

**Selected Small Businesses in Oregon and
Their Decisions Concerning Employee Retirement Plans**

by

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Overview

Portland State University Institute on Aging conducted a qualitative research study with support from AARP Oregon to learn about small business owners' experiences and decision making with respect to offering their employees retirement savings plans. The findings from the interviews with selected small businesses will help to inform a new retirement savings program in Oregon called OregonSaves. Interviews were conducted with a quota sample of 28 small business owners or benefits decision makers in Oregon, including (a) those offering no retirement savings plan (n=11), (b) those offering a private plan (n=8), and (c) those participating in the OregonSaves retirement savings program (n=9).

The OregonSaves program, created through state legislation passed in 2015, is intended to provide a simple and convenient way for workers to save for retirement and for business owners to facilitate this without having to operate or pay setup or maintenance costs; business owners simply set up a payroll deduction for employees. Employees are automatically enrolled, although participation is voluntary, and employees are in complete control of their savings. Contributions are through payroll deductions, and employees' Roth Individual Retirement Accounts (Roth IRA) stay with them from job to job. OregonSaves is also expected to help taxpayers, because more people saving for retirement will mean less strain on our social services programs.

Key Findings

- **The selected small business owners interviewed agreed that the lack of retirement savings among Oregonians and the U.S. as a whole is problematic,** and they expressed considerable concern about the negative impacts on individuals and society.
- **The results were mixed concerning the impact of the lack of retirement savings on business:** business owners whose clientele consisted of a sizeable proportion of older adults were very concerned, while businesses that did not target older adults were less concerned.
- **Most business owners felt it was important to offer some type of retirement savings plan, including those who were not presently offering such a plan.** Most who did offer such a plan generally wished they could offer even better plans, with employer match or more employer match. Financial limitations were the primary constraint to offering a plan at all or to offering employer match. For small businesses having private plans, the time to set up and maintain the plans was sometimes a barrier. In general, though, both the **owners with private plans and those in OregonSaves reported positive experiences with respect to costs and ease of set up and maintenance of their retirement savings plan or program.**

- **Study participants agreed that Oregon’s lawmakers and governor did the right thing in supporting the OregonSaves program.** All eight of the small business owners offering a private plan for their employees strongly agreed, and most of those with no retirement savings plan (8 of 11) either strongly agreed (n=3) or somewhat agreed (n=5). **More information about the OregonSaves program is needed, however,** as some participants with no retirement savings plan for their employees had not heard of the program or had misunderstandings about it.
- **The majority of business owners in each of the three groups strongly agreed that a voluntary and portable retirement option offers a competitive edge and increases employee retention.** Small business owners in the private plan group were most likely to strongly agree. The primary reason that some respondents did not agree was that they viewed plan portability as taking away this competitive advantage.

Most business owners (18 of 28) believed that a lot more should be done to help encourage Oregon residents to save for retirement. Over half of the business owners who do not offer a retirement savings plan and those who are enrolled in the OregonSaves program believed a lot more should be done, while the preponderance (7 of 8) of the private plan business owners held this opinion. Among the minority of business owners who did not feel that more should be done, there was criticism over the State being involved in retirement savings planning.

- **Among the small business owners in the OregonSaves program, six of the nine interviewed were very satisfied with their experience, and all nine encouraged other businesses to pursue OregonSaves as an option** if they do not currently have retirement benefits in place.
 - Participants felt the program was important, was the right thing for employers to do, and was well supported. They liked that it had no cost to employers and low fees for employees, and that set up and maintenance were easy.
 - The primary concerns had to do with the State’s direct involvement, the mandate that employers participate (a voluntary program was preferable), and concerns about how the program will evolve over time.
 - Suggestions for improvement included addressing system glitches that made processing deadlines hard to meet and providing more direction and navigation regarding the investment choices. Also, some participants were interested in increasing the amount that could be contributed, and others wished for more variety in the investment options offered.

Study Uses and Limitations

The sample for the study was small and not representative, so the results cannot be generalized to small businesses across the state of Oregon. Nonetheless, the findings help in understanding the factors that drive small business owners’ decisions with respect to offering, or not offering, retirement savings plans for their employees. They also are useful in identifying suggestions for improvement in the OregonSaves program and similar programs being proposed and implemented in other states. Finally, the findings can help to raise awareness among Oregon workers and employers alike concerning the State’s new, ultimately mandatory, program for businesses not already offering retirement savings plans to their employees.

Selected Small Businesses in Oregon and Their Decisions Concerning Employee Retirement Plans

Introduction

Americans are living longer, and most of us are not saving enough for our retirement to maintain our current lifestyles or support our household at even a basic level. While Social Security will help, it will not be sufficient. Recent research has found that 1 million Oregonians do not have access to retirement savings at work.¹ Nationally, the median retirement account balance is \$3,000 for all working-age households and \$12,000 for near-retirement households – not nearly enough to support the average household for the number of years the householders will live in retirement.² In addition to concerns about these individuals' well-being in retirement, businesses and the state's economic development overall may be negatively affected.

In 2015 the Oregon legislature passed an innovative, retirement savings program for business owners to use without having to operate or pay setup or maintenance costs. Business owners simply set up a payroll deduction for employees who choose to participate.

The program, called OregonSaves, is designed to be a simple and convenient way for workers to save for retirement. Enrollment is automatic; employees do not need to do anything. Contributions are through payroll deductions, and employees' Roth Individual Retirement Accounts (Roth IRA) stay with them throughout their careers, from job to job. Once enrolled, employees automatically start saving a percentage of their paycheck in their Roth IRA. Employee participation is completely voluntary, and employees are in complete control of their savings. OregonSaves is also intended to be simple for businesses; it is just like deducting payroll taxes. The OregonSaves program is intended to help individuals and families save and help businesses that do not have retirement plans compete with those that do. It also is expected to help taxpayers, because more people saving will mean less strain on our social services programs.³

Any business with employees in Oregon that does not offer an employer-sponsored retirement plan will be required to facilitate the OregonSaves plan for its employees. The program began with a pilot in July 2017 with employers who expressed interest in participating. After the pilot, the program will roll out in six phases, starting in October 2017 with businesses having 100 or more employees and finishing in 2019-20 with businesses having 19 or fewer employees (See www.oregonsaves.com for details).

¹ Center for Retirement Research at Boston College. *Market Research Report: Oregon Retirement Savings Plan*. July 2016.

² Rhee, N. (2013). *The Retirement Savings Crisis: Is It Worse Than We Think?* National Institute on Retirement Security. Retrieved from http://www.sco.ca.gov/Files-EO/2013_sco_flac_retirement_savings_crisis_final_natl_institute_retirement.pdf

³ Shiflett, W. & Harvey, C. (2017). Oregon Could Save \$98.9 Million by Helping People Save for Their Own Retirement. AARP Public Policy Institute. Retrieved from http://www.aarp.org/content/dam/aarp/ppi/2017/04/AARP1150_FS489_Oregon_May1v2.pdf

Purpose of the Study

The purpose of this research was to examine the decision-making processes, decisions, and outcomes of selected small businesses in Oregon with respect to offering their employees retirement savings plans. The goal was to aid in understanding the factors that affect decision making among small business owners with respect to offering retirement savings plans for their employees, thus leading to suggestions for needed improvements as the OregonSaves program is rolled out to a wider group of employers. The findings will aid not only Oregon policymakers but also those in other states implementing similar , such as Illinois, Connecticut, Maryland, and California.

Method

Sample

Three separate groups of Oregon small business owners or benefits decision makers for the business comprised the study population for this research. The three groups included owners or benefits decision makers for small businesses who (a) were not presently offering their employees a retirement savings plan, (b) were currently offering their employees a retirement savings plan via the private sector, and (c) elected to join the pilot phase of the OregonSaves program. Those businesses offering a private retirement savings plan or no retirement savings plan were not participating in the first phase of the OregonSaves program. The study design called for recruiting approximately 10 participants per group and collecting data through structured telephone interviews.

Study participants were recruited from among the members of The Main Street Alliance of Oregon, a voluntary association of small businesses,⁴ as well as from among the small businesses that enrolled in the pilot phase of the OregonSaves program. An email recruitment message was sent by Main Street Alliance staff to association members and forwarded by OregonSaves program staff to small business owners participating in the pilot phase of the OregonSaves program (Appendix A contains the email recruitment notice).

As depicted in Figure 1, the resulting sample of participating employers included the owners or benefits decision makers of 28 small businesses. Included were a) eleven small businesses that do not presently offer their employees a retirement savings plan, b) eight small businesses that offer their employees a retirement plan via the private sector, and c) nine small businesses that are participating in the first phase of the OregonSaves program (total N=28).

⁴ The mission of the Main Street Alliance is: “The Main Street Alliance works to provide small businesses a voice on the most pressing public policy issues across the nation. Our advocacy promotes vibrant businesses and healthy communities, and fosters leadership development of socially responsible business leaders” (http://www.mainstreetalliance.org/mission_values).

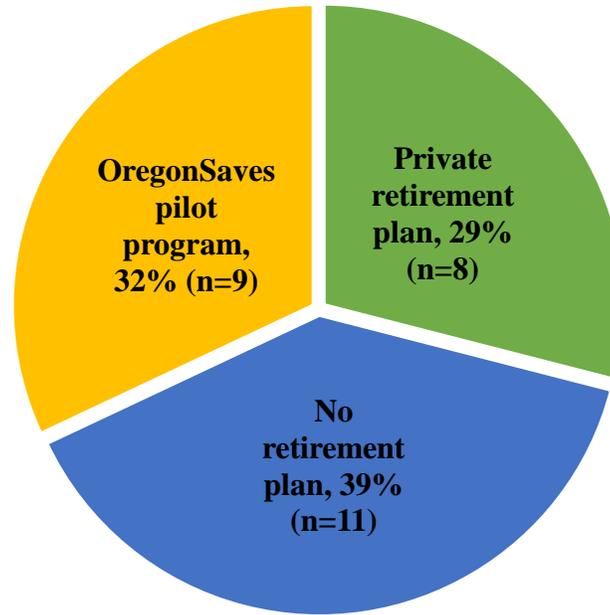


Figure 1. Study Participants by Group

Data Collection and Analysis

Once willing participants were identified, Main Street Alliance staff scheduled appointments for telephone interviews and conveyed the time, date, name, and telephone number to be called for each interview to the Portland State University Institute on Aging research team members. A member of the research team called each interviewee at the appointed time and conducted the interview or rescheduled it, if requested by the interviewee.

The PSU team developed the telephone interview script jointly with the staffs of AARP Oregon, OregonSaves, and AARP’s national office. The questions asked consisted of primarily open-ended questions concerning the rationale, cost, ease, and experiences of small businesses facilitating either the OregonSaves or a private-sector retirement plan, or the reasons for not facilitating such a plan. (See Appendix B, Telephone Interview Script.) Each interview was expected to take 30 minutes or less. Following application to and approval by the PSU Human Subjects Research Review Committee, data collection began on August 28, 2017, and concluded on September 16, 2017. The average interview length was 24 minutes.

The data from the interviews were entered into an Excel spreadsheet, and the responses to quantitative questions were tallied and summarized. Thematic analysis was conducted to identify key themes in the responses to the open-ended questions.

Study Businesses and Owners’ Characteristics

Table 1 (see next page) summarizes the characteristics of the businesses and owners/benefits decision makers who participated. Data are provided for each of the three groups and then for the total sample.

