

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	6 - 0 - 1
Yeas:	Berger, Edwards C., Esquivel, Holvey, Rosenbaum, Schaufler
Nays:	0
Exc.:	Smith P.
Prepared By:	Theresa Van Winkle, Administrator
Meeting Dates:	2/5, 2/16

WHAT THE MEASURE DOES: Exempts public employees who are absent from service due to disciplinary action or other administrative action from a break-in service under the Public Employees Retirement System if the employee challenges that action and is subsequently reinstated pursuant to judgment, administrative order, settlement, or other resolution of the challenge.

ISSUES DISCUSSED:

- Effects of current statute on employees who were reinstated after disciplinary or other administrative actions
- Support from both labor and management groups
- Amount of time it takes for cases to be resolved
- Number of employees who would be affected by the measure
- Retroactivity of measure

EFFECT OF COMMITTEE AMENDMENT: Clarifies that the measure is applicable to employees who work for another employer within the Public Employee Retirees System upon reinstatement.

BACKGROUND: HB 2284-A provides clarification to the Public Employees Retirement System (PERS) for situations in which members have been absent from employment long enough to incur a “break in service” due to disciplinary or other administrative action, but have been reinstated due to arbitration or another type of resolution. Break in service is defined as not working in a qualified position for six consecutive calendar months or longer. Unpaid leave does count towards break in service, but paid leave (i.e. vacation, illness, or military leave) does not.

Under current statute, PERS can restore member contributions and salary information when an employee is reinstated under these circumstances, but cannot reverse a break in service. A Tier One or Tier Two member who has incurred a break in service cannot have their membership be restored to active membership under the original PERS plan. Instead, they become an active member of the Oregon Public Service Retirement Plan once they return to public service. HB 2284-A allows eligible employees to have their break in service eliminated, maintaining their membership in the Tier One or Tier Two pension plans.