

February 22, 2023

To: Senate Committee on Human Services

From: Jessica Howell, Legislative Director, State Treasurer Tobias Read

RE: SB 556

Chair Gelser Blouin, Vice-Chair Anderson, Members of the Committee,

To assist your consideration of SB 556, I will share our staff analysis of the impacts SB 556 would have on Treasury.

Treasury does not have experience directly administering accounts for individual Oregonians. While Treasury does manage College Savings Program and ABLE Program, both of those programs utilize a third-party provider to manage the record-keeping and manage investment accounts. It is not known if an equivalent exists for a non-investment trust fund that this would require.

Additionally, the Trust account structure would require significant additional staffing and management from Treasury and requires the appointment of a Trustee for each account. In its current form the bill is unclear on whether this would need to be staffed by DHS, Treasury, or outside individuals and who is responsible for the daily interactions with participants and trustees.

Finally, the bill is silent on how to cover the ongoing costs of this new program.

In summary, SB 556 as written would place a substantial new program at Treasury which we do not currently have the expertise or administrative capacity to manage. We are encouraged by conversations happening regarding the appropriate location of this program and look forward to working with the sponsors and DHS to find a more appropriate administrator of the program.

If you have any questions, please contact Jessica Howell at Jessica.howell@ost.state.or.us.