Table 1. Participant and Business Characteristics

	No Plan (n=11)	Private Plan (n=8)	OregonSaves (n=9)	Total (N=28)
Owners or co-owners of business	11	7	8	26
Average age (years)	48	53	47	49
Sex (n)				
Male	3	5	4	12
Female (n)	8	3	5	16
Number of employees (range; median)	0 - 13; 4	6 - 75; 15	5 - 35; 6	0 - 75; 6
Percent full-time employees	27%	71%	47%	59%
Percent part-time employees	73%	25%	53%	41%
Percent seasonal employees	0%	8%	11%	8%
For-profit businesses (n)	10	8	6	24
Total business payroll in 2016 (range)	\$1 to <\$500,000	\$100,000 to >\$ 1 million	\$50,000 to >\$1 million	\$1 to >\$1 million
Total business payroll in 2016 (median category)	\$10,000 to <\$50,000	\$500,000 to >\$1 million	\$100,000 to >\$200,000	\$100,000 to <\$200,000
Years in business in Oregon (range; median)	1 – 80; 5	1 – 43; 14.5	4 – 25; 13	1 -80; 8.5
Owners personally currently saving for retirement	6	8	7	21
Political party affiliation (n)				
Democrat	8	5	5	17
Republican	2	0	1	3
Independent	1	3	3	8
Political View				
Very conservative	1	0	1	2
Somewhat conservative	0	0	0	0
Moderate	2	0	3	5
Somewhat liberal	3	4	4	11
Very liberal	4	4	1	9

As revealed in Table 1, the vast majority (26 of 28) of the study participants were owners or co-owners of their small business; all of the No Plan group were owners or co-owners. The average age of respondents was 49, and 57% were female, although this varied considerably by group. More respondents in the No Plan group were female (n=8) and fewer in the Private Plan group (n=3), compared with just over half female (n=5) in the OregonSaves group. There was considerable variability by group in the number of people employed by the small business, as well, with a higher median number for the Private Plan group. The groups differed with respect to the percentage of full- versus part-time employees, too, with the No Plan group having the highest percentage of part-time (73%) and the Private Plan group having the highest percentage of full-time employees (71%). More non-profit businesses were included in the OregonSaves group. The groups varied, as well, with respect to their total business payroll in 2016, with the businesses in the Private Plan group reporting the highest and those in the No Plan group the lowest median category. Perhaps not surprisingly, the small businesses with a private retirement savings plan for their employees and those in the OregonSaves program had been in business longer, with the 14.5 and 13 median number of years compared to 5 for the small businesses in the No Plan group.

Personal saving for retirement was greatest among the Private Plan small business owners (n=8) followed by the OregonSaves business owners (n=7), then the No Plan business owners (n=6). The most common way in which respondents were saving for retirement was through 401(k) plans, followed by IRAs. Many respondents in the No Plan group noted, though, that their retirement savings were insufficient. As one stated *“Well, I have saved, but then I used some of that, so I’m not where I thought I was going to be,”* and another commented, *“I have PERS [Public Employee Retirement System] in another job besides the business I own. It’s not going to be enough.”* Other comments from the respondents in the No Plan group included: *“I am trying. I have a 401K from my last job that I try to put money into;”* *“I have an IRA, but I don’t use it often. I have a program called Acorn that rounds up purchases and puts that money into stocks. In the year that I have had the app, I have already saved \$1500.”* One respondent in the No Plan group also had real estate and a savings account. In general, though, this group was clearly the most disadvantaged with respect to their personal saving for retirement. The respondents in the Private Plan group generally had 401(k) plans, IRAs, investments, real estate holdings, and general savings. As one noted, *“I have a corporate background, so I have a significant 401K from a previous employer. I have fairly sizeable real estate holdings. We are the lucky ones, the employees aren’t.”* Two of the Private Plan respondents were saving through their own company’s plan. One respondent in this group reported, *“A SIMPLE IRA but it’s still not adequate.”* Among the respondents in the OregonSaves program, three were themselves saving through the OregonSaves program. Others reported having IRAs, but again, these were not seen as sufficient. As one reported, *“I have a small IRA but it’s pretty negligible.”*

The three groups of small business owners/benefits decision makers varied, as well, with respect to their political party affiliation and views, although across all groups there were fewer Republicans than Democrats or Independents, and fewer respondents who characterized their views as very or somewhat conservative. The most within-group variability was in the OregonSaves group of respondents.

As shown in Figure 2, the small businesses in the study represented a wide range of types of industries. Most often represented were businesses in the food service, restaurant, and hospitality category (five businesses) and retail (four businesses).

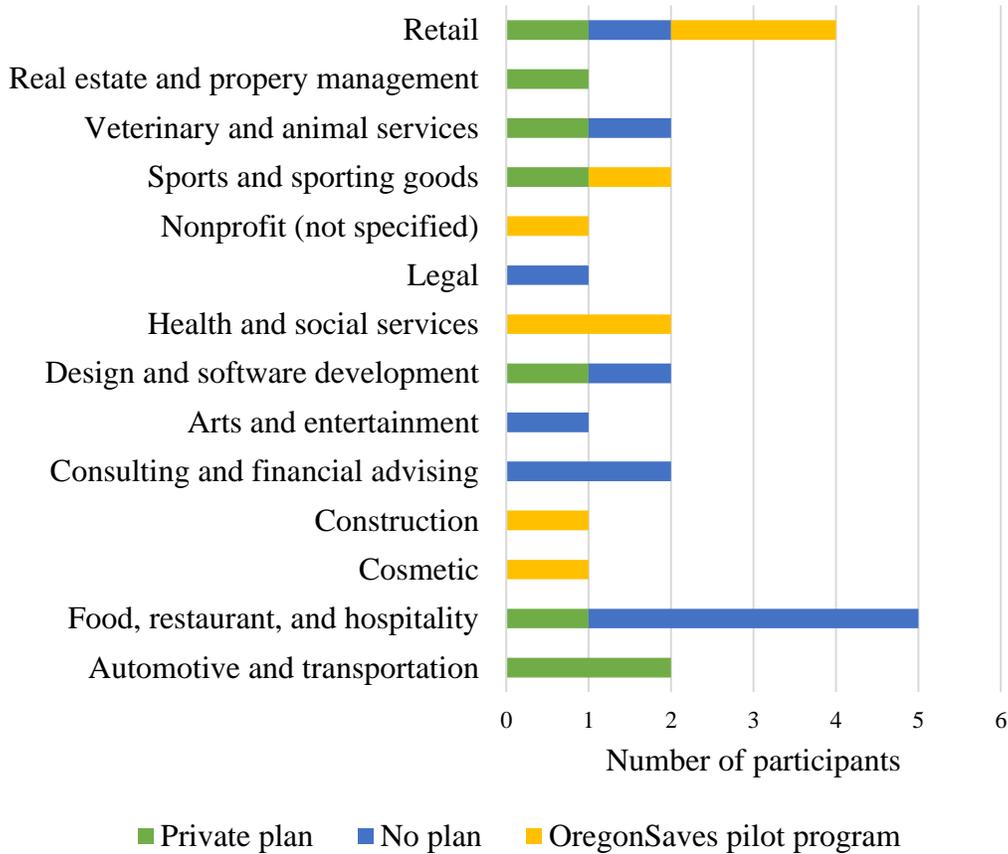


Figure 2. Type of Industry

More than half of all participants were business owners whose companies were incorporated in Multnomah County, with the greatest proportion of those in the No Plan group. Other counties in which businesses in the study were incorporated can be seen in Figure 3.

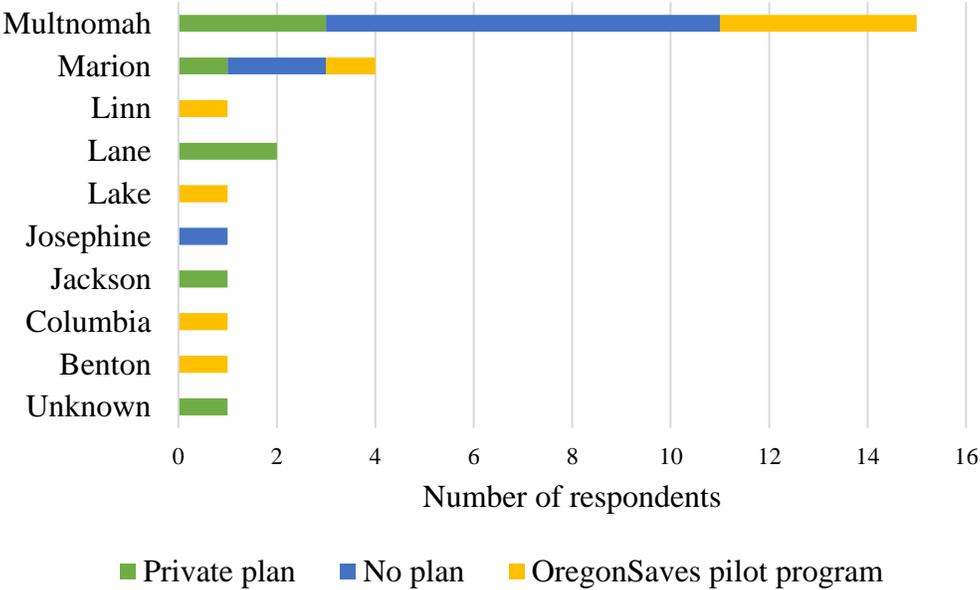


Figure 3. County Where Business Was Incorporated

Findings

Because several questions varied by small business group, in this section we report the findings separately for each of the three groups: those with no retirement savings plan, those with a private retirement savings plan, and those who are enrolled in the pilot phase of the OregonSaves program. The findings from questions that were common across the three groups are then discussed.

The No Retirement Savings Plan Group

Considered Offering a Retirement Savings Plan. Interviews were conducted with 11 small business owners who do not offer a retirement savings plan. Among the businesses that do not offer a private retirement savings plan and also are not participating in the OregonSaves pilot program, 8 of 11 reported having considered providing such a plan for their employees, and all but one employer expressed support for such plans. The reasons given for deciding not to move forward with offering a plan were the same as those given for not having considered providing such a plan in the first place: not being able to afford to do this right now, having too few employees, or their employees being young or working part time and not in career jobs and not being interested. Representative comments included:

We had all kinds of plans to offer benefits to our employees, but we're not in that position.

There is no money to put towards it. There's nothing left after the bills.

It's not affordable right now...we have insurance policies that cover injuries, death. We just expanded to medical and hope to offer retirement eventually.

We would if we had employees other than ourselves.

We are only a three-year-old business; people make \$12.50/hour, so this is not a career job. Most of my employees are not thinking about retirement.

The employees didn't want it. They are young, like 18, and I have a lot of other things I have to worry about that take priority. If my employees don't want it, it doesn't make sense at this time.

One person voiced an alternative view, stating “*I am so against them*” and instead recommended employees save through a CD or savings plan in a local credit union: “*By putting money there, you allow them to keep money in the community instead of going for mortgages to the big bankers.*”

Ever Approached by a Private Retirement Savings Plan Provider. Only 3 of the 11 of the employers in the No Retirement Plan group reported having ever been approached by a private retirement savings plan provider. Two mentioned just one approach each, but the third said “*all the time*” and that this was “*terrible.*”

Plans to Offer a Retirement Savings Plan to Employees. Most employers (8 of the 11) reported that they would like to offer a retirement savings plan to their employees. Although one reported being ready to do this now (“*I just need to figure out how to do it, start it; I’m ready!*”), most saw this as a future goal and not something attainable in the near term. Cost and size (too few employees) were seen as the major barriers.

We have to be able to afford it, but we would like to.

