

**HB 3487**

**Relating to vesting in the pension program of the  
Oregon Public Service Retirement Plan**

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House Bill 3487 allows any member of the Public Employees Retirement System killed in the line of duty to be considered vested under the pension program of Oregon Public Service Retirement Plan. The measure has an emergency clause and is effective on passage.

An amendment broadens the measure from just police officer and firefighter members to include any deceased member of OPSRP. An employer must certify to PERS that the member was killed in the course and scope of the member's employment. At the time of death, the member cannot be vested in OPSRP. The measure applies prospectively on or after the effective date of the measure.

The measure has a minimal fiscal impact based upon a PERS analysis of state fatalities who were yet-to-be vested in OPSRP.

The General Government Subcommittee recommends HB 3487 be amended and reported out do pass, as amended.

Joint Committee on Ways and Means

Carriers – House: Rep. Jenson  
Rep. Matthews  
Carrier – Senate: Sen. Hansell

**Revenue:**

**Fiscal:** Minimal fiscal impact, no statement issued

**Action:** Do Pass as Amended and be Printed A-Engrossed

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**Vote:**

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

**Prepared By:** John F. Borden, Legislative Fiscal Office

**Meeting Date:** May 31, 2013

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**WHAT THE MEASURE DOES:** Allows police officer and firefighter members of Public Employees Retirement System killed in the line of duty to be considered vested under pension program of Oregon Public Service Retirement Plan (OPSRP). Declares emergency; effective on passage.

**ISSUES DISCUSSED:**

- Difference between HB 3487 and HB 3243-B
- Purpose of amendment
- Measure would apply prospectively to any non-vested OPSRP member killed in the course and scope of their employment as certified to PERS by their employer.
- Minimal fiscal impact

**EFFECT OF COMMITTEE AMENDMENT:** Broadens to measure from just police officer and firefighter members to include any deceased member of PERS - OPSRP. The amendment also has the employer of the member certify to PERS that the member was killed in the course and scope of the member's employment. Lastly, at the time of death the member is not to be otherwise vested in OPSRP. The amendment would apply the provisions prospectively on or after the effective date of the measure.

**BACKGROUND:** Under current law, a member of the Oregon Public Service Retirement Plan (OPSRP) becomes vested in the pension program when the member completes at least 600 hours of service in each of five calendar years or when an active member reaches the normal retirement age for the member. If a vested member dies before reaching retirement age, the Public Employees Retirement System (PERS) Board must pay the death benefit to the spouse or any other person who is constitutionally required to be treated as a spouse. The death benefit will be for the life of the spouse and will be the actuarial equivalent of half of the pension that would otherwise have been paid to the deceased member.

**PROPOSED AMENDMENTS TO  
HOUSE BILL 3487**

1 Delete lines 6 through 15 of the printed bill and insert:

2 **“SECTION 2. Notwithstanding ORS 238A.115, a deceased member**  
3 **of the Public Employees Retirement System shall be considered vested**  
4 **for all purposes under the pension program if:**

5 **“(1) At the time of death the member was an active member of the**  
6 **system;**

7 **“(2) The employer of the member certifies to the Public Employees**  
8 **Retirement Board that the member was killed in the course and scope**  
9 **of the member’s employment; and**

10 **“(3) At the time of death the member was not otherwise vested in**  
11 **the pension program under ORS 238A.115.**

12 **“SECTION 3. Section 2 of this 2013 Act applies only to a member**  
13 **of the Public Employees Retirement System who is killed in the course**  
14 **and scope of the member’s employment on or after the effective date**  
15 **of this 2013 Act.”.**

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