



## Addressing the Retirement Savings Gap

**What is OregonSaves?** A public-private partnership that allows workers to automatically enroll in an Individual Retirement Account (IRA) through their job, if their employer does not offer an employer-sponsored retirement plan. After legislative approval, study by a task force, and a pilot program, OregonSaves officially launched in late 2017 and is expanding statewide in waves. It will be fully implemented by the end of 2020.

**The Need?** The retirement savings gap in America is estimated to be at least \$6.8 trillion and growing, and more than half of workers have saved nothing, according to the National Institute for Retirement Security. In Oregon, an estimated 1 million workers lack access to a work-based retirement plan. At the same time, according to research, people are 15 times more likely to save if there is the ability to do so at work.

**The Goal.** Policymakers established OregonSaves to address the retirement savings crisis for Oregonians falling in the gap—providing education, a clear mechanism to save for their future, and aiming to achieve long-term program sustainability for the benefit of future generations.

Still in its statewide rollout phase, OregonSaves has already allowed *tens of thousands of workers*—most of them first time savers—to set aside more than **\$12.5 million**.

**Measuring Success.** OregonSaves is achieving its policy goals. Although still in its early days, the program has demonstrated success by a number of measures. After only 3 of 6 waves of the roll out:

- *Participation rates* are well within the estimated range and haven't varied for months
- Workers are saving a *higher percentage of pay* than anticipated
- *Millions of dollars* have already been saved by workers who weren't saving before
- Requests for general fund loans to support program startup costs will cease in 2019, *years ahead of schedule*

This early success has long-term positive implications for the savers and for the state as a whole. As the number of savers increases and their assets compound, individual financial security will be enhanced while demand for state services will be reduced.

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New research from the Employee Benefit Research Institute (EBRI) shows that OregonSaves will make a major difference in shrinking the savings gap. These clear benefits have translated to strong public support of OregonSaves.



### Program Support

A study completed by DHM Research shows that more than **8 in 10 Oregonians support or strongly support OregonSaves**. Support rose from 79 percent last year to **82 percent** this year. Public awareness about the program also increased 40% over the last year.



### Funding

**OregonSaves will be self-sustaining in July 2019**, years sooner than initially planned, which means the state of Oregon and the people of Oregon are benefitting from an important program at *less cost than initially projected*, and with no additional loans or general fund support.



### Accolades

OregonSaves earned a national innovation award for *expanding access to retirement savings options and enhancing retirement security*. Pensions & Investments and Defined Contribution Institutional Investment Association, honored OregonSaves in October with the Excellence & Innovation Award.



### Savings for All

All Oregon workers now have **access to a new, easy way to save for retirement**. As of October 2018, individuals like the self-employed and gig economy workers can sign up for OregonSaves directly through the website. This new offering ensures that *every worker has the option to save*, regardless of their situation.

**By the Numbers.** An OregonSaves program snapshot as of January 2019.

#### Employers

**2,899** registered employers

Registered employers in all **36** Oregon counties

**292** one-on-one education sessions

Total Assets **\$12,544,086**

#### Employees

**113,768** employees added to the system

**62,888** enrolled (72%)

**\$112** average contribution per account

**5%+** average savings rate