I’d like to be a bonafide company with HR, but we just started and we are so small at this point. If we get big enough I would like to offer that to my employees, but it is not something I see in the near future.

One employer said “*Maybe – it depends on size,*” while two had no intention of offering a plan. One of these explained that they didn’t have enough employees to do this, and the other stated that offering such a plan is “*a lot of work. I can be successful at my business because I don’t have to do all these ancillary things...I think employees do much better on their own.*”

A follow-up question asking “What would need to happen in your business to make you consider offering a retirement plan?” reiterated the barriers of cost and number of employees and a third one: employees’ lack of desire for a plan and the need for incentives.

We would seriously consider it if we started hiring other full time employees.

We need to go from a micro business to small to medium size. If I have a few hundred employees...then I would consider it more. Right now, I would rather prioritize being able to offer my employees health insurance; that would come first.

First more than anything, I need employees that want to have a retirement plan. If there was an incentive for them – some money or percentage that they would get back, say 10 cents for every dollar they saved, or a tax break – I think they would be more inclined.

I think it depends on the number of employees and what money was coming in. I’d rather see people get shares in the company rather than a retirement plan because of the size. Everyone benefits better that way.

One small business owner reported, “*There is no way I would ever offer it,*” later noting that “*We need to get rid of the pensions and let people take care of themselves.*”

Level of Agreement that a Retirement Savings Plan Helps Attract and Retain Quality Employees and Help Businesses to Stay Competitive. Most employers strongly agreed that offering a voluntary, portable retirement plan would help local small businesses attract and retain quality employees and stay competitive.

Because I think that given where we live, the pool isn't very diverse, and the more there is to offer, the more people would be willing to be here. It's hard to attract people who are exceptional employees.

Getting decent employees is a tough thing and you have to have good benefits to attract people or else they will leave for a company who can offer it to them.

The main reason is security – I know that if I have a job where I get benefits, I feel better about the company, and I feel more secure. I would be less likely to look for another job.

Several employers, though, noted ambivalence, as well, citing the lack of awareness on the part of employees of the need to save for retirement. As one commented,

I think I'm neutral on that. It sounds really great in principle, but I don't necessarily think that that's going to happen that way. Employees aren't even aware that's such a significant thing. Local businesses are small and a lot of times when they start off, they're hiring young, new employees; young people don't recognize the importance of that... Yeah, if we educate them about retirement and benefits that could make a difference.

Another had a similar observation:

I'm pretty neutral because people who work for my business aren't going to care about retirement much. They are mostly young people who are doing this as a part-time job, not as a career.

Concern That Lack of Retirement Savings Could Impact One's Business. Just over half of employers in the no retirement savings plan group (6 of 11) were very or somewhat concerned that households' lack of retirement savings could impact their business.

That means that we have future customers that don't have spending power. In the past, retirees are some of the best customers, and they are an important demographic in our industry.

My business caters to 50% retirees, and I'm finding that Baby Boomers believe that Social Security is retirement; they don't understand that it's supplemental to retirement.

That would absolutely impact my business – where people get to the retired age and can barely afford basic necessities. Even \$30,000 or \$100,000 saved – how is that going to go? People need \$1 million in savings for retirement, and people don't realize that.

A few respondents were equally or more concerned about the impact on the larger society and on the individuals themselves who have not saved.

I'm sure it will have an impact on our business – it will have huge impact on the population in general. My perception of retirement is that retirement is not a possibility, and it's a pretty common perception. There aren't a lot of affordable options for retirement, particularly if you're struggling to make it now. Lots of people will have to continue to work out of necessity.

A few employers had businesses of a nature that they felt would not be impacted.

I don't think it will affect our business because we don't have clients in retirement age.

They aren't the ones who are buying our product...If they are on a fixed income, I wouldn't expect them to be buying our [product].

As a business to business company, I don't think it will be affecting me, but I think it will affect my lifestyle and our procurement ability.

Level of Support for the OregonSaves Program. Respondents were asked if they agreed or disagreed that Oregon's lawmakers and governor did the right thing in supporting the OregonSaves program to make it easier for small business owners to offer a way to save for retirement to their employees. Most employers in the No Plan group either strongly (n=3) or somewhat (n=5) agreed. The following are representative comments from those who strongly agreed.

Anything that helps.

It sounds lovely to me, because I know when I got my job at the school district, I had a payroll deduction plan, and they switched companies, and the deduction went away, and I never started it up again. And it adds up over time.

If it's taken out in the beginning before anybody sees it, then it ensures that they'll have a savings. It seems like a good way to start, it will probably have to change in the future but these initial steps are huge.

Those who somewhat agreed liked the idea of the program but felt they needed to know more about it:

I want to say strongly, but I don't know the details. Here's the thing that bothers me with bureaucrats getting involved in retirement planning – are they creating something so that they can check the box and say, "Look what we are doing here in Oregon, aren't we great?" What I want to know – is it really something that can help people? Is it really what they need? I would need to know more about what the program does to have a solid opinion of it. I think it's a great start, but I don't know enough about it.

That's great – kudos to them! I just heard of it as of you telling me, so I don't have strong opinions on it.

Another small business owner agreed, too, but was concerned because they thought the program was mandatory:

I do agree with that, but I know that with my business my employees freaked out at the thought they would have to give up that money to put into savings. If it were voluntary it would be better. Next year I'm going on a payroll, and I plan to give the option to employees. When they are making so little, it is wrong to make it mandatory.

One small business owner responded neutrally, since they were not familiar with the program, but said “*I think it's a good idea in principle.*” Finally, one person strongly disagreed, saying: “*They brought somebody in from Boston to run an Oregon savings program, which is garbage... Oregonians know how to take care of themselves. That's why this state is a mess. We have a debt for the PERS that is out of this world. We need to get rid of the pensions and let people take care of themselves.*”

In summary, there was considerable support for the program among the No Plan small business owners, but they need more information about the program and have some misperceptions. At the same time, there was concern about the State's direct involvement and about the (incorrect) belief that the program is mandatory for employees.

The Private Plan Group

Retirement Plan Decision-Making. Interviews were conducted with eight small business owners who offer their employees a private retirement savings plan. Half of the participants offer a 401(k) or 403(b) plan, while the half offer a SIMPLE IRA (Savings Incentive Match Plans for Employees Individual Retirement Arrangement). The majority of participants reported having made the decision to offer a private retirement savings plan because they wanted to help their employees and encourage them to save. Some talked about personal values and feeling that “*It was the right thing to do*” and “*We want to help them help themselves.*”

Many respondents also noted that they felt that a strong benefits package would help recruit and retain quality employees. One remarked on the competitive advantage of offering a retirement plan stating, “*We want the very best people we can find, and the big companies offer one or more types of retirement.*” One respondent stated their accountant recommended they do more than simply set up an IRA, because that alone would not be sufficient for retirement saving.

Experience with Private Plan Providers. Three of the eight respondents had been approached by a private retirement plan provider. One individual, who was not approached by a private plan provider, but rather by their accountant, stated:

In our case, our accountant said to us, ‘You know, you have too big a balance in your checking account; you should set aside money for retirement or investment. Coincidentally, I went to law school with a financial planner, [name withheld], and I think you should give him a call.’ He said we should establish a Keogh.

Choosing a Plan and Provider. In the process of choosing a retirement plan and provider, all respondents felt there were an adequate number of providers and options. Three participants did not research the plans themselves and instead talked about receiving financial advising during the process. These individuals talked about entrusting the decision to an advisor they had previously worked with. One person said,

We all went on trusting our guy that’s done our insurance. He brought up the retirement plan, and we’ve been working with him for years so we have a lot of trust in him. I didn’t research different plans, so I can’t speak to the number of options and such. We just went with someone we trusted, and it has worked out.

The fiduciary duty of the provider was another noted decision-making factor. In choosing a plan, one respondent talked about the importance of the provider showing care and interest in the employees’ retirement security. This person said,

It’s probably more based off the people and how they offered it. Was it super sales-pitchy, or were they actually listening to what I’m saying? If they tried too hard to sell it and didn’t listen to me, I wasn’t going to go with them. I want to know they actually care.

One respondent reflected upon the costliness of the plan itself when talking about their experience in researching plans and providers stating, *“There are an onerous amount of fees for so many of these, and it can be overwhelming for the employees to figure it out.”*

Experiences Managing Retirement Savings Plans. When asked about their experience in managing the retirement savings plan for their employees, all but one respondent felt it had been easy to manage the plan. The individual who had experienced some difficulty said, *“The company we went with seems to have regular issues getting the paperwork correct. As hands-off as it should be for me, it isn’t.”* Three respondents who felt the process had been easy mentioned the important role of their financial advisor in helping to manage the plan and meet with employees.

Respondents were mixed in their experiences in opening plans with respect to the time, effort, and cost required. Half felt the process had been simple and straightforward. Two respondents felt that it took time and effort, and one respondent perceived the process as taking no time. Three individuals remarked that it was not costly to set up the plan, and one respondent reflected on the cost of the plan itself. It is noteworthy that business owners with more than 20 employees mentioned having someone else set up the plan, while business owners with 11 or fewer employees had done this themselves.

As for the time, that has been easy – we were given a template to use. The effort – it is a bit of effort every month, but I do payroll so I am really used to this stuff. The biggest challenge has probably been with the expense – matching three percent is not a small number. When we’re tight in the winter time, it will be harder.

Several respondents discussed the role of the plan administrator in meeting with employees to discuss their plan and investments.

The person we chose to administer the plan held meetings with each employee, and the employee decided what they wanted, how they wanted to invest.

It was easy to do. The requirement that everybody has to see an advisor was a bit difficult. They didn’t want to have to schedule a time to sit down with someone, but as the employees did this it became clear why it was useful.

There was no cost. Wonderfully, the plan offered is suitable. It took no time. They spoke with the employees and I think we will have high participation. The plan will start in January of 2018.

Employee Perceptions of Private Retirement Plans. Half of the respondents felt the plan had been very well received among employees. One person said, *“We only have one person who doesn’t participate! And she has a family member who handles her finances, and I don’t get involved.”* Three felt that the plan was somewhat well received but discussed difficulty

encouraging employees to save or participate. The primary reason for this was that wages are low. As one person said,

We've encouraged the employees to participate, and right now we have about 10 total people on our plan. Even though we offer a 3% match, it's still hard to encourage them to save. Their wages are not high enough, and if they're living paycheck-to-paycheck, they don't often have much income left over to put away.

Another respondent discussed the mixed response on the part of employees:

I would say it really varied a lot, from some being extremely grateful and understanding what a benefit it was, with others being ho-hum because 'I won't see the money until I'm 65.' And it wasn't based on how old people were. Many people would probably rather have had a small raise, but that's not the way it works.

Another respondent had had little success with their employees, stating, "Most of them don't care and don't use it."

Level of Agreement that a Retirement Savings Plan Helps Attract and Retain Quality Employees and Help Businesses to Stay Competitive. All but one of those interviewed who offer private retirement plans strongly agreed that offering a voluntary, portable retirement plan would help local small businesses attract and retain quality employees and stay competitive. The remaining respondent somewhat agreed. These participants felt retirement was an important part of a comprehensive benefits package that helps to recruit and retain employees.

Because in the 34 years we've been in business, it has proven itself to be accurate. There are other things we do that contribute to employee retention such as health care, but the whole package seems to be what people want and need.

I think because once employees start using those plans they can see the benefit becomes more tangible, and that helps with retention. Most employees I've seen have to deal with changing a plan have had a difficult time, so having something portable is important.

