

**PROPOSED AMENDMENTS TO
HOUSE BILL 2960**

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.**

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 a qualified retirement plan, including but not limited to a plan**
13 **qualified under section 401(a), section 401(k), section 403(a), section**
14 **403(b), section 408(k), section 408(p) or section 457(b) of the Internal**
15 **Revenue Code.**

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

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

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

22 **“(f) Provide for contributions to the plan to be deposited directly**

1 with the investment administrator for the plan.

2 “(g) Whenever possible, use existing employer and public
3 infrastructure to facilitate contributions to the plan, recordkeeping
4 and outreach.

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

6 “(i) Require the maintenance of separate records and accounting for
7 each plan account.

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

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

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

14 “(m) Be professionally managed.

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

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

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

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

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

28 “(s) Allow employers to establish an alternative retirement plan for
29 some or all employees.

30 “(2) The plan, the board, each board member and the State of

1 Oregon may not guarantee any rate of return or any interest rate on
2 any contribution. The plan, the board, each board member and the
3 State of Oregon may not be liable for any loss incurred by any person
4 as a result of participating in the plan.

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

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

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

13 **“(3) Establish the process for employers to withhold employee con-**
14 **tributions to plan accounts from employees’ wages and send the con-**
15 **tributions to the investment administrator for the plan.**

16 **“(4) Establish the process for allowing employees to opt out of en-**
17 **rollment in the plan.**

18 **“(5) Establish the process for participants to make nonpayroll con-**
19 **tributions to plan accounts.**

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

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

23 **“(8) Establish the process and requirements for an employer to ob-**
24 **tain an exemption from offering the plan if the employer offers a**
25 **qualified retirement plan, including but not limited to a plan qualified**
26 **under section 401(a), section 401(k), section 403(a), section 403(b), sec-**
27 **tion 408(k), section 408(p) or section 457(b) of the Internal Revenue**
28 **Code.**

29 **“(9) Mandate the contents and frequency of required disclosures to**
30 **employees, employers and other plan participants. These disclosures**

1 **must include, but need not be limited to:**

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

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

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

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

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

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

10 **“(g) That employees seeking financial advice should contact finan-**
11 **cial advisers, that participating employers are not in a position to**
12 **provide financial advice and that participating employers are not liable**
13 **for decisions employees make pursuant to sections 1 to 10 of this 2015**
14 **Act;**

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

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

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

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

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

22 **“SECTION 9. Preemption. A local government, as defined in ORS**
23 **174.116, may not establish or offer any retirement plan for persons not**
24 **employed by a public body as defined in ORS 174.109.**

25 **“SECTION 10. State agencies to assist with outreach, technical as-**
26 **sistance and compliance services. The Secretary of State, the Depart-**
27 **ment of Revenue, the Employment Department, the Department of**
28 **Consumer and Business Services, the Bureau of Labor and Industries**
29 **and any other agency that enters into an intergovernmental agree-**
30 **ment with the Oregon Retirement Savings Board to provide outreach,**

1 **technical assistance or compliance services shall collaborate to provide**
2 **the outreach, technical assistance or compliance services to the board.**

3 **“SECTION 11. (1) The Secretary of State, the Department of Reve-**
4 **nue, the Employment Department, the Department of Consumer and**
5 **Business Services, the Bureau of Labor and Industries and any other**
6 **agency that enters into an intergovernmental agreement with the**
7 **Oregon Retirement Savings Board to provide outreach, technical as-**
8 **sistance or compliance services shall develop a plan for providing the**
9 **outreach, technical assistance or compliance services to the board as**
10 **required by section 10 of this 2015 Act.**

11 **“(2) On or before January 1, 2016, the Secretary of State, the De-**
12 **partment of Revenue, the Employment Department, the Department**
13 **of Consumer and Business Services, the Bureau of Labor and Indus-**
14 **tries and any other agency that enters into an intergovernmental**
15 **agreement with the board to provide outreach, technical assistance or**
16 **compliance services shall report to the board on the plan developed**
17 **under subsection (1) of this section and the timeline for implementing**
18 **the plan.**

19 **“SECTION 12. In addition to and not in lieu of any other appropri-**
20 **ation, there is appropriated to the Oregon Retirement Savings Board,**
21 **for the biennium beginning July 1, 2015, out of the General Fund, the**
22 **amount of \$250,000, which may be expended only for reimbursing other**
23 **state agencies for providing outreach or technical assistance services**
24 **to the board.”.**

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

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

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

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

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

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

