

**PROPOSED AMENDMENTS TO  
HOUSE BILL 2960**

1 On page 2 of the printed bill, delete lines 33 through 45 and delete page  
2 3.

3 On page 4, delete lines 1 through 18 and insert:

4 **“SECTION 3. Requirements for Oregon Retirement Savings Plan.**

5 **(1) The plan developed and established by the Oregon Retirement**  
6 **Savings Board under section 2 of this 2015 Act must:**

7 **“(a) Allow eligible individuals employed for compensation in this**  
8 **state to contribute to an account established under the plan through**  
9 **payroll deduction.**

10 **“(b) Require an employer to offer its employees the opportunity to**  
11 **contribute to the plan through payroll deductions unless the employer**  
12 **offers an alternative retirement plan to its employees that meets re-**  
13 **quirements prescribed by the board by rule.**

14 **“(c) Provide for automatic enrollment of employees and allow em-**  
15 **ployees to opt out of the plan.**

16 **“(d) Have a default contribution rate set by the board by rule.**

17 **“(e) Offer default escalation of contribution levels that can be in-**  
18 **creased or decreased within the limits allowed by the Internal Revenue**  
19 **Code.**

20 **“(f) Provide for contributions to the plan to be deposited directly**  
21 **with the investment administrator for the plan.**

22 **“(g) Whenever possible, use existing employer and public**

1 **infrastructure to facilitate contributions to the plan, recordkeeping**  
2 **and outreach.**

3 **“(h) Require no employer contributions to employee accounts.**

4 **“(i) Require the maintenance of separate records and accounting for**  
5 **each plan account.**

6 **“(j) Provide for reports on the status of plan accounts to be pro-**  
7 **vided to plan participants at least annually.**

8 **“(k) Allow for account owners to maintain an account regardless**  
9 **of place of employment and to roll over funds into other retirement**  
10 **accounts.**

11 **“(L) Pool accounts established under the plan for investment.**

12 **“(m) Be professionally managed.**

13 **“(n) Provide that the State of Oregon and employers that partic-**  
14 **ipate in the plan have no proprietary interest in the contributions to**  
15 **or earnings on amounts contributed to accounts established under the**  
16 **plan.**

17 **“(o) Provide that the investment administrator for the plan is the**  
18 **trustee of all contributions and earnings on amounts contributed to**  
19 **accounts established under the plan.**

20 **“(p) Not impose any duties under the Employee Retirement Income**  
21 **Security Act of 1974 (29 U.S.C. 1169) on employers.**

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

23 **“(r) Allow the use of private sector partnerships to administer and**  
24 **invest the contributions to the plan under the supervision and guid-**  
25 **ance of the board.**

26 **“(s) Allow employers to establish an alternative retirement plan for**  
27 **some or all employees.**

28 **“(2) The plan, the board, each board member and the State of**  
29 **Oregon may not guarantee any rate of return or any interest rate on**  
30 **any contribution. The plan, the board, each board member and the**

1 State of Oregon may not be liable for any loss incurred by any person  
2 as a result of participating in the plan.

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

5 **“(1) Establish the process for voluntary enrollment in the plan de-**  
6 **veloped under section 2 of this 2015 Act, including procedures for au-**  
7 **tomatic enrollment of employees and for employees to opt out of the**  
8 **plan.**

9 **“(2) Establish the process for participants to make the default con-**  
10 **tributions to plan accounts and to adjust the contribution levels.**

11 **“(3) Establish the process for allowing employees to opt out of en-**  
12 **rollment in the plan.**

13 **“(4) Establish the process for employees to make nonpayroll con-**  
14 **tributions to plan accounts.**

15 **“(5) Set minimum, maximum and default contribution levels in ac-**  
16 **cordance with limits established by the Internal Revenue Code.**

17 **“(6) Establish the process for contributions to be withheld from**  
18 **employees’ wages.**

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

20 **“(8) Establish the process and requirements for an employer to ob-**  
21 **tain an exemption from offering the plan if the employer offers an**  
22 **alternative retirement plan to its employees that meets requirements**  
23 **prescribed by the board by rule.**

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

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

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

30 **“(c) How to opt out of the plan;**

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

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

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

5       “(g) That employees seeking financial advice should contact finan-  
6 cial advisers, that participating employers are not in a position to  
7 provide financial advice and that participating employers are not liable  
8 for decisions employees make pursuant to sections 1 to 9 of this 2015  
9 Act;

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

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

14       On page 5, delete lines 18 through 21 and insert:

15       “SECTION 9. Withholding; assistance from Department of Revenue.

16       (1) As used in this section:

17       “(a) ‘Employer’ means an employer that offers the plan developed  
18 by the Oregon Retirement Savings Board under section 2 of this 2015  
19 Act to one or more employees.

20       “(b) ‘Plan’ means the plan developed by the Oregon Retirement  
21 Savings Board under section 2 of this 2015 Act.

22       “(2) Every employer at the time of payment of wages to any em-  
23 ployee who participates in the plan shall deduct and retain from such  
24 wages the employee’s contributions to the plan.

25       “(3) Every employer that withholds contributions from the wages  
26 of an employee under this section shall report to the Department of  
27 Revenue at times and in a form directed by the department, and shall  
28 pay the contributions to the department as directed by the depart-  
29 ment.

30       “(4) The department shall promptly remit the payments to the in-

1 vestment administrator for the plan.

2 “(5) With the approval of the Oregon Department of Administrative  
3 Services, the Department of Revenue may enter into contracts with  
4 banking institutions including but not limited to Federal Reserve  
5 Banks, incorporated banks, trust companies, domestic building and  
6 loan associations, savings and loan associations or credit unions au-  
7 thORIZING them to receive as financial agents of the department any  
8 contributions required to be withheld under this section.

9 “(6) The department shall assist the board as necessary with audit-  
10 ing, compliance and reconciliation services.

11 “(7) The department and the board may adopt rules as necessary to  
12 implement this section.

13 “(8) If an employer fails to file a report required under this section  
14 or files an incomplete or incorrect report, the department may impose  
15 a civil penalty of \$250 per report, up to a maximum penalty of  
16 \$25,000.”.

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

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