

Enrolled Senate Bill 268

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CHAPTER

AN ACT

Relating to contributions for higher education supplemental retirement benefits; creating new provisions; amending ORS 243.930; and declaring an emergency.

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

SECTION 1. ORS 243.930 is amended to read:

243.930. (1) If an employee assisted under ORS 243.920 (1) has made contributions to the Public Employees Retirement Fund during each of five calendar years, the board shall contribute an amount toward the purchase of the supplemental retirement benefits equal to the contributions toward the purchase made by the employee on annual salary in excess of \$4,800. The amounts of those contributions by the board shall be paid promptly by the board to the life insurance or annuity company in accordance with the terms of the applicable contract.

(2) If an employee assisted under ORS 243.920 (1) has not made contributions to the Public Employees Retirement Fund during each of five calendar years, the board shall contribute an amount toward the purchase of the supplemental retirement benefits equal to that which it would contribute for current service under the Public Employees Retirement System with respect to the annual salary in excess of \$4,800 of the employee if the employee contributed under the system on that part of the salary.

(3) The amounts of contributions by the board under subsection (2) of this section, at intervals designated by the Public Employees Retirement Board, shall be paid into the Public Employees Retirement Fund. The Public Employees Retirement Board shall keep a separate account for those amounts and prorated earnings thereof, and for investment purposes the moneys in the separate account shall be commingled with those of the Public Employees Retirement Fund and shall be invested in the same manner as moneys of the Public Employees Retirement Fund are invested.

(4) When an employee, with respect to whose annual salary in excess of \$4,800 the board has contributed under subsection (2) of this section, has made contributions to the Public Employees Retirement Fund during each of five calendar years, an amount equal to the contributions made under ORS 243.920 (2) shall be paid promptly to the life insurance or annuity company out of the separate account referred to in subsection (3) of this section for the purchase of additional supplemental retirement benefits for the employee. If the moneys in the separate account are not sufficient for that purpose, the amount of the deficiency shall be paid promptly by the board to the life insurance or annuity company for that purchase.

(5) If an employee is separated from the service of the board before the employee has made contributions to the Public Employees Retirement Fund during each of five calendar years, the amounts of contributions by the board paid into the Public Employees Retirement Fund under subsection (3) of this section and prorated earnings thereof shall remain in the separate account referred to in subsection (3) of this section [for the purpose described in subsection (4) of this section], and the employee is not entitled to any part thereof or any benefit derived therefrom.

(6) Amounts that remain in a separate account after an employee is separated from the service of the board, as described in subsection (5) of this section, may be transferred from the account referred to in subsection (3) of this section and credited to the board in the Public Employees Retirement Fund, to be used to offset liabilities for employer contributions under ORS 238.225.

SECTION 2. The amendments to ORS 243.930 by section 1 of this 2013 Act apply only to amounts in a separate account under ORS 243.930 (3) on or after July 1, 2013.

SECTION 3. This 2013 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect on its passage.

Passed by Senate March 27, 2013

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Robert Taylor, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House May 9, 2013

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Tina Kotek, Speaker of House

Received by Governor:

.....M.,....., 2013

Approved:

.....M.,....., 2013

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John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M.,....., 2013

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Kate Brown, Secretary of State