirement plan, including**
- 11 **but not limited to a plan qualified under section 401(a), section 401(k), section 403(a), section**
- 12 **403(b), section 408(k), section 408(p) or section 457(b) of the Internal Revenue Code.**
- 13 **“(c) Provide for automatic enrollment of employees and allow employees to opt out of the**
- 14 **plan.**
- 15 **“(d) Have a default contribution rate set by the board by rule.**
- 16 **“(e) Offer default escalation of contribution levels that can be increased or decreased**
- 17 **within the limits allowed by the Internal Revenue Code.**
- 18 **“(f) Provide for contributions to the plan to be deposited directly with the investment**
- 19 **administrator for the plan.**
- 20 **“(g) Whenever possible, use existing employer and public infrastructure to facilitate**
- 21 **contributions to the plan, recordkeeping and outreach.**
- 22 **“(h) Require no employer contributions to employee accounts.**
- 23 **“(i) Require the maintenance of separate records and accounting for each plan account.**
- 24 **“(j) Provide for reports on the status of plan accounts to be provided to plan participants**
- 25 **at least annually.**
- 26 **“(k) Allow for account owners to maintain an account regardless of place of employment**
- 27 **and to roll over funds into other retirement accounts.**
- 28 **“(L) Pool accounts established under the plan for investment.**
- 29 **“(m) Be professionally managed.**
- 30 **“(n) Provide that the State of Oregon and employers that participate in the plan have**
- 31 **no proprietary interest in the contributions to or earnings on amounts contributed to ac-**
- 32 **counts established under the plan.**
- 33 **“(o) Provide that the investment administrator for the plan is the trustee of all contri-**
- 34 **butions and earnings on amounts contributed to accounts established under the plan.**
- 35 **“(p) Not impose any duties under the Employee Retirement Income Security Act of 1974**

1 (29 U.S.C. 1001 et seq.) on employers.

2 “(q) Keep administration fees in the plan low.

3 “(r) Allow the use of private sector partnerships to administer and invest the contribu-
4 tions to the plan under the supervision and guidance of the board.

5 “(s) Allow employers to establish an alternative retirement plan for some or all employ-
6 ees.

7 “(2) The plan, the board, each board member and the State of Oregon may not guarantee
8 any rate of return or any interest rate on any contribution. The plan, the board, each board
9 member and the State of Oregon may not be liable for any loss incurred by any person as a
10 result of participating in the plan.

11 “SECTION 4. Rules for Oregon Retirement Savings Plan. The Oregon Retirement Savings
12 Board shall adopt rules that:

13 “(1) Establish the process for voluntary enrollment in the plan developed under section
14 2 of this 2015 Act, including procedures for automatic enrollment of employees and for em-
15 ployees to opt out of the plan.

16 “(2) Establish the process for participants to make the default contributions to plan ac-
17 counts and to adjust the contribution levels.

18 “(3) Establish the process for employers to withhold employee contributions to plan ac-
19 counts from employees’ wages and send the contributions to the investment administrator
20 for the plan.

21 “(4) Establish the process for allowing employees to opt out of enrollment in the plan.

22 “(5) Establish the process for participants to make nonpayroll contributions to plan ac-
23 counts.

24 “(6) Set minimum, maximum and default contribution levels in accordance with limits
25 established by the Internal Revenue Code.

26 “(7) Establish the process for withdrawals from plan accounts.

27 “(8) Establish the process and requirements for an employer to obtain an exemption from
28 offering the plan if the employer offers a qualified retirement plan, including but not limited
29 to a plan qualified under section 401(a), section 401(k), section 403(a), section 403(b), section
30 408(k), section 408(p) or section 457(b) of the Internal Revenue Code.

31 “(9) Mandate the contents and frequency of required disclosures to employees, employers
32 and other plan participants. These disclosures must include, but need not be limited to:

33 “(a) The benefits and risks associated with making contributions to the plan;

34 “(b) Instructions for making contributions to the plan;

35 “(c) How to opt out of the plan;

36 “(d) How to participate in the plan with a level of contributions other than the default
37 rate;

38 “(e) The process for withdrawal of retirement savings;

39 “(f) How to obtain additional information about the plan;

40 “(g) That employees seeking financial advice should contact financial advisers, that par-
41 ticipating employers are not in a position to provide financial advice and that participating
42 employers are not liable for decisions employees make pursuant to sections 1 to 10 of this
43 2015 Act;

44 “(h) That the plan is not an employer-sponsored retirement plan; and

45 “(i) That the plan accounts and rate of return are not guaranteed by the state.”.

1 In line 25, delete “9” and insert “10”.

2 In line 43, delete “9” and insert “10”.

3 On page 5, line 7, delete “1169” and insert “1001 et seq.”.

4 Delete lines 18 through 21 and insert:

5 **“SECTION 9. Preemption. A local government, as defined in ORS 174.116, may not es-**
6 **tablish or offer any retirement plan for persons not employed by a public body as defined in**
7 **ORS 174.109.**

8 **“SECTION 10. State agencies to assist with outreach, technical assistance and compli-**
9 **ance services. The Secretary of State, the Department of Revenue, the Employment De-**
10 **partment, the Department of Consumer and Business Services, the Bureau of Labor and**
11 **Industries and any other agency that enters into an intergovernmental agreement with the**
12 **Oregon Retirement Savings Board to provide outreach, technical assistance or compliance**
13 **services shall collaborate to provide the outreach, technical assistance or compliance ser-**
14 **vices to the board.**

15 **“SECTION 11. (1) The Secretary of State, the Department of Revenue, the Employment**
16 **Department, the Department of Consumer and Business Services, the Bureau of Labor and**
17 **Industries and any other agency that enters into an intergovernmental agreement with the**
18 **Oregon Retirement Savings Board to provide outreach, technical assistance or compliance**
19 **services shall develop a plan for providing the outreach, technical assistance or compliance**
20 **services to the board as required by section 10 of this 2015 Act.**

21 **“(2) On or before January 1, 2016, the Secretary of State, the Department of Revenue,**
22 **the Employment Department, the Department of Consumer and Business Services, the Bu-**
23 **reau of Labor and Industries and any other agency that enters into an intergovernmental**
24 **agreement with the board to provide outreach, technical assistance or compliance services**
25 **shall report to the board on the plan developed under subsection (1) of this section and the**
26 **timeline for implementing the plan.**

27 **“SECTION 12. In addition to and not in lieu of any other appropriation, there is appro-**
28 **priated to the Oregon Retirement Savings Board, for the biennium beginning July 1, 2015,**
29 **out of the General Fund, the amount of \$250,000, which may be expended only for reimburs-**
30 **ing other state agencies for providing outreach or technical assistance services to the**
31 **board.”.**

32 In line 22, delete “10” and insert “13”.

33 In line 38, delete “11” and insert “14”.

34 In line 40, delete “June 16” and insert “July 1”.

35 In line 44, delete “1169” and insert “1001 et seq.”.

36 In line 45, delete “12” and insert “15”.

37 On page 6, line 8, delete “13” and insert “16”.

38 In line 11, delete “14” and insert “17”.

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