

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Without Recommendation as to Passage with Amendments, Be Printed Engrossed, and Be Referred to the Committee on Ways and Means by Prior Reference
Vote:	7 - 0 - 1
Yeas:	Conger, Doherty, Hoyle, Johnson, Matthews, Kennemer, Schaufler
Nays:	0
Exc.:	Esquivel
Prepared By:	Theresa Van Winkle, Administrator
Meeting Dates:	4/8

WHAT THE MEASURE DOES: Resolves statutory conflicts governing retirement plan options of elected or appointed members of the Legislative Assembly with federal retirement plan laws. Authorizes the use of trustee-to-trustee transfers to fund specified retirement credit purchases under the Public Employees Retirement System (PERS). Modifies vesting dates for the pension program and individual account program of Oregon Public Service Retirement Plan (OPSRP). Amends law relating to crediting of earnings on PERS member accounts for purpose of conforming law to the Oregon Supreme Court decision of *Strunk v. Public Employees Retirement Board (PERB)*. Allows PERB to offer Roth Individual Retirement Account contributions within the Oregon Growth Savings Plan program. Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- Provisions of the measure

EFFECT OF COMMITTEE AMENDMENT: Allows the Public Employees Retirement Board to offer Roth Individual Retirement Account contributions within the Oregon Growth Savings Plan program.

BACKGROUND: House Bill 2113-A makes a number of changes to statutes related to the Public Employees Retirement System (PERS) and the Oregon Public Service Retirement Plan (OPSRP), either to conform with federal tax law, correct items that were inadvertently omitted when previous legislation was passed, or to delete provisions of statute that were invalidated due to the outcome of the *Strunk v. Public Employees Retirement Board (PERB)* case.

Current statute requires legislators to make a retirement plan election for their legislative service. However, in certain circumstances, a legislator who is already a PERS member could make an election that results in receiving credit for two programs for the same service. This is inconsistent with both federal tax laws that governs retirement plan qualification and the provision of House Bill 2285 (2007) which eliminated what is known as “break in service,” in which a PERS Tier One/Tier Two member who had a six full-month “break-in-service” became an Oregon Public Service Retirement Plan (OPSRP) member upon return to PERS-covered employment. House Bill 2113-A clarifies that if an elected or appointed legislator fails to make an election, the measure provides for defaults that are consistent with federal tax law.

House Bill 2113-A also corrects an inadvertent omission three retirement credit purchases (service as a professional wildland firefighter, service as a public safety officer in another state, and service while on loan to the federal government) from the enactment of Senate Bill 399 (2009), which permits retirement credit purchases via a pre-tax, trustee-to-trustee transfer from certain other retirement plans beginning on September 1, 2011. The measure also allows an OPSRP member to vest in both the Pension Program and an Individual Account Program employer account if the member is an active member on or after the date the member reaches normal retirement age, codifies federal legislation from 2010 that allows Roth Individual Retirement Account contributions within the Oregon Growth Savings Plan, and amends ORS 238.555 (disability retirement allowance) and repeals ORS 238.258 (minimum regular account balance) to remove invalidated statutory provisions due to the Oregon Supreme Court’s decision on *Strunk v. PERB*.

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This summary has not been adopted or officially endorsed by action of the committee.