Respondents qualified their agreement noting some caveats:

The more educated you are, the more likely you'll be a quality employee. Just because you pay people well doesn't mean you treat people well. Some places are more stressful to work for, or just might not be a good fit. Good benefits or a good retirement package might be useful to get people in the door, but might not help keep them there.

The plan offered by the state is minimal. It's not competitive. Anything else can distinguish a business for the things already discussed.

Concern That Lack of Retirement Savings Could Impact One’s Business. Only one respondent in the Private Plan group was not concerned that the lack of retirement savings would impact their business. This person said they couldn’t see how it would affect them. The remaining respondents were very or somewhat concerned that it would contribute to negative consequences for their business as well as adverse individual and population-level effects.

Well, to the degree those people haven’t set aside enough funds for retirement, they will be spending \$0 in a business like ours. Plus, it’s bad to have people scraping by, needing to be on food stamps, welfare...It’s not good to have any citizens struggling.

That means that we have future customers that don’t have spending power. In the past, retirees are some of the best restaurant customers, and they are an important demographic in our industry. I know it’ll cost the government a lot of money to bail those people out. Combined with health care costs and other things, that is a big toll on the system and it is all money that goes away from business.

Well, I mean it’s shocking to hear the statistics – you’re not going to do a whole lot of retirement living for \$3,000 or \$12,000. It’s concerning and something the state’s clearly going to have to do something about. It’s really important for people to understand [the importance of saving for retirement].

One business owner who responded “Don’t know” to the question stated, “Those figures are disconcerting. All of those people, what are they going to do? I don’t know how concerned I am for the business, but personally I find that very concerning.”

Level of Support for the OregonSaves Program. Respondents were asked if they agreed or disagreed that Oregon’s lawmakers and governor did the right thing in supporting the OregonSaves program to make it easier for small business owners to offer a way to save for retirement to their employees. All employers offering private plans strongly agreed with this statement for two reasons: (1) they felt it was important to help employees to save for retirement, and (2) they supported the State’s role in administering the plan.

[The OregonSaves Program] moves Oregon and its population towards more secure retirement for all citizens.

It’s nice to know the government is trying to help out in some way, even if it’s just to help us to help ourselves.

Left to their own devices, most small business owners are just too busy to ever get around to it. Or they worry about an expectation that they [as businesses] should contribute to it. With the State having it, it's not up to them [the small business owners] to take the initiative to make the plan happen, much the way Social Security is there for them.

I think that we all need to do more as a state, and the government really needs to acknowledge this problem that people aren't saving. Anything we can do to facilitate savings is great, and something that helps small businesses is vital – small businesses are a huge proportion of the businesses. We can't be surprised that people aren't saving if they don't have vehicles for saving.

The OregonSaves Program Group

Retirement Decision Making. Interviews were conducted with nine small business owners who were participating in the pilot phase of the OregonSaves program. Only three of these business owners reported having been approached previously by a private retirement plan provider. Six of the nine the business owners in this group had considered providing a private retirement plan for their employees, but they did not enroll, largely due to cost.

Of those who had considered offering a plan, respondents noted several provider options but felt there were not enough affordable plans or plans tailored to small businesses.

There are plenty of providers, but very few targeted small business owners.

We spent 4-5 hours discussing it before realizing it wasn't something we could afford.

Only one of the business owners in the OregonSaves program group had considered and previously provided a private retirement savings plan for their employees. In regard to their experience opening their retirement plan, this participant noted:

Had the plan come through an employer, it would have been better - out of sight out of mind. There was no cost, and all my questions were answered. My accountant signed us up and said it was simple.

Employers were then asked why they had decided to enroll in the OregonSaves program. One employer reflected as follows on their decision to enroll:

When we broke the numbers down, offering a 401k was expensive for the company, or it was expensive for the employee if they're paying the high fees. As a small business, it's hard to come up with \$5,000-\$10,000 to come up with a plan. Mostly small businesses are leveraged, just getting by, and you want to create a company that keeps your employees and supports you. Then OregonSaves came along. Their fee structure for the employee is really reasonable- it's very good.

Some of the participants cited the opportunity to participate as pilot sites for the program. Respondents indicated few affordable opportunities available to small businesses who want to offer retirement savings plans to employees.

There are not a lot of opportunities for small organizations, so when we found out about OregonSaves and were given an opportunity to be a beta site, we said 'This is perfect!'

Additionally, OregonSaves participants commented on the convenience and ease of the program.

It's a pretty straightforward program, very affordable on the management side for us, and I like the idea that it's an opt-out rather than opt-in program.

There were multiple reasons. First, the majority of small business owners do not have the resources to offer matching, and OregonSaves does not require a match of employee savings. The second factor is that it does not cost me a fee or anything to operate. Third, and most important, it allows me to compete with large companies who have good benefits packages.

Offering an option for employees to save largely influenced business owners' decision to facilitate a retirement benefit through OregonSaves.

I would say allowing an employee to save is the most important [reason for enrollment].

I want to take care of our employees.

I'm also very passionate about making sure Oregonians and small business employees have the same option and are able to save for retirement.

Employers chose OregonSaves because it provides an affordable retirement option for their employees. They felt the program is a convenient and easy way for small businesses to facilitate a retirement benefit without burdensome costs.

Experience with the OregonSaves Program. In general, participants found the program easy and intuitive to set up. Approximately one-third of participants noted their appreciation for onsite staff and assistance when initially onboarding the program: *"It was good; they came and helped us get it set up. I had an issue and the tech guy helped me fix it in, like, three minutes."* One participant mentioned a need for additional phone support directly with the OregonSaves program, however.

Two business owners reported that their employees had experienced various issues with the program, some resolved, some not. One of these participants reported: *"I thought it was pretty easy. The only thing was that each of my employees had one type of issue when they were setting it up. Those got resolved, so there was nothing that impeded us in the long haul."* The other participant expressed serious concern over the registration and set up: *"I'm really concerned right now – after we did the registration, and I'm not sure my accountant did it correctly - only one guy received an email (in his trash bin) or anything in the mail. Something's wrong. I sent an email a couple of days ago, but all I've seen has been an invitation to this interview. It could be a problem on my end."*

Six of the 9 respondents using OregonSaves were very satisfied with the program, and two were somewhat satisfied. Only one was somewhat dissatisfied. Respondents attributed their satisfaction to the program's ease of use and to the staff support: *"I think it goes back to the professionalism of all the people I've worked with and their willingness to be helpful."*

One of the two employers who were only somewhat satisfied noted system glitches were making processing deadlines harder to meet. The other wanted more direction and navigation regarding the investment options. The employer who was somewhat dissatisfied with the program stated "I

don't know what's happening. Also, after they found out my displeasure with the program being required, they put me in the second pilot group.”

Respondents were thankful to be able to facilitate a savings option to their employees. One employer remarked on the positive change that OregonSaves has had on their employees:

It's been easy. I don't have the exact number, but about 90% of people who weren't saving are now saving. Ten never logged in, didn't do anything. They let the system opt them in. People are nervous, afraid, feel stupid, they don't DO it – it's this human experience. They didn't even have to think about it, it was just set up. Critics are concerned about the government set up, but my staff trusts me. Those 10 people never would have been saving for retirement, and the average age of that group is 25. So to me, as an employer who cares about my employees' future, this is a no-brainer.

Employers were asked about their employees' response to the OregonSaves program. Two business owners said they were too early in the process to be able to comment on their employees' reactions. The other respondents reported that there has been an overall positive reaction, especially from younger employees. Some respondents stated that a portion of their employees do drop out, but the majority stay with the program. Employees who previously were not saving for retirement are now saving for retirement through OregonSaves. As one participant said, “*At this point I think every single person is now saving.*”

Concerns about the OregonSaves Program. Business owners were asked if they had any initial concerns about the program. Half of the respondents said they did not have any concerns and that any questions they had had were answered through the registration process. Those who indicated concern said that as with any new or start-up program, the main concern was vetting the program fully and follow through as the program expanded.

The following participant mentioned several times throughout their interview that they had initial concerns about the overall running and management of the OregonSaves program. Through the onboarding process and working with the OregonSaves team, however, they became more comfortable with the program.

I guess with any start-up programs just if they would have it fully vetted before it went public. I didn't know who was going to run it, so how reliable, how well it was going to be vetted. I know they did beta testing, but how responsive they would be with concerns. All the issues in starting a new company. So [I was] not [concerned] with the program, but how it was going to be developed and made available. All concerns resolved.

No OregonSaves participants were concerned that the program was too complicated. Only two owners were concerned the program was time consuming, but those concerns had been resolved.

I was [concerned], but every step of the way OregonSaves has been timely and responsive. They have been good about explaining timelines, which is so important. People are fine with spending time on something if you tell them how long it will take.

Only one business owner had been concerned about the cost of the program, but they had a positive reaction upon finding out the program is free:

I wanted to know the cost to the employer, and there is none. That allowed me to give my employees a raise. I gave them a 5% raise with no cost to them, and I'm hoping they'll see it and put another five with it into OregonSaves.

The majority of OregonSaves participants did not have any concerns regarding the complexity, time involved, or cost of the program. However, over half of business owners mentioned concerns regarding the future growth and expansion of the program and the State's involvement. The bulk of concern among these small business owners had to do with the overall running of the program as time goes on.

They've done a great job so far, but I don't want to see it [OregonSaves program] change or grow. If it can stay as it was conceived, great – but how often do state and federal programs stay as they were conceived, simple. I bet this would be echoed by employers throughout the state. We're forced to be, but we're on board, but let's keep it simple – let's not mess with it.

The primary remaining concern among business owners is the ability to increase contributions if they desired to do so. Some owners are interested increasing current retirement allocations while others would like more variety in the investment options OregonSaves offers.

I hope that in the future they offer more than three investment choices.

It's stressful to be responsible for looking at allocations, then to payroll, then OregonSaves. If an employee changes their allocations, there should be a direct connection to OregonSaves.

One respondent indicated their concern about the federal government interfering with the program despite state buy-in and increasing government control over employers' decisions:

Only that someone is going to try to sink the program federally. The state is on board. I think employers are scared, and it looks from the outside like the government is doing something, and that this is too good to be true. There's a lot of fear that the government is making them do things.

Advice for Other Businesses Considering OregonSaves. Each of the study participants in the OregonSaves program was asked what advice they would give to other business owners considering enrolling in the program. All nine OregonSaves participants encouraged other businesses to pursue OregonSaves as an option if they do not currently have retirement benefits in place.

I would encourage it, especially if they have no program. It's a no brainer. It costs no money, seem ridiculous not to offer it. If they have no program, they should consider it.

It's a very worthwhile program, and I would recommend it.

Even the employer who had had a negative experience with setting up the program said, “*Don't fight it, join it; talk your guys into it, unless it's redundant. We all know that something needs to be done, and this is a great opportunity to make them feel like employers and help their employees.*”

Many participants identified OregonSaves as a great opportunity and a worthwhile idea, and one felt it is the business owner's responsibility to care for their employees: “*If you're not currently offering a program this is a great start. It's your responsibility. If you like your employees, you should want to help them with this.*”

Level of Agreement that a Retirement Savings Plan Helps Attract and Retain Quality Employees and Help Businesses to Stay Competitive. Five of the nine OregonSaves participants strongly agree offering a portable, voluntary retirement plan offers a competitive advantage and increases employee retention. One business owner even added their participation in OregonSaves to one of their job postings as a benefit.

One employer noted that if every business offered the same type of package, there was no longer a competitive advantage. The portability of retirement plans negate the competitive nature of offering such a benefit.

