
Oregon Retirement Savings Board
MINUTES
October 18, 2016

PERS Headquarters
11410 SW 68th Parkway
Tigard, Oregon
9:00 am – 10:00 am

Board members present:

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

Oregon State Treasury staff present:

Amanda Hampton, Legislative Policy Advisor
Lisa Massena, Executive Director, ORSP
Christian Maynard-Philipp, Policy Director
Joel Metlen, Manager, Public Engagement
Alex Nelson, Project Manager
Kim Olson, Policy Analyst
Jennifer Peet, Director of Legal Affairs
Missy Simpson, Executive Assistant
James Sinks, Communications Director

The Oregon Retirement Savings Board meeting was called to order at 9:00 am by Treasurer Ted Wheeler, Chair.

Agenda Item 1 – Approval of the minutes of the August 24, 2016 conference call of the Oregon Retirement Savings Board (ACTION ITEM)

Board Action

Motion to approve the minutes of the August 24, 2016 and September 20 2016 meetings of the Oregon Retirement Savings Board.

MOTION:	Cory Streisinger	SECONDED:	Kara Backus
ACTION	Motion Passes		

Agenda Item 2 – Rulemaking – Proposal to Approve Publication of Notice of Proposed Rulemaking for the Oregon Retirement Savings Plan: (ACTION ITEM)

Jennifer Peet, Director of Legal Affairs, gave the Board an overview of the rulemaking process. Earlier this year the ORSP created a Rulemaking Advisory Committee per Oregon Statute to provide for public input and process while draft rules are in development for the Plan. The Rulemaking Advisory Committee was made up of Plan stakeholders such as small business owners and their representatives, workers and their representatives, and planners, attorneys and other experts from the retirement services community. Meeting participants also included additional representation, including from the Employment Department, representatives from the agriculture industry, and more. The Rulemaking Advisory Committee process is intended to support development of a final draft of the rules that includes public process before final proposed rules go through the full public notice and comment period.

Ms. Peet further stated: After the Board approves a set of rules, staff will file them with the Secretary of State for publication in the Secretary of State's Bulletin for December 1, 2016. In advance, the Notice of Rules will go to Legislators and committees as required by statute. There will be a hearing date in December. The hearing date will be the conclusion of notice and comment, but comments by email can be taken right up until the hearing date in December. There will be further revisions to the rules, if and as determined appropriate, throughout this process. [Clarifying note following the meeting: the Public Hearing is scheduled for December 15; written comments will be accepted through close of business on December 23, 2016].

Kara Backus was concerned with the points of contention and wondered if there were any opponents amongst the parties who are commenting on the rules.

Ms. Peet mentioned the major point of contention is the existence of plan itself. She commented that Ms. Massena has done a great job interacting with concerned parties and asking them to provide constructive feedback. A second point of concern has been how to define employer, employee and employment. There are multiples definitions provided for in the ORS; after close review and discussion the committee chose to use the unemployment insurance definitions.

Treasurer Wheeler wanted confirmation that legislation had not already defined the employer/employee/employment in statutes. Ms. Peet and Ms. Streisinger confirmed there was no definition in statute.

Ms. Streisinger reminded the Board that they had reviewed in detail and approved a set of program choices a few months ago and those choices are now incorporated into these rule. There are a number of areas where the Board is not ready for rules. There will most likely be three drafts of rules; the ones that have been brought forward to the Board are the ones that are ready to be addressed now in permanent rulemaking. When the Plan is ready to go live, there will be a second set of rules (temporary). Staff will incorporate the learnings following the Go Live date into a third draft of rules and request approval as permanent rules. The rules being discussed today are draft proposed rules being put out for comment in December.

Board Action

Motion to approve recommendation to publish the Notice of Proposed Rulemaking for the Oregon Retirement Savings Plan for comment.

MOTION:	Juanita Santana	SECONDED:	Kevin Jensen
ACTION	Motion Passes		

Agenda Item 3 – Plan Services Provider RFP Progress Report: (INFORMATION ITEM)

Lisa Massena, Executive Director, updated the Board on the Plan Service Provider RFP:

1. RFP was issued on September 21, 2016
2. Pre-proposal call took place on September 27, 2016 – estimated around 40 beeps on the call, and know of 3 different firms represented
3. During the open question period, Staff received 38 questions and provided and posted responses
4. Provider proposals are due on October 26, 2016
5. The ORSP Evaluation team will review responses beginning November 4, 2016

Agenda Item 4 – Program Marketing and Outreach: (INFORMATIONAL ITEM)

Joel Metlen, Manager, Public Engagement, updated the Board on communications in general and the Marketing Services RFP.

1. Communications in general – Based on information gathered from Treasury staff and the outreach and financial literacy workgroups, Metlen has developed an overall communications plan for the program that will serve as a guiding document. The plan will help guide the Marketing vendor and others:
 - a. on objectives and priorities
 - b. Is clear about limited resources
 - c. Supports measuring impact of marketing activity
2. Marketing Procurement RFP – The Marketing Vendor has been selected and the negotiations for the contract should be finalized by the end of the week.

Metlen further stated: There are a couple of goals regarding marketing and communication, including raising awareness and making sure people know about the Plan. The main goal is to make sure employers and employees know exactly what is expected of them, what the benefit is and what needs to be done. When the Marketing Vendor begins, staff will hold round table discussions with employers and employees for appropriate messaging. The target will be on the group who are phased in first. More research and communication will need to happen so that the messaging is not confusing for employers or employees.

Agenda Item 5 – Financial Literacy Recommendations – Current Draft: (INFORMATIONAL ITEM)

Juanita Santana discussed with the Board the second draft of the Financial Literacy recommendations including edits that re-prioritized certain solutions and made single recommendations for each category.

Joel Metlen provided further comment on conclusions and next steps associated with the Financial Literacy recommendations. Metlen noted: The Governor’s office created a workgroup that involved the different agencies, including Treasury staff. Work was completed in a roundtable format and comments

from the workgroup were the result of this report. The group will meet again to finalize the recommendations, bring these back to the Board at the November meeting for approval, and then incorporate these recommendations into the December Report to the Legislature.

Agenda Item 6 – Report to Legislature – First Draft for Review: (INFORMATIONAL ITEM)

Kim Olson, Policy Analyst with the Oregon State Treasury, presented the Board with a first draft of the December Report to the Legislature. As required by HB 2960, this report must include seven specific components related to the initiation of the plan. Future annual reports will not be as long, and will cover what has happened over the course of the year. Ms. Olson discussed the seven components that would be covered in the report and asked the Board for any recommendations on how they would like to see the final report drafted.

Representative Tobias Read recommended that the report be as short as possible, and make sure the Legislature is aware of what is happening with the plan. If any legislators want more detail, Treasury staff can have that available separately.

Cory Streisinger suggested adding several paragraphs with a narrative description, followed by the required parts to the report.

Kara Backus recommended that staff provide a short narrative under the timeline for implementation, to explain what is being considered in terms of phasing. Ms. Streisinger suggested this narrative could be added at the beginning of the report, in the introduction.

Ms. Olson will send the Board a second draft by the end of the month for further comment before bringing the report back to the Board in November for Board approval.

PUBLIC COMMENT:

NONE

The next meeting will be on November 16, 2016.
ADJOURNED at 10:17

Oregon Retirement Savings Plan
Board Education Meeting
October 18, 2016
10:00 am – 11:00 am

Presentation began at 10:25

The focus of this meeting was education on and discussion of Investment Policy in the context of Board fiduciary responsibilities. Wendy Carter and Glenn Ezard from Segal Company gave the presentation.

(Recording and supporting presentation available on-line.)