State rolls out OregonSaves retirement program

By Kristian Foden-Vencil
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PORTLAND (AP) — Over the years, Oregon has been both lauded and lambasted for new ideas, whether it be doctor-assisted suicide, public beaches or its bottle bill.

Now, it's breaking ground again. Oregon is the first state in the nation to help people save for retirement.

"If you plan ahead, you're just going to be set up for the future," said Ulises Orozco, a 19-year-old sous chef at Thunder Island Brewery in Cascade Locks, Oregon. He makes about $20,000 a year.

A couple of months ago, brewery owner Dave Lipps called a meeting to explain the company was going to put 5 percent of everyone's wages into the OregonSaves pension program. They could opt-out if they wanted. But most didn't.

Orozco said he's now putting aside about $75 a month.

"I haven't really done that math, to be honest with you," he said. "I mean what Dave was telling me was in order to retire you would at least need $1 million in the bank to be saved. I was like, maybe I should actually do the math and actually know how much I'll get."

Orozco has been learning about compound interest, something Albert Einstein allegedly quipped was the most powerful force in the universe.

Compound interest means that if you save $100 and earn 2 percent interest, it'll be worth $102 in a year. The next year, it won't just earn another $2 interest. It'll earn $2.04 cents, because the interest is now earning interest.

The average Oregonian retiree has about $12,000 salted away.

It's a nice lump sum if you're looking to buy a car or fix a house. But spread over 20 or 30 years of retirement, it's not a lot.

So, the state is rolling out the OregonSaves program for the one million Oregonians who don't have a retirement savings plan at work. Those are mainly people with working class and part-time jobs.

The default setting under OregonSaves is that an employee's first $1,000 is placed in a savings account, so it won't shrink if the stock market takes a plunge. After that, the money is invested in stocks with employees choosing how aggressive they want to be. People can carry it from one job to another.

Oregon State Treasurer Tobias Read thinks that in 20 or 30 years, the program will be a boon for the whole state.

"When people have access to savings as they retire, there is less of a stretch to our already stretched social safety net. So everybody has a stake in the success of this program," he said.

So far, around 70 percent of people who've been given the chance to join have signed up.

PHOTO BY JAY MATHER

Brent Alan worked with song academy students on guitar skills.

SONG CAMP:
Students come from several schools

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camaraderie of working with incredible musicians of their own age, as well as professional musicians," he said.

Lilli Warona, a professional teacher and the fiddle player and female vocalist with Dry Canyon Stampede was excited to be included in this year's teaching staff. She taught a workshop on vocal technique and performance.

Keith Greeninger, who has performed multiple times at the Sisters Folk Festival, reflected on the ways music brings people together and how musical events often seem to be a model of how people can get along with each other.

"I always try to remind people that the only thing that happened here is that we treated each other well," he said.

Greeninger saluted the students and emphasized the importance of their active participation in the world.

"Most of the change in this country has come from young people," he said. "We need you guys to speak up. We need your hope, we need your vision… you guys are incredibly brilliant. And it's your world."