It's not a competitive advantage when everyone is offering the same thing. In the long term, employees can take retirement account wherever they go, so it's no longer a competitive resource. But I'm doing it for my employees, not for retention.

Concern That Lack of Retirement Savings Could Impact One's Business. OregonSaves participants had mixed feelings regarding whether or not a lack of retirement savings would impact their businesses. Those who felt very concerned (3 of 9) commented on national implications rather than just focusing on their own businesses.

My business caters to 50% retirees, and I'm finding that Baby Boomers believe that Social Security is retirement; they don't understand that it's supplemental to retirement.

I'm concerned that people aren't going to have disposable income; that all this effort to not have a welfare state will turn into one, that won't be good for business, America won't keep moving forward.

Those who did not feel concerned that a lack of retirement savings would impact their businesses had specific clientele demographics. One business actually worked to help low income seniors

find ways to supplement their income, so their business may increase with lack of retirement savings.

I take care of children so that wouldn't affect my business. Unless older people are taking care of kids, that might have an effect, but I am really not concerned about that.

My business appeals to people in their mid- to late thirties. I would be concerned about a lot of people being pushed out of the Portland market.

All but one respondent in the OregonSaves group feel retirement insecurity in the United States is a big problem. And even that respondent stated it is somewhat of a problem. They recognize Social Security will not sustain every person's living expenses in retirement. One business owner said, "People do not have enough saved to live comfortably and Social Security is not enough."

Comparisons of Responses to the Questions Asked Across Groups

Some questions were asked of each of the three groups of respondents: (a) the No Plan, (b) the Private Plan, and the (c) OregonSaves groups. In this section, the responses to those questions are compared across the groups.

Concerns Related to Retirement Insecurity. We asked all three groups of respondents to provide their insights on retirement insecurity and any potential concerns in their future ability to afford retirement living. Figure 4 shows how concerned business owners are about their own and their employees’ ability to cover their living expenses during retirement. Nineteen respondents across all groups reported being very concerned that they and their employees will not have enough money to cover retirement. More OregonSaves participants were very concerned (n=8) when compared to business owners who do not have retirement a plan for their employees (n=6) or who offer a plan through a private provider. (n=5)

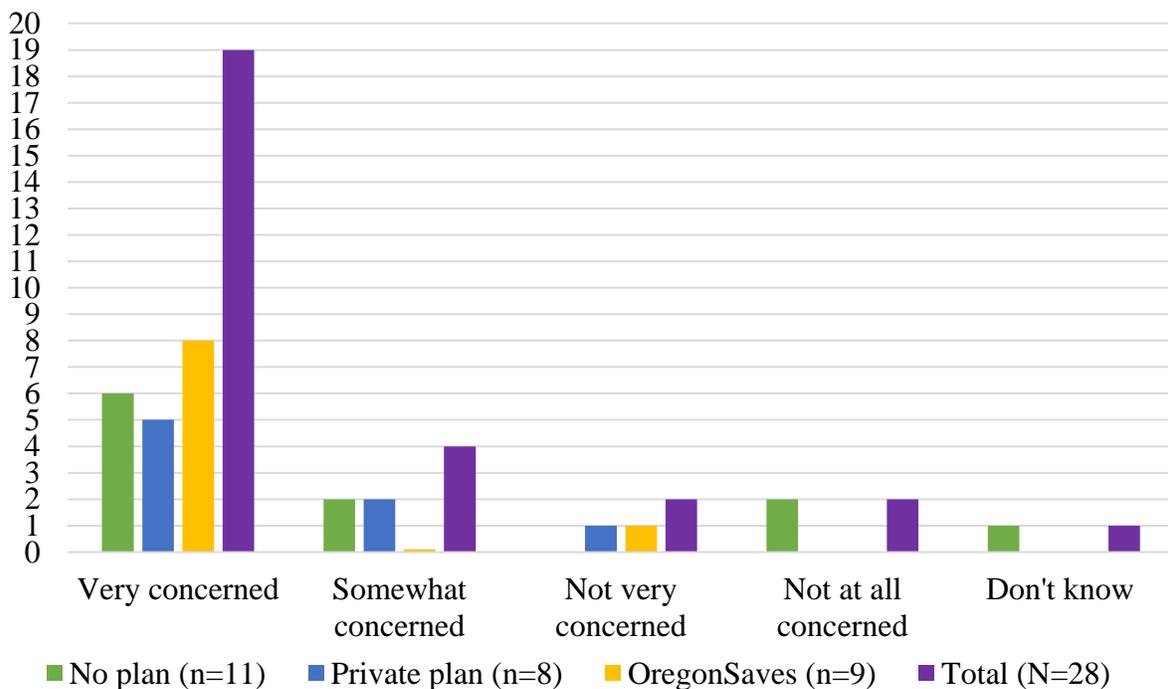


Figure 4. Business Owners’ Concern about Their and Employees’ Ability to Cover Living Expenses upon Retirement

In sum, most respondents across all three groups were concerned about retirement insecurity in the United States. Reasons given for this concern were that the future is uncertain, and Social Security is an unreliable and insufficient source of retirement funding. A small business owner in the Private Plan group stated, *“Everybody is living longer; we don’t know what’s happening with Social Security or if we will have healthcare in the future.”* An OregonSaves group small business owner gave their own personal situation as an example of the cause for concern: *“I’m*

41 and have nothing saved for retirement, other than just having joined this, so it is really scary.” The following are additional illustrative comments made by respondents.

It’s a big problem. I have thought it’s a problem and we will see it hitting – and we already are with some people who are already retired. It’s something I saw traveling in the U.S. talking with people with retirement accounts – not even the people who don’t have savings – they don’t know what they have or how it’s invested. When you have someone who is 18, 25, or 40 years old who has never balanced a checkbook or picked out a mutual fund, it is really concerning.

It’s surprising it’s a big problem. I’m GenX, and my generation has fully embraced the idea that ‘You’re not going to get Social Security, so you should be saving.’ But you do hear all the news that America’s right back at the debt issue, with people spending more than they make and not saving.

You have a whole generation of people who can’t support themselves when they retire or they can’t even retire in the first place. It’ll come at a huge cost to society, and it puts a huge chunk of older people in a vulnerable position.

Amount that Should be Done to Encourage Oregon Residents to Save for Retirement. All respondents were asked whether a lot more, some more, a little more or nothing more should be done to help encourage Oregon residents to save for retirement. As shown in Figure 5, the majority of business owners across the three groups (64%) believed a lot more should be done. Among business owners who do not offer a retirement plan and those who offer the OregonSaves program, over half believed a lot more should be done, while the preponderance (88%) of the private plan business owners believed a lot more should be done.

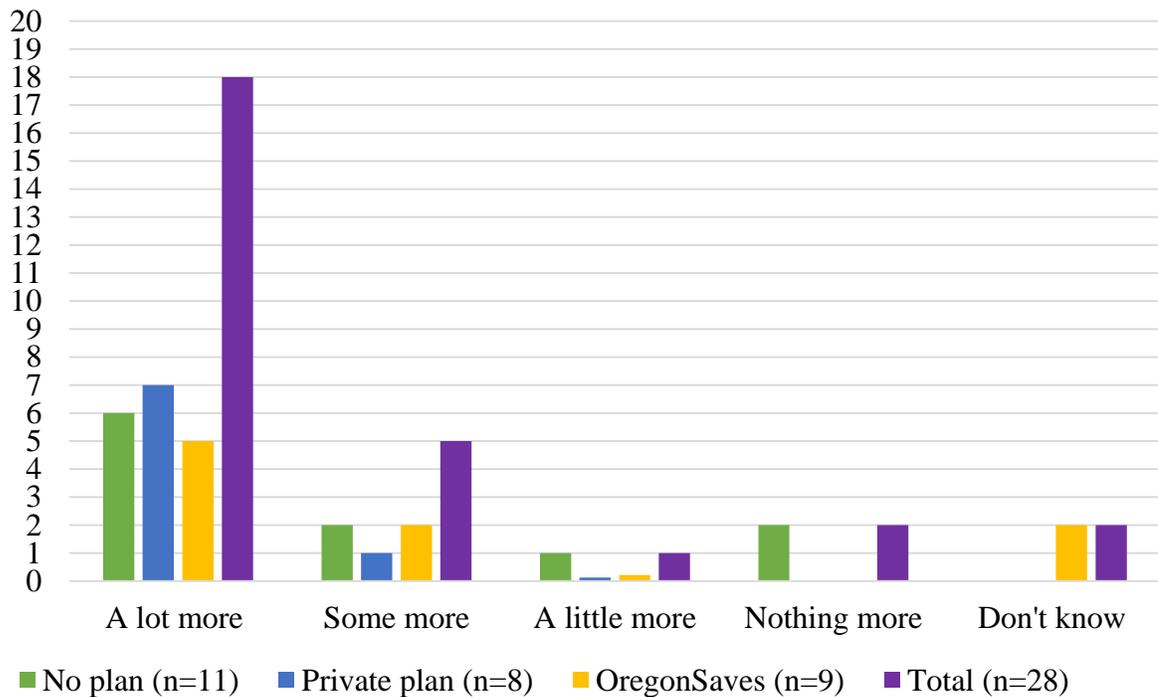


Figure 5. Amount that Should be Done to Encourage Oregon Residents to Save for Retirement

One employer in the No Plan group astutely noted, *“It’s something that affects everyone. Everyone is aging. We need to prepare everyone to be able to live comfortably past retirement. Maybe education would be the key, or awareness programs for workers. And not just business owners - anyone who works in the state.”*

Many of the business owners recognized people should start planning for retirement in their younger years. However, due to financial constraints, many employees were seen as being unable to put any money away for retirement. At the same time, respondents noted that not everyone will be able work past the traditional retirement age.

Because it’s not going to be possible for most people to continue to work into their older age. Not everyone is fortunate enough to find work that allows them to continue to work. We have a lot of work to do to raise the standard of living for our generation. The median income over the last thirty years, there was a point you could support your entire family on a high school diploma and then retire. Now, even with a two-person college-educated household, retirement is not viable. Retirement is the first thing that falls off the radar.

We figure our employer will take care of it, like health insurance; both things can quickly become inadequate...Retirement age sneaks up on you pretty quickly. When you get into your thirties it seems like no time at all.

People need to start saving right away. Everyone needs to be educated about employing strategies to save for retirement throughout their total career.

Among those who did not feel that more should be done, there was criticism over the State being involved in retirement planning. One provider noted an “extreme dislike” over the future retirement savings mandate (OregonSaves). Another provider thinks the State of Oregon should rescind its involvement in retirement planning all together: *“I think Oregon should get out of trying to help people save for retirement – the Oregon PERS system is so in debt, they should get out of it. They just passed the dumbest new savings program that gets [them] even more involved, and it’s just a disaster.”*

Level of Agreement that a Retirement Savings Plan Helps Attract and Retain Quality Employees and Help Businesses to Stay Competitive. All respondents were asked the following question: Consider the following statement: “Being able to offer a voluntary, portable, retirement plan would help local small businesses attract and retain quality employees and stay competitive.” Would you say that you strongly agree, somewhat agree, somewhat disagree, or strongly disagree?

