

**A-Engrossed**  
**House Bill 2619**

Ordered by the Senate June 11  
Including Senate Amendments dated June 11

Sponsored by Representative HOLVEY

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Allows member of Public Employees Retirement System who is police officer to receive retirement credit for service as public safety officer with another state, or political subdivision of another state, before being employed in position that entitled member to credit in system. Requires lump sum payment of full cost of retirement credit.

**Exempts retired member of Public Employees Retirement System from loss of retirement benefits if retired member is employed by Legislative Assembly or Oregon State Police for purpose of service during legislative session.**

**Allows persons who resume active membership in Public Employees Retirement System to reactivate inactive accounts.**

**Declares emergency, effective on passage.**

**A BILL FOR AN ACT**

1  
2 Relating to public employee retirement; creating new provisions; amending ORS 238.092 and 238.095;  
3 and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2007 Act is added to and made a part of ORS chapter 238.**

6 **SECTION 2. (1) A member of the Public Employees Retirement System who is a police**  
7 **officer is entitled to receive retirement credit as provided in subsection (2) of this section if:**

8 (a) **The member was employed as a public safety officer by another state, or political**  
9 **subdivision of another state, before being employed in a position that entitled the member**  
10 **to credit in the system; and**

11 (b) **The member makes the payment required by subsection (2) of this section within the**  
12 **time specified by that subsection.**

13 (2) **Except as provided in subsection (3) of this section, a member of the system employed**  
14 **as a police officer who meets the requirements of subsection (1) of this section is entitled**  
15 **to receive retirement credit for the period of the member's service with another state, or**  
16 **political subdivision of another state, not to exceed a maximum of four years, if the member**  
17 **within 90 days of the member's effective date of retirement:**

18 (a) **Applies in writing to the Public Employees Retirement Board for such retirement**  
19 **credit;**

20 (b) **Provides written verification to the board from the other state, or political subdivi-**  
21 **sion of the other state, that employed the member, verifying the period of time that the**  
22 **member served as a public safety officer in the other state; and**

23 (c) **Pays to the board, in a lump sum, for each year of retirement credit applied for under**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.

1 **this section, an amount determined by the board to represent the full cost to the system of**  
2 **providing the retirement credit to the member, including all administrative costs incurred**  
3 **by the system in processing the application for acquisition of the retirement credit.**

4 **(3) A member may not receive retirement credit under the provisions of this section for**  
5 **any period of service with another state, or political subdivision of another state, if the**  
6 **member is entitled to a pension or retirement allowance by reason of that service under a**  
7 **public plan or system offered by the other state or by a political subdivision of the other**  
8 **state.**

9 **(4) For the purposes of this section, “public safety officer” means a person who serves**  
10 **in a position with another state, or political subdivision of another state, that is the other**  
11 **state’s equivalent of a position described in ORS 238.005 (16).**

12 **SECTION 3. Section 2 of this 2007 Act applies only to members of the Public Employees**  
13 **Retirement System whose effective date of retirement is on or after the effective date of this**  
14 **2007 Act.**

15 **SECTION 4.** ORS 238.092 is amended to read:

16 238.092. (1) Notwithstanding any other provision of this chapter:

17 (a) A retired member of the system who has retired as other than a member of the Legislative  
18 Assembly and who thereafter becomes a member of the Legislative Assembly and elects to become  
19 an active member of the system as a member of the Legislative Assembly may also elect, by giving  
20 the board written notice of desire to do so, to receive the pension and annuity provided by this  
21 chapter for service as other than a member of the Legislative Assembly, and be an active member  
22 of the system as a member of the Legislative Assembly for the period the member holds office as a  
23 member of the Legislative Assembly. The notice provided for in this paragraph shall be given within  
24 30 days after the retired member takes office as a member of the Legislative Assembly.

25 (b) A member of the Legislative Assembly who is a member of the system as a member of the  
26 Legislative Assembly and who becomes eligible to retire by reason of service as other than a mem-  
27 ber of the Legislative Assembly, without regard to when that service was performed, may elect, by  
28 giving the board written notice of desire to do so, to retire and receive the pension and annuity  
29 provided by this chapter for service as other than a member of the Legislative Assembly, and to  
30 continue, for the period the member holds office as a member of the Legislative Assembly, as an  
31 active member of the system as a member of the Legislative Assembly.

