77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session STAFF MEASURE SUMMARY

Joint Committee on Ways and Means

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HB 3243-B

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

MEASURE:

Revenue: No revenue impact

Fiscal: Minimal fiscal impact, no statement issued

Action: Do Pass the A-Engrossed Measure as Amended and as Printed B-Engrossed

Vote: 25 - 0 - 1

<u>House</u>

Yeas: Barker, Buckley, Frederick, Freeman, Hanna, Huffman, Jenson, Komp, McLane, Nathanson, Read,

Richardson, Smith, Tomei, Williamson

Nays: Exc: Senate

Yeas: Burdick, Devlin, Edwards, Girod, Hansell, Rosenbaum, Steiner Hayward, Thomsen, Whitsett, Winters

Nays:

Exc: Johnson

Prepared By: John F. Borden, Legislative Fiscal Office

Meeting Date: May 17, 2013

WHAT THE MEASURE DOES: The measure 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.

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.

ISSUES DISCUSSED:

- Discussion of the death of Department of Corrections Officer Buddy Herron
- Discussion of HB 3487
- Estimated one-time benefit to the Herron family of \$1,541
- Symbolic importance of the measure

EFFECT OF COMMITTEE AMENDMENT: Adds language that the employer of the member must certify to the Public Employees Retirement Board that the member was killed in the line of duty.

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.

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.