Across all three groups, most business owners strongly agreed that a voluntary and portable retirement option offers a competitive edge and increases employee retention (see Figure 6). A business owner offering a private retirement plan to employees said, *“I think that because once employees start using those plans, they can see the benefit becomes more tangible, and that helps with retention. Most employees I’ve seen who have to deal with changing a plan have had a difficult time, so having something portable is important.”*

Offering a retirement savings plan generally was seen as helping with retention because, otherwise, employees may leave a company for another that has benefits: *“The main reason is security – I know that if I have a job where I get benefits, I feel better about the company, and I feel more secure. I would be less likely to look for another job.”* Several respondents commented that there are other benefits that they felt contribute more to retention, such as health insurance, but that employees want a comprehensive package.

All but one business owner (7 of 8) in the Private Plan group strongly agreed that a voluntary and portable retirement option is a competitive advantage, compared to 7 of the No Plan group business owners and 5 of the OregonSaves owners. One Private Plan respondent put it plainly, *“It’s a benefit that’s important and that employees are looking for.”* The primary reason that some respondents did not agree was that such a plan’s portability was seen as taking away this competitive advantage.

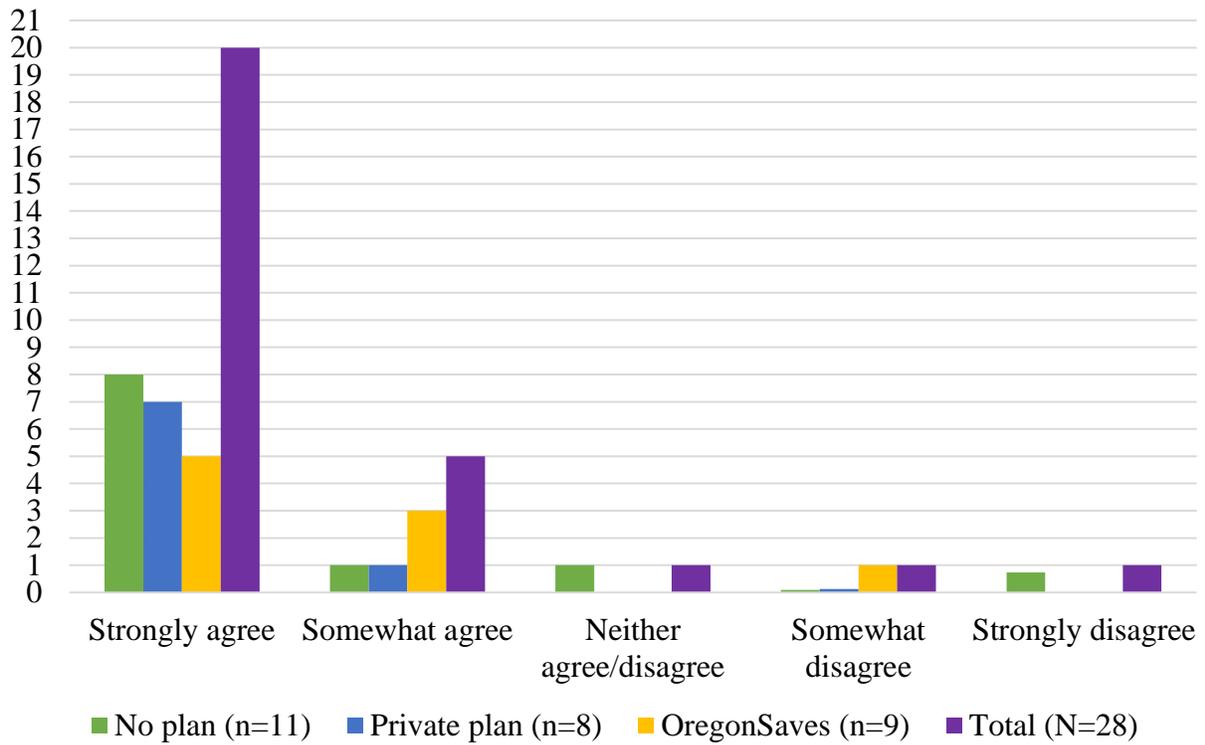


Figure 6. Level of Agreement that a Portable and Voluntary Retirement Plan Offers a Competitive Advantage

Concern That Lack of Retirement Savings Could Impact One’s Business. Respondents in all three groups were asked the following question: “Recent research has found that 1 million Oregonians do not have access to retirement savings at work. Nationally, the median retirement account balance is \$3,000 for all working-age households and \$12,000 for near-retirement households. By 2030, 20% of Oregonians will be 65 or older. How concerned are you that the lack of retirement savings could impact your business?”

As shown in Figure 7, the responses were fairly evenly spread across all the levels of concern, although the largest number of responses fell in the “very concerned” category. Proportionately more business owners who offered their employees private retirement savings plans were very concerned (4 of 8) than owners in either of the other two groups (3 of 9 in the OregonSaves group and 3 of 11 in the No Plan group).

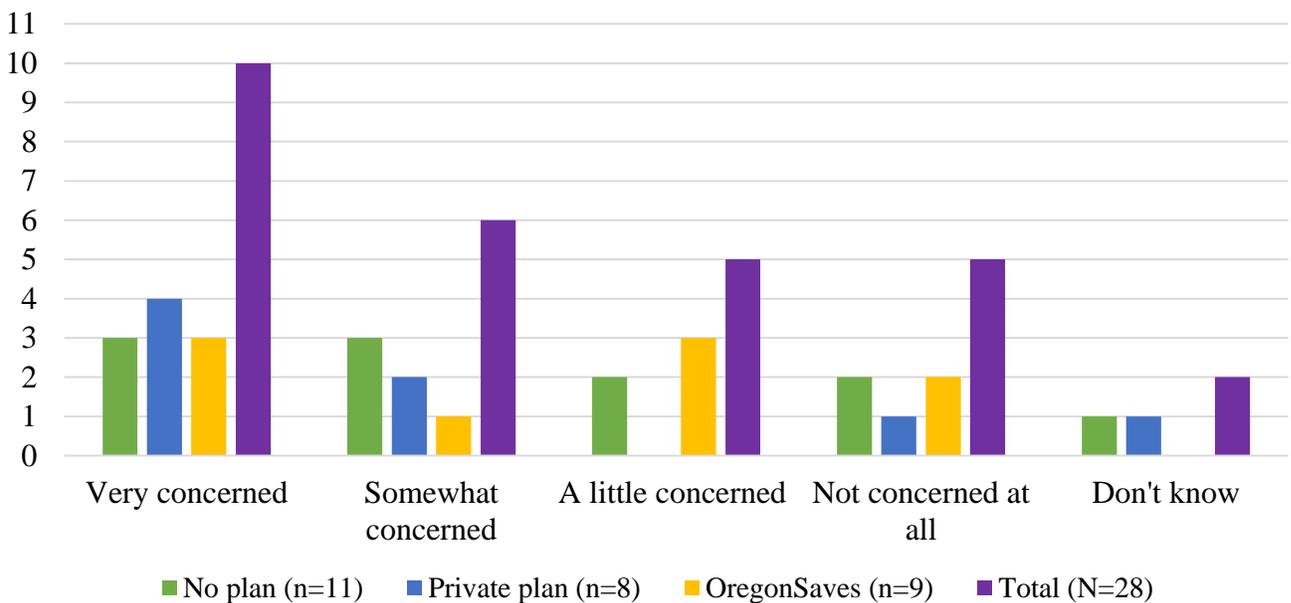


Figure 7. Level of Concern Lack of Retirement Savings will Impact Business

When participants were asked about why they felt the level of concern that they reported, several themes emerged around the anticipated impact on their business. Those who felt that the lack of retirement savings would definitely impact their business noted the following: “*The lack of disposable income and spending power in retirement or old age will mean a loss in profit in my business;*” “*Retirees are an important demographic in our industry;*” and “*We have had employee turnover due to our inability to offer benefits.*”

Other participants did not believe that their business would be impacted negatively because their target market is a younger demographic, they don't market their services to individuals, and/or older adults on a fixed income would not be interested in their product, as they would not have spending power.

One respondent was not concerned because they felt their *"employees know how to manage their finances."* One also noted that their business would actually be increased *"because we help older adults supplement their income."*

Some participants commented on the negative effects that they expected to experience personally, including that they did not envision themselves as ever being able to retire or that they expected that their lifestyle would have to change. One respondent noted,

That affects me as well. I wouldn't be able to retire. Everybody wants to be able to stop working at some point. The way it's going I won't be able to stop working at 50 or 60. I will have to keep working, and I don't want that.

Several respondents were concerned because of negative impacts on society that respondents anticipated due to the lack of retirement savings. These included the need for many people to continue to work and younger people having fewer jobs available to them, the burden placed on society to provide safety net programs (e.g., *"My business and myself will have to help those people"*), and the inadequacy of Social Security to cover expenses. Employers in the Private Plan and OregonSaves groups were more likely to make comments such as these.

Finally, one respondent said they were only somewhat concerned precisely because of the existence of OregonSaves: *"Now with OregonSaves we just need to educate employers and employees."*

Conclusion

Summary

The goal of this qualitative research was to aid in understanding the factors that affect decision making among selected small business owners with respect to offering retirement savings plans for their employees, thus leading to suggestions for improvements as the OregonSaves program is rolled out to a wider group of employers. Three groups of Oregon small business owners or benefits decision makers for the business comprised the study population for this research. The three groups included owners or benefits decision makers for small businesses who: (1) had elected to join the pilot phase of the OregonSaves program (n=9; the “OregonSaves” group); (2) were currently offering their employees a retirement savings plan via the private sector (n=8; the “Private Plan” group); and (3) were not presently offering their employees a retirement savings plan (n=11; the “No Plan” group). The total sample size (N) was 28.

Overall, there was widespread agreement that the lack of retirement savings among Oregonians and the U.S. as a whole is problematic, and there was considerable concern about the negative impacts on individuals and society. The results were mixed concerning the impacts on business. The owners of the selected small businesses whose clientele consisted of a sizeable proportion of older adults were very concerned that the lack of disposable income among retirees would hurt their business, while those whose businesses did not target or appeal to older adults were less concerned.

Most of the business owners felt it was important to offer some type of retirement savings plan, including those who were not presently offering such a plan (those in the No Plan group). Most of the small business owners who did offer such a plan generally wished they could offer even better plans, with employer match or more employer match. Financial limitations were the primary constraint to offering a plan at all or to offering employer match. For small businesses with private plans, the time to set up and the time required to maintain the plans were noted as barriers by only one individual. In general, however, the small business owners in both the private sector retirement savings plan group and the OregonSaves program group reported positive experiences with respect to costs and ease of set up and maintenance of their retirement savings plan or program.

There was agreement that Oregon’s lawmakers and governor did the right thing in supporting the OregonSaves program. All of the small business owners in the Private Plan group supported the program, as did most of those in the No Plan group. There is a need for more information about the OregonSaves program, however, as evidenced by the number of participants in the No Plan group who had not heard of the program or felt they needed to know more about it. Indeed, some participants had clear misunderstandings about the program (e.g., some thought that it was

mandatory for employees and none mentioned that it would ultimately be mandatory for employers who did not already offer a retirement savings plan).

The majority of respondents in each of the three groups strongly agreed that a voluntary and portable retirement option offers a competitive edge and increases employee retention. Small business owners in the Private Plan group were most likely to strongly agree. The primary reason that some respondents did not agree was that plan portability was seen as taking away this competitive advantage.

Most business owners (18 of 28) believed that a lot more should be done to help encourage Oregon residents to save for retirement. Over half of business owners who do not offer a retirement plan and those who are enrolled in the OregonSaves program believed a lot more should be done, while the preponderance (7 of 8) of the private plan business owners held this opinion. Among the minority of business owners who did not feel that more should be done, there was criticism over the State being involved in retirement planning.