32 (c) Upon receipt of the notice provided for in paragraphs (a) and (b) of this subsection, the board  
33 shall determine that portion of the accumulated contributions, if any, of the member and interest  
34 thereon attributable to service as other than a member of the Legislative Assembly, which shall be  
35 used in determining the amount of the annuity the member shall receive for that service. The por-  
36 tion of the accumulated contributions, if any, of the member and interest thereon attributable to  
37 service as a member of the Legislative Assembly shall remain in the member account of the member  
38 and, together with any subsequent contributions and interest thereon, be used in determining the  
39 amount of the additional annuity the member shall receive for that service upon ceasing to hold  
40 office as a member of the Legislative Assembly. If the member does not have a member account, the  
41 board shall determine the member’s retirement allowance for nonlegislative service based on the  
42 number of years of nonlegislative service, and shall determine any additional benefit to be received  
43 after the member ceases to hold office as a member of the Legislative Assembly based on the number  
44 of years of service in the Legislative Assembly.

45 *[(2) Notwithstanding any other provision of this chapter, a person who has reached the age of 65*

1 years, whether or not previously employed by a public employer and whether or not a retired member  
2 of the system, may be employed by the Legislative Assembly, either house thereof or the Oregon State  
3 Police for all or any part of a regular or special session of the Legislative Assembly. A person em-  
4 ployed under this subsection:]

5 [(a) Unless an active member of the system continuing in employment past the age of 65 years, does  
6 not accrue any retirement benefits, and contributions may not be made by or on behalf of the person.]

7 [(b) If a retired member of the system, is entitled, during the period of such employment, to any  
8 pension or annuity provided by this chapter.]

9 **(2) If a retired member of the system is employed by the Legislative Assembly, or by the**  
10 **Oregon State Police, for the purpose of service during a regular or special session of the**  
11 **Legislative Assembly, the hours worked during the session shall not be counted for the**  
12 **purpose of the limitations on employment imposed by ORS 238.082 (2).**

13 **SECTION 5.** ORS 238.095 is amended to read:

14 238.095. (1) An employee shall cease to be a member of the Public Employees Retirement System  
15 if the employee withdraws the member account, if any, of the member in the manner provided by  
16 ORS 238.265.

17 (2) Except as provided in subsection (3) of this section, an inactive member ceases to be a  
18 member of the system if the member is not vested and is inactive for a period of five consecutive  
19 years.

20 (3) A school district employee does not cease to be a member of the system under subsection (2)  
21 of this section if:

22 (a) After completing a school year, the member is inactive for the next following five school  
23 years; and

24 (b) The member either is reemployed by a school district in a qualifying position at the begin-  
25 ning of the sixth school year, or reaches earliest service retirement age before the beginning of the  
26 sixth school year.

27 (4) Interest shall not accrue on the amount in the member account of the former member from  
28 the date that membership is terminated under subsection (2) of this section. Upon request by the  
29 former member, the Public Employees Retirement Board shall pay the amount in a member account  
30 to a former member upon the termination of the membership of the former member under subsection  
31 (2) of this section if the former member is separated from all service with employers who are treated  
32 as part of a participating public employer's controlled group under the federal laws and rules gov-  
33 erning the status of the system and the Public Employees Retirement Fund as a qualified govern-  
34 mental retirement plan and trust. The board may deduct, from the amount paid to a former member  
35 under this subsection, all reasonable costs incurred by the system in locating the member.

36 **(5) If the membership of a person in the system is terminated under subsection (2) of this**  
37 **section, and the person subsequently becomes an active member of the system, any amounts**  
38 **that were not paid to the person under subsection (4) of this section shall be credited with**  
39 **net earnings and losses. Crediting under this subsection commences upon the person be-**  
40 **coming an active member of the system and continues as long as the person remains an**  
41 **active member.**

42 **SECTION 6.** (1) Except as provided in subsection (2) of this section, the amendments to  
43 **ORS 238.095 by section 5 of this 2007 Act apply to all persons who resume active membership**  
44 **in the Public Employees Retirement System, whether that resumption occurs before, on or**  
45 **after the effective date of this 2007 Act.**

1           **(2) Crediting under ORS 238.095 (5) shall be made by the Public Employees Retirement**  
2 **Board only for periods of active membership served on or after the effective date of this 2007**  
3 **Act.**

4           **SECTION 7.** **This 2007 Act being necessary for the immediate preservation of the public**  
5 **peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect**  
6 **on its passage.**

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