

Senate Bill 665

Sponsored by COMMITTEE ON GENERAL GOVERNMENT, CONSUMER AND SMALL BUSINESS PROTECTION

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**.

Requires that employer of Tier One or Tier Two member of Public Employees Retirement System continue to make contributions for member as though member continued to work during period in which member receives temporary total disability benefits under Workers' Compensation Law. Provides that contributions be based on salary of member at time member left work.

Provides that final average salary of member be calculated as though member continued to work during period of temporary total disability, based on salary of member at time member left work.

A BILL FOR AN ACT

1
2 Relating to public employee retirement; creating new provisions; and amending ORS 238.175.

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

4 **SECTION 1.** ORS 238.175 is amended to read:

5 238.175. (1) A member of the Public Employees Retirement System who receives a disability re-
6 tirement allowance or disability payments under ORS chapter 656 shall receive retirement credit for
7 the period during which the member receives the disability retirement allowance or disability pay-
8 ments if the member receives the allowance or payments by reason of injury or disease sustained
9 while in actual performance of duty and not intentionally self-inflicted.

10 (2) A member of the Public Employees Retirement System who receives a disability retirement
11 allowance or disability payments under ORS chapter 656 by reason of injury or disease that was not
12 sustained while in actual performance of duty and that was not intentionally self-inflicted shall re-
13 ceive retirement credit for all or part of the period during which the member receives the disability
14 retirement allowance or disability payments if the member, within 90 days before the effective date
15 of retirement of the member, applies in writing to the Public Employees Retirement Board for that
16 retirement credit and pays to the board in a lump sum an amount determined by the board to rep-
17 resent the full cost to the system of providing the retirement credit to the member, including all
18 administrative costs incurred by the system in processing the application for acquisition of the re-
19 tirement credit.

20 (3) A member may acquire retirement credit under the provisions of **subsections (1) to (6) of**
21 **this section** for the purposes of calculating a service retirement allowance only if the member re-
22 turns to employment with a participating public employer after the period of disability.

23 (4) A member may not acquire retirement credit under the provisions of **subsections (1) to (6)**
24 **of this section** for a period of time that is in excess of the period of time used in calculating the
25 disability retirement allowance paid to the member under ORS 238.320 during the period of disability
26 for which the member seeks credit. For the purposes of this subsection, the retirement credit that
27 may be acquired by a police officer or firefighter who elects to receive the optional, service-
28 connected disability retirement allowance provided for under ORS 238.345 shall be determined as
29 though the police officer or firefighter had received a disability retirement allowance calculated

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 under ORS 238.320.

2 (5) Retirement credit acquired under **subsections (1) to (6) of** this section may be used for the
3 purpose of establishing eligibility under ORS 238.115, 238.125 or 238.135 or any other provision of
4 this chapter that requires a specified number of years of creditable service.

5 (6) Retirement credit under **subsections (1) to (6) of** this section may be acquired only for pe-
6 riods occurring on or after January 1, 1985, during which a member receives a disability retirement
7 allowance or disability payments under ORS chapter 656.

8 **(7) If a member receives temporary total disability payments under ORS chapter 656 as**
9 **the result of a compensable injury or occupational disease that is the responsibility of the**
10 **employer of the member under ORS chapter 656:**

11 (a) **The employer of the member shall continue to make contributions for the member**
12 **as though the member continued to work during the period of temporary total disability,**
13 **including any contributions for members of the individual account program under ORS**
14 **238A.335, based on the salary of the member at the time the member left work; and**

15 (b) **The final average salary of the member shall be calculated as though the member**
16 **continued to work during the period of temporary total disability, based on the salary of the**
17 **member at the time the member left work.**

18 **SECTION 2. The amendments to ORS 238.175 by section 1 of this 2011 Act apply to any**
19 **member of the Public Employees Retirement System who meets the requirements of ORS**
20 **238.175 (7) and who left work on or after _____, _____. As soon as possible after the**
21 **effective date of this 2011 Act, the Public Employees Retirement Board shall recalculate the**
22 **retirement allowance of any person who retired before the effective date of this 2011 Act and**
23 **who would receive a different retirement allowance by reason of this section and the**
24 **amendments to ORS 238.175 by section 1 of this 2011 Act.**