Among the small business owners in the OregonSaves program, there was clear support for the program; six of the nine were very satisfied with their experience, and all nine of the OregonSaves participants encouraged other businesses to pursue OregonSaves as an option if they do not currently have retirement benefits in place. This was true even for the business that was still experiencing problems with setting up the program. Participants felt the program was important, was the right thing for employers to do, and was well supported. They liked the fact that the program had no cost to employers and low fees for employees, and that set up and maintenance were easy. The primary concerns had to do with the State's direct involvement, the requirement, ultimately, that employers participate (a voluntary program would have been preferred), and concerns on the part of fully half of the participants about how the program will evolve over time. Suggestions for improvement included addressing system glitches that made processing deadlines hard to meet and providing more direction and navigation options regarding the investment choices. Some participants were interested in increasing the amount that could be contributed, and others wished for more variety in the investment options offered.

Study Limitations, Cautions, and Usefulness

It is important to note that the sample size for this study was small. Interviewing more businesses in each of the three groups would have been ideal. Additional limitations of the study were its use of quota sampling, due to the limited timeframe in which interviews could be completed, and the pool from which the sample was selected. Specifically, the participating businesses offering no plan or a private plan were a convenience sample drawn from members of The Main Street Alliance, which may or may not be representative of small business owners in the state as a whole.

The small businesses that participated in this study varied considerably both within the three sample groups and across groups. Comparisons across groups should take these differences into account. For example, small businesses in the Private Plan group tended to be larger with respect to the size of their payroll and the number of employees than those in the other two groups; this likely influenced their ability to offer private retirement savings plans. Similarly, the selected Private Plan and the OregonSaves small businesses had been in business, on average, longer, and thus had greater stability.

Because of these limitations, the results of this study cannot be generalized to small businesses across the state of Oregon. They can be useful, however, in understanding the factors that affect decision making among small business owners with respect to offering retirement savings plans for their employees and in identifying suggestions for improvement in the OregonSaves program and similar programs being proposed and implemented in other states. The study and its findings can also be helpful in raising awareness of Oregon business owners concerning the State's new, ultimately mandatory, program for businesses not already offering retirement savings plans to their employees.

Appendix A

Email Recruitment Notice for Retirement Savings Plan Study

From: Iris Hodge, Main Street Alliance Oregon

Subject: \$40 Gift Card: Oregon Small Biz Retirement Plan Interview

Good Morning,

We are contacting a select group of business owners across Oregon to take part in a phone interview on retirement plan issues. The call will be scheduled at your convenience between August 28 and September 8. It should last no longer than 30 minutes.

As a respected member of our business community, your perspective will be valuable in helping us learn the challenges and experiences of small businesses who both offer and do not offer private retirement savings plans for their employees. Participation will be limited, and **each participant will receive a \$40 gift card** redeemable at Main Street Alliance Oregon small businesses.

An independent, third party organization, AARP, is hosting this study, and Portland State University's Institute on Aging will be conducting the interviews and analyzing the results. **This survey is confidential. All reporting will be done in the aggregate, and your individual answers will not be shared.**

If you are willing to participate, please contact me, Iris Hodge, at iris@mainstreetalliance.org!

Appendix B

Telephone Interview Script

2017 Oregon Small Business Owner Retirement Savings Plan/Program Interview Script

FOR ALL GROUPS

Intro1. Hello, my name is _____. Is _____ (NAME) available?

- 1 Yes
- 2 No [ASK:] When might s/he be available? [RECORD TIME AND SET UP CALLBACK BASED ON GOOGLE SPREADSHEET IF POSSIBLE]

Intro2. Hello, Mr./Ms. _____! My name is _____. I'm calling to talk with you about a study we at Portland State University Institute on Aging are conducting in conjunction with Main Street Alliance and AARP. Thank you for agreeing to talk with us; is now still a good time to talk?

- 1 Yes [CONTINUE to Intro3]
- 2 No – Could you tell me when would be a good time to call you back? [RESCHEDULE AFTER REVIEWING THE GOOGLE SPREADSHEET.]

Intro3. Just to verify, are you the owner of a small business, are you not the owner but the person who makes decisions about employee benefits, or are you neither? (DO NOT READ CHOICES - SELECT ONE ANSWER)

- 1 Owner
- 2 Decision maker about employee benefits (NOT owner)
- 3 Neither [ASK Intro3a]

Intro3a. May I please speak with the owner or the decision maker about employee benefits?

- 1 Yes (TRANSFER TO PERSON AND REPEAT INTRO)
- 2 No (SET UP CALLBACK BASED ON GOOGLE SPREADSHEET)
- 3 No (TERMINATE)

Intro4. Great – thanks! We are conducting interviews with a sample of small business owners in Oregon regarding employee retirement benefits. I assure you that this is a not a sales call.

This interview will take about ½ hour. In appreciation of your time, we will mail you a gift card for \$40 that can be used at any Main Street Alliance business.

Your answers will be confidential and will be combined with those of the other business owners or benefits decision makers with whom we'll be speaking – your name and your business's name will not be published, and no one will be able to tell how you, in particular, responded. Your participation is voluntary – you may skip a question or stop the interview at any time, and it will involve no penalty or loss of benefits to which you would otherwise be entitled. You may gain some new knowledge or insight as a result of participating in the study, and your responses will be very useful in understanding the retirement savings plan-related experiences of small business owners, and how processes and programs might be improved. If you have questions or concerns about the study, you may contact the PSU Office of Research Integrity at (503) 725-2227. Do you have any questions about the study? May we proceed?

FOR ALL GROUPS

A1. Not including yourself, approximately how many people does your company employ?

_____ [ENTER NUMBER]

99999 Don't know/No answer

A2. In general, how many full-time (\geq 35 hours/week) employees do you employ?

A3. In general, how many part-time (< 35 hours/week) employees do you employ?

A4. In general, what **percentage** of your workforce includes seasonal employees?

_____ % [ENTER PERCENTAGE 0-100]

999 Don't know/No answer

A5. In what **county** was your company incorporated? _____

[WRITE NAME OF COUNTY ABOVE OR CIRCLE BELOW IF NOT A CORPORATION AND/OR DOESN'T KNOW COUNTY WHERE INCORPORATED]

996 Not a corporation

997 Other [EXPLAIN] _____

998 Don't know/not sure

999 Refuse

A6. What type of business or industry characterizes your company?

B1. How concerned are you that you and your business's employee(s) will not have enough money to cover your living expenses when you or they retire? Are you very concerned, somewhat concerned, not very concerned or not concerned at all? [SELECT ONE ANSWER]

4 Very concerned

3 Somewhat concerned

2 Not very concerned

1 Not concerned at all

8 Don't know/Not sure

9 Refused

B1a. Could you please explain why you say this?

B2. In your opinion, should a lot more, some more, a little more or nothing more be done to help encourage Oregon residents to save for retirement? [SELECT ONE ANSWER]

- 4 A lot more
- 3 Some more
- 2 A little more
- 1 Nothing more
- 8 Don't know/Not sure
- 9 Refused

B2a. Could you please explain why you say this?

B3. Are **you** personally currently saving for retirement? [DO NOT READ CHOICES – SELECT ONE ANSWER]

- 1 Yes [ASK B3a.]
- 2 No
- 8 Don't know/Not sure
- 9 Refused

B3a. Can you tell me a little about **how** you are saving for retirement?

B4. Does your business offer your employees a retirement savings plan? [IF YES, AND IF NECESSARY, ASK: "Is that a private plan or the OregonSaves program?"]

- 1 Yes, a private plan – SKIP TO PAGE 7
- 2 No – GO TO NEXT PAGE
- 3 Yes, through OregonSaves program – SKIP TO PAGE 10
- 8 Don't know/not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

****Note: If B4=2, ask "NP" Section questions. IF B4=1, ask "P" Section questions.**

If B4=3, ask "OS" Section questions. IF B4= BOTH 1 and 3, ask both "P" and "OS" Section questions.

THIS SECTION (“NP” QUESTIONS) ONLY FOR BUSINESSES THAT DO NOT OFFER A PRIVATE RETIREMENT SAVINGS PLAN AND ALSO ARE NOT PARTICIPATING IN THE OREGONSAVES PILOT PROGRAM

NP1. Have you ever considered offering a retirement savings plan?

- 1 Yes - [NP1a - ASK:] Why did you decide not to? [PROBES, **ONLY IF NEEDED**: Too complicated? Time consuming? Costly? Fiduciary risk? Other?]
- 2 No - [NP1b - ASK:] Why not?
- 8 Don't know/not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

NP2. Have you ever been approached by a private retirement savings plan provider?

- 1 Yes - [NP2a - ASK:] What was your experience?
- 2 No
- 8 Don't know/not sure [DO NOT READ]
- 10 Refused [DO NOT READ]

NP3. Does your company ever plan to offer a retirement savings plan to your employees?

- 1 Yes
- 2 No
- 8 Don't know/not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

NP3open. Why do you say this?

NP4. What would need to happen in your business to make you consider offering a retirement plan?

NP4open. [WRITE ANY COMMENTS BELOW.]

NP5. Consider the following statement: “Being able to offer a voluntary, portable, retirement plan would help local small businesses attract and retain quality employees and stay competitive.” Would you say that you strongly agree, somewhat agree, somewhat disagree, or strongly disagree? [SELECT ONE ANSWER]

- 5 Strongly agree
- 4 Somewhat agree
- 3 Neither agree nor disagree [DO NOT READ]
- 2 Somewhat disagree
- 1 Strongly disagree
- 8 Don’t know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

NP5open. Can you tell me why you feel that way?

NP6. Recent research has found that 1 million Oregonians do not have access to retirement savings at work. Nationally, the median retirement account balance is \$3,000 for all working-age households and \$12,000 for near-retirement households. By 2030, 20% of Oregonians will be 65 or older. How concerned are you that the lack of retirement savings could impact your business – are you very concerned, somewhat concerned, not very concerned, or not concerned at all? [SELECT ONE ANSWER]

- 4 Very concerned
- 3 Somewhat concerned
- 2 Not very concerned
- 1 Not concerned at all
- 8 Don’t know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

NP6open. Can you tell me why you feel that way?

NP7. Overall, how big a problem do you feel retirement insecurity is in the U.S.?

NP7open [WRITE ANY COMMENTS HERE]:

NP8. The State of Oregon recently created a new, basic, ready to go, or “plug-and-play” retirement program that small business owners can use without having to operate or pay setup or maintenance costs. Small business owners simply set up a payroll deduction for employees who choose to participate. The program, called OregonSaves, is in its pilot phase now. Have you heard about the OregonSaves retirement savings program?

- 1 Yes
- 2 No
- 8 Don’t know/not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

NP9. Do you agree or disagree that Oregon’s lawmakers and governor did the right thing in supporting the OregonSaves program to make it easier for small business owners to offer a way to save for retirement to their employees? Is that strongly or somewhat?

- 5 Strongly agree
- 4 Somewhat agree
- 3 Neither agree nor disagree [DO NOT READ]
- 2 Somewhat disagree
- 1 Strongly disagree
- 8 Don’t know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

NP9open. Why do you say this?

NP10. Would you be interested in offering your employees access to the new OregonSaves retirement savings program right away, instead of waiting until you are required to do so?

- 1 Yes
- 2 No
- 8 Don’t know/not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

NP10open. Why do you say this?

NP11. Would you like to receive more information about the OregonSaves program?

