

SB 164 A STAFF MEASURE SUMMARY

House Committee On Business and Labor

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Meeting Dates: 4/17, 4/24

WHAT THE MEASURE DOES:

Makes employer's failure to comply with rules of the defined contribution plan of the Oregon Retirement Savings Board an unlawful practice. Allows Board to request investigation by the Commissioner of Bureau of Labor and Industries (BOLI) under specified conditions. Authorizes employee to submit complaint to BOLI no earlier than two years after employer is required to register with plan. Authorizes BOLI to investigate requests from Board and complaints from employees. Authorizes Commissioner to assess civil penalties of up to \$100 per eligible employee, not to exceed aggregate amount of \$5,000 in a year. Requires BOLI to inform Board of final orders issued. Takes effect 91st day following adjournment sine die.

Minimal fiscal impact

No revenue impact

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 2015, the Legislative Assembly created the seven-member Oregon Retirement Savings Board (Board), chaired by the State Treasurer. In 2017, the Board created OregonSaves, a defined contribution retirement plan.

Employers with 20 or more employees are required to automatically enroll their employees in OregonSaves if the employer does not offer a qualified retirement plan. Employees enrolled in OregonSaves make post-tax contributions to a Roth IRA which is administered by the Oregon State Treasury. Employers do not contribute to OregonSaves accounts.

Currently, no enforcement process exists for ensuring compliance with Board plans. Senate Bill 164-A authorizes BOLI to enforce the Board's rules governing retirement plans using BOLI's contested case process. The Board can request BOLI investigate if, after making three attempts using different forms of communication, the Board has reasonable grounds to believe the employer remains in violation. BOLI can accept complaints from employees no earlier than two years following the date by which an employer is required to register with OregonSaves.

Senate vote: 23-7

Senate Workforce Committee: 5-0