

## **SB 571 -1 STAFF MEASURE SUMMARY**

### **Senate Committee On Labor and Business**

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**Meeting Dates:** 1/19, 3/28

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#### **WHAT THE MEASURE DOES:**

Requires employer who offers or contributes to an employee retirement account to offer employees the option of receiving equal contributions to an ABLE account in lieu of retirement account contributions. Requires employer who offers employees the option of contributing to an OregonSaves account through payroll deductions to offer employees the option of making those deductions into an ABLE account instead. Directs State Treasurer, in collaboration with Oregon Retirement Savings Board and Oregon 529 Savings Board, to provide information to specified persons of their ABLE account options under this Act and to establish a process to direct payroll deductions to an ABLE account in lieu of an OregonSaves account. Defines terms. Operative January 1, 2025.

#### **ISSUES DISCUSSED:**

- Examples of use of ABLE accounts
- Need to ensure structure of this program would not alter federal tax status of effected programs
- Programs at issue are already managed by same program manager and on the same system

#### **EFFECT OF AMENDMENT:**

-1 Replaces the measure. Requires Oregon 529 Savings Board to provide information to designated beneficiaries of ABLE accounts regarding potential impact to their benefits and services if contributions are made to workplace retirement account.

#### **BACKGROUND:**

OregonSaves is a contribution retirement plan developed by the Oregon Retirement Savings Board. OregonSaves allows people to contribute through payroll deductions. It does not require employer contributions.

ABLE accounts allow some persons with a disability or blindness to save for eligible expenses without losing other state or federal benefits. Eligible expenses are expenses related to a person's blindness or disability and include things like housing and transportation. ABLE accounts are governed by state and federal law.

Senate Bill 571 requires employers who contribute to retirement accounts or offer the option of payroll deductions into an OregonSaves account to offer contributions or payroll deductions into an ABLE account in lieu of retirement contributions or OregonSaves payroll deductions.