- 1 Yes
- 2 No
- 8 Don’t know/not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

SKIP TO DEMO QUESTIONS AT END

**THIS SECTION ("P" QUESTIONS) ONLY FOR
BUSINESSES OFFERING A PRIVATE RETIREMENT SAVINGS PLAN**

P1. What **type** of employer-sponsored retirement savings plan or plans does your company offer employees?
[DO NOT READ LIST – SELECT ALL THAT APPLY – PROBE: “What else?”]

- 1 401(k) or 403(b) [NOTE: the 403(b) is also called a tax-sheltered annuity or TSA plan]
- 2 A payroll deduction IRA [NOTE: IRA=Individual Retirement Arrangement]
- 3 a SIMPLE IRA Plan [NOTE: SIMPLE=Savings Incentive Match Plans for Employees]
- 4 Simplified employee pension plan (SEP or SARSEP)
- 5 Stocks or mutual funds (Employee Stock Ownership Plans (ESOPs)
- 6 Defined benefit plan
- 7 Other (**SPECIFY**) _____
- 8 Don't know/Not sure
- 9 Refused

P2. Can you tell me why you made the decision to offer a retirement plan or plans to employees?

P2a. [IF MORE THAN ONE REASON GIVEN] Of those reasons, which was the main reason?

P3. Were you approached by private retirement savings plan providers?

- 1 Yes
- 2 No
- 8 Don't know/not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

P4. Now I want you to think about the process of choosing and offering a plan. In the process of choosing a retirement plan and a provider, did you find there were too many providers and options or too few? What was your experience like?

P5. What was your experience in opening the plan/plans with respect to the time, effort, and cost required?

P6. What has been your experience managing the plan(s)?

P7. What was the reception of the plan(s) among employees?

P8. Consider the following statement: “Being able to offer a voluntary, portable, retirement plan would help local small businesses attract and retain quality employees and stay competitive.” Would you say that you strongly agree, somewhat agree, somewhat disagree, or strongly disagree? [SELECT ONE ANSWER]

- 5 Strongly agree
- 4 Somewhat agree
- 3 Neither agree nor disagree [DO NOT READ]
- 2 Somewhat disagree
- 2 Strongly disagree
- 8 Don't know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

P8open. Can you tell me why you feel that way?

P9. Recent research has found that 1 million Oregonians do not have access to retirement savings at work. Nationally, the median retirement account balance is \$3,000 for all working-age households and \$12,000 for near-retirement households. By 2030, 20% of Oregonians will be 65 or older. How concerned are you that the lack of retirement savings could impact your business – are you very concerned, somewhat concerned, not very concerned, or not concerned at all? [SELECT ONE ANSWER]

- 4 Very concerned
- 3 Somewhat concerned
- 2 Not very concerned
- 1 Not concerned at all
- 8 Don't know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

P7open. Why do you say this?

P10. Overall, how big a problem do you feel retirement insecurity is in the U.S.? Do you feel it is no problem at all, not much of a problem, somewhat of a problem, or a big problem? [SELECT ONE ANSWER]

- 1 No problem at all
- 2 Not much of a problem
- 3 Somewhat of a problem
- 4 A big problem
- 8 Don't know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

P10open. Why do you say this?

P11. The State of Oregon recently created a new, basic, ready to go, or “plug-and-play” retirement program that small business owners can use without having to operate or pay setup or maintenance costs. Small business owners simply set up a payroll deduction for employees who choose to participate. The program, called OregonSaves, is in its pilot phase now. Have you heard about the OregonSaves retirement savings program?

- 1 Yes
- 2 No
- 8 Don't know/not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

P12. Do you agree or disagree that Oregon's lawmakers and governor did the right thing in supporting the OregonSaves program to make it easier for small business owners to offer a way to save for retirement to their employees? Is that strongly or somewhat? [SELECT ONE ANSWER]

- 5 Strongly agree
- 4 Somewhat agree
- 3 Neither agree nor disagree [DO NOT READ]
- 2 Somewhat disagree
- 1 Strongly disagree
- 8 Don't know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

P12open. Why do you say this?

SKIP TO DEMO QUESTIONS AT END

THIS SECTION ("OS" QUESTIONS) ONLY FOR BUSINESSES IN OREGONSAVES PILOT PROGRAM

OS1. Prior to registering for the OregonSaves program, were you ever approached by private retirement savings plan providers?

- 1 Yes
- 2 No
- 8 Don't know/not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

OS2. Did you previously have, do you have now, or did you consider having a private retirement savings plan or plans for your employees?

- 1 Yes – considered but did not have
- 2 Yes – considered and had/have
- 3 No **[SKIP TO OS 3]**
- 8 Don't know/not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

[IF OS2=1 or 2 ASK:] OS2a. Did you find there were too many providers and options or too few? What was your experience like?

[IF OS2=2 ALSO ASK:] OS2b. What was your experience in opening the plan/plans with respect to the time, effort, and cost required?

OS3. Why did you choose to use OregonSaves?

OS3a. [IF MORE THAN ONE REASON GIVEN, ASK:] Of those reasons, which was the main reason?

OS4. What were your initial concerns about the OregonSaves program?

[NOW ROTATE Qs a – c]

OS4a. Were you concerned about how **complicated** it would be to participate? [DO NOT READ CHOICES – SELECT ONE ANSWER]

- 1 Yes
- 2 No
- 8 Don't know/not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

OS4aopen [IF YES]: Could you say a bit more about this concern?

OS4b. Were you concerned about how **time consuming** it would be to participate? [SELECT ONE ANSWER]

- 1 Yes
- 2 No
- 8 Don't know/not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

OS5bopen [IF YES]: Could you say a bit more about this concern?

OS4c. Were you concerned about how **costly** it would be to participate? [SELECT ONE ANSWER]

- 1 Yes
- 2 No
- 8 Don't know/not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

OS4copen [IF YES]: Could you say a bit more about this concern?

OS4d. Are there **any other** reasons you were concerned about participating in the OregonSaves retirement savings program?

- 1 Yes
- 2 No
- 8 Don't know/not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

OS4dopen (IF YES): Could you say a bit more about this/these concerns?

OS5. Now I'm going to ask you about your **experience** with OregonSaves. Can you tell me about your registration and account set up experience with OregonSaves? What was good about it? What would you change?

OS6. Since registering in the OregonSaves program, how have you felt about your experience? Have you been very satisfied, somewhat satisfied, somewhat dissatisfied, or very dissatisfied?

- 5 Very satisfied
- 4 Somewhat satisfied
- 3 Neither satisfied nor dissatisfied [DO NOT READ]
- 2 Somewhat dissatisfied
- 1 Very dissatisfied
- 8 Don't know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

OS6aopen. Why do you say this?

OS7. How have your employees responded to the OregonSaves program?

OS8. What concerns related to the program, if any, remain for you?

OS9. What advice would you offer other small businesses considering participating in the OregonSaves program?

OS10. Consider the following statement: “Being able to offer a voluntary, portable, retirement plan would help local small businesses attract and retain quality employees and stay competitive.” Would you say that you strongly agree, somewhat agree, somewhat disagree, or strongly disagree? [SELECT ONE ANSWER]

- 5 Strongly agree
- 4 Somewhat agree
- 3 Neither agree nor disagree [DO NOT READ]
- 2 Somewhat disagree
- 1 Strongly disagree
- 8 Don't know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

OS11. Recent research has found that 1 million Oregonians do not have access to retirement savings at work. Nationally, the median retirement account balance is \$3,000 for all working-age households and \$12,000 for near-retirement households. By 2030, 20% of Oregonians will be 65 or older. How concerned are you that the lack of retirement savings could impact your business – are you very concerned, somewhat concerned, not very concerned, or not concerned at all? [SELECT ONE ANSWER]

- 4 Very concerned
- 3 Somewhat concerned
- 2 Not very concerned
- 1 Not concerned at all
- 8 Don't know/Not sure
- 9 Refused

OS11open [WRITE ANY COMMENTS HERE].

OS12. Overall, how big a problem do you feel retirement insecurity is in the U.S.? Do you feel it is no problem at all, not much of a problem, somewhat of a problem, or a big problem? [SELECT ONE ANSWER]

- 1 No problem at all
- 2 Not much of a problem
- 3 Somewhat of a problem
- 4 A big problem
- 8 Don't know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

OS12 [WRITE ANY COMMENTS HERE]:

DEMOS (FOR ALL THREE GROUPS)

D1. I have just a few more questions about your company and you. How would you classify your company? Is it a for-profit business or a non-profit business? [SELECT ONE ANSWER]

- 1 For-profit business
- 2 Non-profit business
- 7 Other (**SPECIFY**) _____ [DO NOT READ]
- 8 Don't know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

D2. How many years has this company been in business in Oregon?

[If less than one year, enter as 0.5]

-
- 8 Don't know/Not sure [DO NOT READ]
 - 9 Refused [DO NOT READ]

D3. Do you outsource your payroll management function or handle it in house?

- 1 In house (IF IN HOUSE, ASK:] **D3a.** Do you use an electronic system or write paper checks?
 - 1 Electronic system
 - 2 Write paper checks

- 2 Outsource [IF OUTSOURCE, ASK D3b] **D3b.** What payroll system do you use?
[SELECT ONE ANSWER]

- 1 ADP
- 2 Ceridian
- 3 Intuit
- 4 Kronos
- 5 Paychex
- 6 Quickbooks
- 7 Ultipro
- 8 Workday
- 0 Other _____
- 88 Don't know/Not sure [DO NOT READ]
- 99 Refused [DO NOT READ]

- 8 Don't know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

D4. Could you please stop me when I get to the category that includes your total business payroll in 2016. Was it...? [READ CHOICES BELOW – SELECT ONE ANSWER]

- 01 Less than \$0, it was negative
- 02 \$1 to less than \$10,000
- 03 \$10,000 to less than \$50,000
- 04 \$50,000 to less than \$100,000
- 05 \$100,000 to less than \$200,000
- 06 \$200,000 to less than \$500,000
- 07 \$500,000 to less than \$1 million
- 08 \$1 million or more
- 98 Don't know/Not sure [DO NOT READ]
- 99 Refused [DO NOT READ]

D5. What is your age as of your last birthday? [IN YEARS] _____ OR 99 Refused

[**D6.** Record gender. DO NOT READ – SELECT ONE ANSWER]

- 1 Male
- 2 Female
- 8 Do not know

D7. Are you registered to vote in Oregon? [SELECT ONE ANSWER]

- 1 Yes
- 2 No
- 8 Don't know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

****NOTE: RANDOMIZE “Democrat, Republican, Independent” (LIST “something else” last).****

D8. Do you consider yourself to be a(n) Democrat, Republican, Independent, or something else? [SELECT ONE ANSWER]

- 1 Democrat
- 2 Republican
- 3 Independent
- 4 Something else
- 8 Don't know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

D9. How would you characterize your political views – very conservative, somewhat conservative, moderate, somewhat liberal, very liberal, or none of the above? [SELECT ONE ANSWER]

- 1 Very conservative
- 2 Somewhat conservative
- 3 Moderate
- 4 Somewhat liberal
- 5 Very liberal
- 6 None of the above
- 8 Don't know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

ADDRESS. In order to send you your \$40 gift card, we will need to get your mailing address. This information will be used ONLY to mail you your gift card. Could you please provide your address for me?

- 1 Yes _____
- 2 No
- 8 Don't know/Not sure [DO NOT READ]
- 9 Refused [DO NOT READ]

ENDING: Those are all the questions I have for you. Is there anything else you'd like to add? [WRITE COMMENTS HERE.]

Thank you very much for helping us with this important study!

Time Ended: _____
