

**SB 164 A STAFF MEASURE SUMMARY****Carrier:** Sen. Taylor**Senate Committee On Workforce****Action Date:** 03/19/19**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 5-0-0-0**Yeas:** 5 - Golden, Hansell, Knopp, Monnes Anderson, Taylor**Fiscal:** Has minimal fiscal impact**Revenue:** No revenue impact**Prepared By:** Ellen Osoinach, LPRO Analyst**Meeting Dates:** 2/5, 3/14, 3/19**WHAT THE MEASURE DOES:**

Makes employer's failure to comply with rules of the defined contribution plan of the Oregon Retirement Savings Board (Board) an unlawful employment 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 and recover costs. Requires BOLI to inform Board of final orders issued. Takes effect 91st day following adjournment sine die.

**ISSUES DISCUSSED:**

- Reasons for employer non-compliance
- Treasury's process for employer's to register with OregonSaves
- Collaborative efforts between Treasury and affected stakeholders to develop measure

**EFFECT OF AMENDMENT:**

Authorizes employees to file complaints two years after the date of employer's required registration with OregonSaves program. Requires Board to make three attempts to bring employer into compliance before referring investigation to BOLI. Clarifies Commissioner's authority to impose civil penalty arises after contested case proceeding. Caps BOLI civil penalties at \$100 per eligible employee whom employer fails to enroll, not to exceed a total of \$5,000 per year.

**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.