

# Senate Bill 268

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## 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**.

Allows amounts contributed for employee by State Board of Higher Education or Oregon Health and Science University Board of Directors for supplemental retirement benefits to be transferred to Public Employees Retirement Fund to offset liabilities for employer contributions of board if employee separates from service of board before certain period elapses.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to contributions for higher education supplemental retirement benefits; creating new pro-  
3 visions; amending ORS 243.930; and declaring an emergency.

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

5 **SECTION 1.** ORS 243.930 is amended to read:

6 243.930. (1) If an employee assisted under ORS 243.920 (1) has made contributions to the Public  
7 Employees Retirement Fund during each of five calendar years, the board shall contribute an  
8 amount toward the purchase of the supplemental retirement benefits equal to the contributions to-  
9 ward the purchase made by the employee on annual salary in excess of \$4,800. The amounts of those  
10 contributions by the board shall be paid promptly by the board to the life insurance or annuity  
11 company in accordance with the terms of the applicable contract.

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

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

24 (4) When an employee, with respect to whose annual salary in excess of \$4,800 the board has  
25 contributed under subsection (2) of this section, has made contributions to the Public Employees  
26 Retirement Fund during each of five calendar years, an amount equal to the contributions made  
27 under ORS 243.920 (2) shall be paid promptly to the life insurance or annuity company out of the  
28 separate account referred to in subsection (3) of this section for the purchase of additional supple-

**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 mental retirement benefits for the employee. If the moneys in the separate account are not sufficient  
2 for that purpose, the amount of the deficiency shall be paid promptly by the board to the life in-  
3 surance or annuity company for that purchase.

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

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

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

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

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