

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

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| Action: | Do Pass as Amended, Be Printed Engrossed, and Be Referred to the Committee on Ways and Means by Prior Reference |
| Vote: | 9 - 0 - 1 |
| Yeas: | Barton, Fagan, Holvey, Kennemer, Matthews, Thatcher, Thompson, Witt, Doherty |
| Nays: | 0 |
| Exc.: | Weidner |
| Prepared By: | Jan Nordlund, Administrator |
| Meeting Dates: | 3/18, 3/27 |

WHAT THE MEASURE DOES: Allows certain deceased members of Public Employees Retirement System (PERS) to be considered vested for purposes under pension program of Oregon Public Service Retirement Plan. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Stabbing death of corrections officer Buddy Herron, who had stopped to help a motorist on his way to work
- Inability to purchase credits for past military service due to 2003 PERS reforms
- Carve out for one deceased PERS member
- Whether any member killed in the line of duty should be automatically vested
- Estimated one-time benefit to Herron family of \$1,541

EFFECT OF COMMITTEE AMENDMENT: Specifies that member must have been killed in line of duty between July 1 and December 31, 2011.

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 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.

House Bill 3243-A establishes that members are to be considered vested for all purposes under the pension program if, at the time of death, they meet the following criteria:

- Killed in the line of duty between July 1 and December 31, 2011;
- Served as a police officer who was an active OPSRP member;
- Had not otherwise vested in the pension program;
- Completed at least 600 hours or service in each of three calendar years; and
- Application for death benefits was made within 60 days after the measure's effective date.

PERS statutes contain a broad definition of police officer, including but not limited to certain employees at the Department of Corrections, certain parole and probation officers, airport police, livestock police, employees of Department of Public Safety Standards and Training who are not clerical or secretarial, certain Department of Justice investigators, Oregon Lottery enforcement officers, and certain employees at youth correction/detention facilities.

3/27/2013 3:26:00 PM

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