

REVENUE: No revenue impact

FISCAL: No fiscal impact

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed
<b>Vote:</b>	8 - 0 - 2
<b>Yeas:</b>	Barton, Cameron, Edwards C., Esquivel, Matthews, Thatcher, Witt, Schaufler
<b>Nays:</b>	0
<b>Exc.:</b>	Holvey, Kennemer
<b>Prepared By:</b>	Theresa Van Winkle, Administrator
<b>Meeting Dates:</b>	5/15

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**WHAT THE MEASURE DOES:** Clarifies that hours worked by a person employed in positions exempted from the Public Employees Retirement System (PERS) 1,040-hour limit cannot be counted towards the limitation, regardless of whether the retired member is also employed in a non-exempt position during the same timeframe. Allows certain PERS retired members who elected to receive a lump sum payment of benefits to be reemployed by a public employer, subject to limitations on the number of hours of employment, without repayment of the lump sum received. Declares an emergency, effective upon passage.

**ISSUES DISCUSSED:**

- Examples of current exemptions for the 1,040 hour limitation
- How the 1,040 hour limitation is applied
- Increasing need for retirees to return to work in order to pay for necessary items, i.e. health insurance

**EFFECT OF COMMITTEE AMENDMENT:** Replaces the measure.

**BACKGROUND:** Public Employees Retirement System (PERS) members may retire with either a monthly benefit or a lump sum payment of benefits. Under current law, members who return to work after retirement face different consequences and have different limitations, depending on whether they retired with a monthly benefit or lump sum payment. In some instances, members who retire with a lump sum payment may be required to repay benefits and face tax consequences. SB 112-A addresses this inconsistency.

A PERS retired member who is receiving a monthly retirement allowance return can work up to 1,040 hours in a calendar year for a PERS employer and unlimited hours in a position exempt from the 1,040-hour limitation, but those hours currently apply to the 1,040 hour limitation if the member is concurrently employed by both positions. SB 112-A establishes that hours worked by a retired member in an exempt position does not count toward the limitation, regardless of whether the retiree is also employed in a non-exempt position in the same calendar year. The measure applies to all hours of employment of a retired member on or after January 1, 2004.