



United Employers Association  
Business Direction. HR Counsel.

## New Oregon Retirement Rule Impacts All Employers!

OregonSaves is a **new** Oregon state-mandated program requiring all employers to provide a retirement savings option at work or alternatively enroll employees in the state retirement program.

Employers may be exempt if they offer a qualified retirement savings option. If employers would like to opt out of the program because they do offer a qualified option, they **must** file for exemption from the program. Employers who are not exempt from the program will be required to register their business through the OregonSaves Internet portal.

The OregonSaves pilot program will launch in July, with forty businesses scheduled to participate. **Beginning November 15, 2017**, employers with 100 or more employees must comply. Smaller employers must comply in line with the following timeline: May 15, 2018 (50-99 employees); December 15, 2018 (20-49 employees); May 15, 2019 (10-19 employees); November 15, 2019 (5-9 employees); May 15, 2020 (1-4 employees).

Once an employer registers for OregonSaves, contributions are automatic unless individual employees choose to opt out of the state program. Employees enrolled in OregonSaves will contribute 5% of wages (plus an annual administrative fee not to exceed 1.05%) to a Roth IRA, unless an employee elects a different contribution level. The standard election will escalate at a rate of 1% each year until 10% is reached.

Employers will be responsible for collecting any contributions and giving them to a program administrator. Employers must keep a record of employee contribution preferences for *three years*. Employers cannot contribute to the OregonSaves state program.

Oregon has not yet announced penalties for employers who fail to register or exempt out of OregonSaves.

If your company already offers a qualified employer retirement plan, you will have to file a **Certificate of Exemption** with the state. Otherwise, your employees will be enrolled in the OregonSaves program.

Make sure you keep your records current, as a Certificate of Exemption only lasts three years. Even if only some of your employees are offered a qualified retirement plan, you are not required to register your employees with the program. However, OregonSaves may change this rule in the future.

*Stay tuned for more updates on the OregonSaves program from United Employers Association!*

**Have questions about how this applies to your workplace? We are here to help!**

Please reach out with any questions via email to [jtowne@unitedemployers.org](mailto:jtowne@unitedemployers.org), or call (503) 595-2170.