

# Senate Bill 399

Sponsored by COMMITTEE ON COMMERCE AND WORKFORCE DEVELOPMENT

## 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 **as introduced**.

Allows certain members of Public Employees Retirement System who participate in deferred compensation plan to request, within 60 days of effective date of Act, that payment of all or part of deferred amount be paid to Public Employees Retirement Board for purpose of restoring forfeited creditable service, or acquiring retirement credit for probationary period of employment, or both.

## A BILL FOR AN ACT

1  
2 Relating to rollover contributions.

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

4 **SECTION 1. Section 2 of this 2009 Act is added to and made a part of ORS chapter 238.**

5 **SECTION 2. (1) A member of the Public Employees Retirement System described in**  
6 **subsection (5) of this section who participates in the state deferred compensation plan under**  
7 **ORS 243.401 to 243.507 may give written notice to the Public Employees Retirement Board**  
8 **requesting that payment of all or part of the deferred amount be made to the board for the**  
9 **purpose of restoring forfeited creditable service under ORS 238.115, or acquiring retirement**  
10 **credit under ORS 238.125, or both. Written notice under this section must be given no later**  
11 **than 60 days after the effective date of this 2009 Act. Upon receiving the notice, the board**  
12 **shall immediately take any action necessary to effectuate the transfer of the requested**  
13 **amount. The board may not make the amount available to the member and must use the**  
14 **amount only for the purposes described in this section. The amount transferred under this**  
15 **section may not exceed the amount needed to:**

16 (a) **Make the lump sum payment described in ORS 238.115 (1)(a)(B) that is required to**  
17 **restore forfeited creditable service for which the member is eligible at the time of the**  
18 **transfer; and**

19 (b) **Make the lump sum payment described in ORS 238.125 necessary to acquire retire-**  
20 **ment credit under ORS 238.125.**

21 (2) **Notwithstanding ORS 238.220, moneys transferred under this section may be used to**  
22 **restore forfeited creditable service under ORS 238.115 (1) in the manner provided by this**  
23 **section. Notwithstanding ORS 238.115 (1)(a), the amount transferred under this section must**  
24 **be applied to the restoration of forfeited creditable service under ORS 238.115 (1) immediately**  
25 **after the transfer is made.**

26 (3) **If a member does not obtain restoration of all forfeited creditable service by reason**  
27 **of the payment under subsection (2) of this section, the member may obtain restoration of**  
28 **any remaining forfeited creditable service by making the application required by ORS 238.115**  
29 **(1)(a)(A) and the lump sum payment required by ORS 238.115 (1)(a)(B), within 90 days before**  
30 **the effective date of retirement of the member.**

**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       **(4) Notwithstanding ORS 238.220, moneys transferred under this section may be used to**  
2 **acquire retirement credit under ORS 238.125 in the manner provided by this section.**  
3 **Notwithstanding ORS 238.125, the amount transferred under this section must be applied to**  
4 **acquisition of retirement credit under ORS 238.125 immediately after the transfer is made.**

5       **(5) A member may give written notice under subsection (1) of this section only if:**

6       **(a) The member has attained normal retirement age; and**

7       **(b) The member will have 30 years or more of creditable service after any restoration of**  
8 **forfeited creditable service under ORS 238.115 (1), or any acquisition of retirement credit**  
9 **under ORS 238.125, by reason of the transfer and application of amounts under this section.**

10