
Oregon Retirement Savings Board
MINUTES
January 5, 2016

Board members present:

Treasurer Ted Wheeler, Chair
Kara Backus
Senator Lee Beyer
Kevin Jensen
Representative Tobias Read
Juanita Santana
Cory Streisinger

Oregon State Treasury staff present:

Lisa Massena, Executive Director, ORSP
Kristin Dennis, Senior Policy Advisor
Tom Rinehart, Chief of Staff
Missy Simpson, Executive Assistant
James Sinks, Communications Director

The ORSB meeting was called to order at 9:03 am by Treasurer Wheeler, Chair.

Agenda Item 1 – Approval of the minutes of the December 14, 2015 meeting of the Oregon Retirement Savings Board (ACTION ITEM)

Treasurer Wheeler asked the board if they had any comments; Cory Streisinger had one correction on the minutes. On page 7, she requested that her comment be amended to read “the hardship exemption was not case by case”.

Board Action

Motion to approve the minutes of the December 15, 2015 meeting of the Oregon Retirement Savings Board as corrected.

MOTION:	Ted Wheeler	SECONDED:	Cory Streisinger
ACTION	Motion Passes		

Agenda Item 2 – 2016 Kickoff (INFORMATION ITEM)

- **Executive Director’s recap of 2015**

Lisa Massena gave a recap of what has been accomplished on behalf of the plan of 2015.

- Late 2014 – work began on HB 2960 to establish the bill;
- February 2015 – the bill was read in the legislative record, public hearings and work sessions followed;

- June 2015 – final version of HB 2960 passed in the House and Senate, and signed into law by the Governor;
 - September 2015 – the Board was appointed, and Lisa Massena, Executive Director, was hired;
 - November 2015 – ORSP had its first board meeting
 - December 2015 – the Board heard expert testimony on the plan and program design, and established Board-led working groups.
- **Proposed Work Plan for 2016**

Lisa reviewed the proposed work plan for 2016, capturing the categories for engagement and outreach; market, program and financial analysis; investment and program consultant; plan and program design and rulemaking; legal requirements; establishment of investment policy; selection of the major providers who will be servicing the plan on a forward going basis; and selection of the investment options themselves and investment choices. As the plan moves forward, there will be more detail added and will need the Board's input. Senator Beyer suggested the Board approve, in concept, what goes into the draft rules before they go out for public comment. Lisa agreed that would happen. Cory Streisinger asked that there be two rounds of rulemaking. The preliminary round would set big parameters, and the second round could be emergency rules. Senator Beyer's agreed with that concept. Lisa reminded the Board that the go live date is July 2017.

- **Working Groups / 2016 Launch**

Lisa explained the goal of the working groups which is to expand the expertise and dialogue around the plan across four categories: plan, program, financial literacy, and outreach. The leadership and Board members assigned to each group follows:

Plan design – The leader is Cory Streisinger, with Kara Backus assigned
 Program design – Kevin Jensen is leading with Senator Beyer assigned
 Financial literacy – Juanita Santana is Lead with Cory Streisinger assigned
 Outreach – Rep. Read as the lead and Juanita Santana assigned

The next process will be to create the membership for the working groups. Staff will meet with the leads of each of these groups within the next couple of weeks to establish the operating plans. At the direction of the leader for each working group, public and/or private meetings will be set to consider key topics and a calendar will be published and available. Senator Beyer questioned whether the meetings could be private. With much discussion from the Board members, Treasurer Wheeler asked if anyone was opposed to having the meetings be public. All the members agreed to have the working group meetings be public. Treasurer Wheeler also suggested adding a URL at the bottom of the agenda, for potential members to be added to the list/serv list. All members of the Board agreed.

Agenda Item 3 – Market Analysis RFP (INFORMATION ITEM)

Lisa summarized the Market Analysis RFP, and informed the Board that the notice of intent to award date is February 8th. On the plan side, the proposed approach is to not redo existing research but to leverage existing research and test to see how well a base case design would fit the Oregon target audience. On the program design side, the Board will need to look for experts to provide recommendations on the structure and administration of the plan. The third area, feasibility, there will need to be confirmation on the characteristics of the plan and the financials work under different scenarios, including assessment of where the plan breaks even.

Kevin Jensen wanted to know if the Board had identified the number of employers expected to be involved in the plan? Lisa stated Oregon does not have a number identified yet. Cory Streisinger suggested getting an analysis of the employers that do or don't offer plans, the employer size, and where the distribution of the target population is. She also asked how many eligible Oregonians work for an employer that employs one, two or three people?

Lisa stated the proposals are due back on January 19th. Treasury will be creating an evaluation team to start the evaluation phase, then interviews if needed, and the notice of intent to award. Juanita Santana read some of the criteria and had a question about what we want to hear or read from the people who have applied for the contract. Lisa will talk with each of the Board members to discuss what the Board will be looking for. Senator Beyer asked for clarification on who would be making the final decision to award the contract. Lisa and Treasurer Wheeler agreed that the board would make the final decision. Treasurer Wheeler thought it would be useful to have somebody come talk to the Board from the 529 Savings Plan or the OIC.

Treasurer Wheeler raised some concern about having an RFP go out, have the analysis completed, and then have people pile on more questions that were not part of the RFP. Senator Beyer and Representative Read suggested putting together a letter to email to their membership along with the RFP, and let their members know they would appreciate any response if there are any specific questions. The Board would like to know those if they are not covered in the RFP.

Agenda Item 4 – Response to DOL's Proposed Rule (ACTION ITEM)

Kristin Dennis discussed the Response to the Department of Labor's proposed rule (Safe Harbor Rule for State Payroll Deduction IRA Savings Programs RIN 1210-AB71). The DOL has given an opportunity for comments on each of their proposed rules. Kristin supplied the Board with her written comments and concerns for each of the rules. With the Board's approval, Kristin will email the DOL with a response letter in comment and outline those areas that need clarity as it relates to Oregon's program.

Senator Beyer asked who would be signing this letter. He thought that if the Treasurer signed the letter on Treasury letterhead, it would have more clout. Treasurer Wheeler suggested it be signed as "the Board on behalf of the State of Oregon." Cory Streisinger suggested using the word "Oregon" throughout the letter. It would also be helpful to note who the Board is.

Kristin let the Board know that they have until January 19th to respond and that she is talking with other states regarding the changes.

The Board suggested changes to the DOL rules and requirements and asked Treasurer Wheeler to sign the final letter on behalf of the Board.

MOTION:	Senator Beyer	SECONDED:	Cory Streisinger
ACTION	Motion Passes		

Agenda Item 5 – Report on Outreach, Technical Assistance and Compliance (INFORMATION ITEM)

Treasurer Wheeler recommended this topic be moved to next month’s agenda since the Board ran out of time.

Agenda Item 6 – Any other Business

None

Next Meeting (INFORMATION ITEM)

The exact date of next month’s meeting was not confirmed. The meeting will need to be moved to Salem to accommodate Senator Beyer and Representative Read, due to the legislative session.

PUBLIC COMMENT

None

ADJOURNED at 11:30 am