



A new, easy way for Oregonians to save, coming soon

August 17, 2017

Presentation to the Connecticut Retirement Security Authority Board of Directors
Lisa Massena, OregonSaves Executive Director - on behalf of Oregon State Treasury

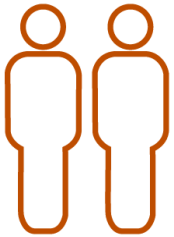


OREGON STATE TREASURY

WHO & WHAT

Who's it for?

Don't have a retirement plan at work?



OregonSaves is for Oregonians 18 years and older who have reported income and who have no savings option at work.

Estimates:

600,000	Employer offers no plan
200,000	Employer offers a plan, not included
200,000	Self employed (opt-in)



oregonsaves

- 1** **Standard savings rate:**
5% - escalating by 1% a year – to 10%
- 2** **Standard investment path:**
First \$1,000 to Capital Preservation
Saving over \$1,000 to a Target Retirement Fund – based on your age
- 3** **Account type:**
Roth IRA

Automatic enrollment.
Save more, or less, or opt out.
Change investments. Change jobs.
Your money is always yours.

Easy, and flexible

Additional elections

- Save more, or less
 - Any dollar amount or whole % up to Federal annual limits
- Choose your investments from a focused menu:
 - Capital Preservation
 - Target Retirement Series – 11 funds at 5 year increments
 - Growth (S&P 500 Index)
- Choose your IRA
 - Traditional IRA as an election, beginning 2019

HOW IT WORKS

How will it work?



For participating workers, Employers **automatically deduct** a portion of worker pay



Savings are invested in a low-fee Roth IRA account that belongs to the worker, with the goal to grow in value over time.

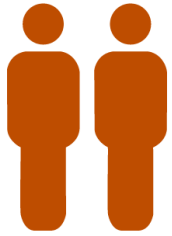


The program **communicates directly** with the worker about options and performance



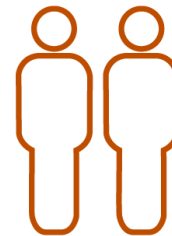
Workers can **take their savings** with them wherever they go and now have access to money for retirement

What do I need to do?



Employers

- If you have a retirement plan, confirm your exemption
- If you don't, register for **OregonSaves** and provide employee data
- Make payroll deductions for those that participate
- Keep track of what was paid



Employees

- You do not need to do anything to **enroll and start saving**
- You can make choices about:
 - Saving more or less
 - Choosing a different type of investment
 - Opting out

OregonSaves Pilot 1 – Small Business



“Overall, it’s been a smooth, user-friendly process to get the accounts established and the supplemental materials have been helpful in introducing the program to our employees.”

-Sarah, Square Deal Lumber

“I don’t know why everybody isn’t doing this.”

-Cassy, Amani Center

“Well, that was pretty painless.”

-Judy, Traffic Detection

Feedback from Pilot 1 used to improve the process and system, prioritizing enhancements we want in place before Pilot 2.

HOW WE GOT HERE

Key Phases

- 1 Bill signed into law – June 2015**
Board appointed / Executive Director hired / Timelines set – 4Q 2015
- 2 Market & Feasibility Analysis / Program Design – 1H 2016**
Procured analysis and consulting support
Significant expert and public engagement in the process
- 3 Prepare to Develop the Program – 2H 2016**
RFP – Program Administration & Investments
Initiate Rulemaking / Continue proactive outreach – ‘Groups of Groups’
- 4 Develop & Prepare to Implement – 1H 2017**
Finalize Design / Select Investments / Develop ‘Identity’ / Communicate
Close work with Program Administrator & Legal Counsel
- 5 Pilots and Phased implementation – 2H 2017**
Platform & materials testing, observed & supported registrations Pilot 1
Graduating to more employers, more automation, phone support

Let's talk about Money

Financial Considerations

Key decision points

- Participant costs
 - % of assets, flat dollar fee, or combination
- Program startup costs & funding sources
 - Are feasibility analysis assumptions still valid and aligned with expected program design
 - Sources of startup funding: State GF loan, Provider, Private sector ?
- Program operating costs & breakeven
 - Resourcing and funding through breakeven
 - Repayment of loans, if any

Source: Boston College Center for Retirement Research, Market Research Report: Oregon Retirement Savings Plan, July 2016



Thank you.

www.oregon.gov/retire

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OregonSaves

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