

**PROPOSED AMENDMENTS TO
SENATE BILL 857**

1 On page 1 of the printed bill, delete lines 4 through 30 and delete page
2 2 and insert:

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4 **“ACTUARIAL EQUIVALENCY FACTOR TABLES FOR CERTAIN**
5 **MEMBERS**

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7 **“SECTION 1. Section 2 of this 2013 Act is added to and made a part**
8 **of ORS chapter 238.**

9 **“SECTION 2. (1) This section applies only to a member who:**

10 **“(a) First established membership in the system before July 1, 2003,**
11 **as described in ORS 238.300 (2)(b)(A);**

12 **“(b) Was an inactive member for 36 consecutive months at any time**
13 **preceding the member’s effective date of retirement; and**

14 **“(c) Did not complete at least 24 consecutive months as an active**
15 **member after being an inactive member for 36 consecutive months as**
16 **described in paragraph (b) of this subsection.**

17 **“(2) At the time the Public Employees Retirement Board adopts**
18 **actuarial equivalency factor tables under ORS 238.607, the board shall**
19 **adopt actuarial equivalency factor tables for the purpose of computing**
20 **the service retirement allowance under ORS 238.300 (1) and (2)(b)(A)**
21 **for a member described in subsection (1) of this section. The tables**
22 **may be adopted in conjunction with the system evaluation required**

1 by ORS 238.605. Tables adopted under this section must use the best
2 actuarial information on mortality available at the time the board
3 adopts the tables, as provided by the actuary engaged by the board.

4 “(3) In adopting tables under this section, the board shall use the
5 current immediate and deferred annuity rates as published from time
6 to time by the Pension Benefit Guaranty Corporation at 29 C.F.R. part
7 4044, Appendix B.

8 “(4) The tables adopted under subsection (2) of this section shall be
9 used as provided in ORS 238.607 (1)(a) and (c).

10 “(5) The board may not defer or delay implementation of the
11 actuarial equivalency factor tables adopted under this section.

12 **“SECTION 3.** Notwithstanding section 2 (2) of this 2013 Act, the
13 Public Employees Retirement Board shall first adopt actuarial equiv-
14 alency factor tables under section 2 of this 2013 Act as soon as possible
15 after the effective date of this 2013 Act.

16 **“SECTION 4.** (1) The tables adopted under section 3 of this 2013 Act
17 become effective on August 1, 2013.

18 “(2) The tables adopted under sections 2 and 3 of this 2013 Act apply
19 only to members of the Public Employees Retirement System whose
20 effective date of retirement is after August 1, 2013.

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22 **“EMPLOYER CONTRIBUTION RATES**

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24 **“SECTION 5.** (1) As soon as possible after the effective date of this
25 2013 Act, the Public Employees Retirement Board shall recalculate the
26 contribution rates of all employers, pursuant to ORS 238.225, to reflect
27 the provisions of this 2013 Act.

28 “(2) The board shall issue corrected contribution rate orders to
29 employers affected by recalculated rates under this section within 90
30 days after the effective date of this 2013 Act. The corrected rates are

1 effective July 1, 2013.

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3 **“JUDICIAL REVIEW**

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5 **“SECTION 6. (1) Jurisdiction is conferred on the Supreme Court to**
6 **determine in the manner provided by this section whether this 2013**
7 **Act breaches any contract between members of the Public Employees**
8 **Retirement System and their employers, violates any constitutional**
9 **provision, including but not limited to impairment of contract rights**
10 **of members of the Public Employees Retirement System under Article**
11 **I, section 21, of the Oregon Constitution, or Article I, section 10,**
12 **clause 1, of the United States Constitution, or is invalid for any other**
13 **reason.**

14 **“(2) A person who is adversely affected by this 2013 Act or who will**
15 **be adversely affected by this 2013 Act may institute a proceeding for**
16 **review by filing with the Supreme Court a petition that meets the**
17 **following requirements:**

18 **“(a) The petition must be filed within 60 days after the effective**
19 **date of this 2013 Act.**

20 **“(b) The petition must include the following:**

21 **“(A) A statement of the basis of the challenge; and**

22 **“(B) A statement and supporting affidavit showing how the**
23 **petitioner is adversely affected.**

24 **“(3) The petitioner shall serve a copy of the petition by registered**
25 **or certified mail upon the Public Employees Retirement Board, the**
26 **Attorney General and the Governor.**

27 **“(4) Proceedings for review under this section shall be given priority**
28 **over all other matters before the Supreme Court.**

29 **“(5) The Supreme Court shall allow public employers participating**
30 **in the Public Employees Retirement System to intervene in any pro-**

1 ceeding under this section.

2 “(6) In the event the Supreme Court determines that there are
3 factual issues in the petition, the Supreme Court may appoint a special
4 master to hear evidence and to prepare recommended findings of fact.

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6 “ACT DOES NOT CREATE CONTRACT RIGHTS

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8 “SECTION 7. This 2013 Act does not constitute a statutory con-
9 tractual promise.

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11 “SEVERABILITY

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13 “SECTION 8. It is the intent of the Legislative Assembly that all
14 parts of this 2013 Act are independent and that if any part of this 2013
15 Act is held unconstitutional, all remaining parts shall remain in force.

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17 “CAPTIONS

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19 “SECTION 9. The unit captions used in this 2013 Act are provided
20 only for the convenience of the reader and do not become part of the
21 statutory law of this state or express any legislative intent in the
22 enactment of this 2013 Act.

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24 “EMERGENCY CLAUSE

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26 “SECTION 10. This 2013 Act being necessary for the immediate
27 preservation of the public peace, health and safety, an emergency is
28 declared to exist, and this 2013 Act takes effect on its passage.”.

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