

## HOUSE AMENDMENTS TO HOUSE BILL 3401

By COMMITTEE ON RULES

May 29

1 On page 1 of the printed bill, line 2, after “retirement;” insert “creating new provisions;”.

2 In line 25, delete “subsection (5)” and insert “subsections (5) and (6)”.

3 On page 2, delete lines 9 through 15 and insert:

4 “(5) Except as provided in subsection (6) of this section, if the board determines at any time  
5 after an actuarial study that the amounts in an account established under subsection (2) of this  
6 section exceed the amounts necessary to fund the employer’s actuarial liabilities under the system,  
7 upon request of the employer, the board shall apply the excess amounts to offset contributions to  
8 the individual account program that the employer has agreed to pay under ORS 238A.335 or  
9 238A.340. The board may apply excess amounts to offset contributions to the individual account  
10 program under this subsection only to the extent that the application will not result in the balance  
11 in the account being reduced to less than the outstanding principal balance owed on the bonds is-  
12 sued to fund the account. If the request is made by a school district, the school district must attach  
13 to the request a copy of a resolution adopted by the district school board for the district authorizing  
14 the request. The board shall adopt rules governing offsets under the provisions of this subsection.

15 “(6) The board shall apply any excess amounts in an account established under subsection (2)  
16 of this section to offset contributions to the individual account program pursuant to subsection (5)  
17 of this section only if the board has determined that applying the excess amounts does not cause the  
18 system or the Public Employees Retirement Fund to lose qualification as a qualified governmental  
19 retirement plan and trust under the Internal Revenue Code and under regulations adopted pursuant  
20 to the Internal Revenue Code.”.

21 In line 41, after the period delete the rest of the line and line 42 and insert “This subsection  
22 does not prohibit the offset of contributions to the individual account program under ORS 238.229  
23 (5).”.

24 On page 3, after line 43, insert:

25 “**SECTION 3. As soon as possible after the effective date of this 2009 Act, the Public**  
26 **Employees Retirement Board shall seek a ruling from the Internal Revenue Service on**  
27 **whether the application of excess amounts in an account established under ORS 238.229 (2)**  
28 **to offset contributions to the individual account program pursuant to ORS 238.229 (5) would**  
29 **cause the system or the Public Employees Retirement Fund to lose qualification as a quali-**  
30 **fied governmental retirement plan and trust under the Internal Revenue Code and under**  
31 **regulations adopted pursuant to the Internal Revenue Code.”.**

32 In line 44, delete “3” and insert “4”.

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