

**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:

3

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

6

7 **“SECTION 1. (1) In computing the service retirement allowance**
8 **under ORS 238.300 (1) and (2)(b)(A), the Public Employees Retirement**
9 **Board shall use the actuarial equivalency factor tables adopted under**
10 **ORS 238.607 for a member who:**

11 **“(a) Is an active member on the effective date of this 2013 Act; or**

12 **“(b)(A) Had at least 24 years of creditable service on the member’s**
13 **effective date of retirement; and**

14 **“(B) Accrued creditable service on or after January 1, 2004.**

15 **“(2) In computing the service retirement allowance under ORS**
16 **238.300 (1) and (2)(b)(A) for a member who does not meet the require-**
17 **ments of subsection (1) of this section, the board shall use the**
18 **actuarial equivalency factor tables adopted under section 3 of this 2013**
19 **Act.**

20 **“SECTION 2. Section 3 of this 2013 Act is added to and made a part**
21 **of ORS chapter 238.**

22 **“SECTION 3. (1) At the time the Public Employees Retirement**

1 Board adopts actuarial equivalency factor tables under ORS 238.607,
2 the board shall adopt actuarial equivalency factor tables for the pur-
3 pose of computing the service retirement allowance under ORS 238.300
4 (1) and (2)(b)(A) for a member described in section 1 (2) of this 2013
5 Act. The tables may be adopted in conjunction with the system eval-
6 uation required by ORS 238.605. Tables adopted under this section
7 must use the best actuarial information on mortality available at the
8 time the board adopts the tables, as provided by the actuary engaged
9 by the board.

10 “(2) In adopting tables under this section, the board shall use the
11 current immediate and deferred annuity rates as published from time
12 to time by the Pension Benefit Guaranty Corporation at 29 C.F.R. part
13 4044, Appendix B.

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

16 “(4) The board may not defer or delay implementation of the
17 actuarial equivalency factor tables adopted under this section.

18 “SECTION 4. Notwithstanding section 3 (1) of this 2013 Act, the
19 Public Employees Retirement Board shall first adopt actuarial equiv-
20 alency factor tables under section 3 of this 2013 Act as soon as possible
21 after the effective date of this 2013 Act.

22 “SECTION 5. (1) The tables adopted under section 4 of this 2013 Act
23 become effective on September 1, 2013.

24 “(2) The tables adopted under sections 3 and 4 of this 2013 Act apply
25 only to members of the Public Employees Retirement System whose
26 effective date of retirement is after September 1, 2013.

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28 **“EMPLOYER CONTRIBUTION RATES**

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30 “SECTION 6. (1) As soon as possible after the effective date of this

1 2013 Act, the Public Employees Retirement Board shall recalculate the
2 contribution rates of all employers, pursuant to ORS 238.225, to reflect
3 the provisions of this 2013 Act.

4 “(2) The board shall issue corrected contribution rate orders to
5 employers affected by recalculated rates under this section within 90
6 days after the effective date of this 2013 Act. The corrected rates are
7 effective July 1, 2013.

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

20 “(2) A person who is adversely affected by this 2013 Act or who will
21 be adversely affected by this 2013 Act may institute a proceeding for
22 review by filing with the Supreme Court a petition that meets the
23 following requirements:

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

26 “(b) The petition must include the following:

27 “(A) A statement of the basis of the challenge; and

28 “(B) A statement and supporting affidavit showing how the
29 petitioner is adversely affected.

30 “(3) The petitioner shall serve a copy of the petition by registered

1 or certified mail upon the Public Employees Retirement Board, the
2 Attorney General and the Governor.

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

5 “(5) The Supreme Court shall allow public employers participating
6 in the Public Employees Retirement System to intervene in any pro-
7 ceeding under this section.

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

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12 “ACT DOES NOT CREATE CONTRACT RIGHTS

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

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17 “SEVERABILITY

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19 “SECTION 9. It is the intent of the Legislative Assembly that all
20 parts of this 2013 Act are independent and that if any part of this 2013
21 Act is held unconstitutional, all remaining parts shall remain in force.

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23 “CAPTIONS

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25 “SECTION 10. The unit captions used in this 2013 Act are provided
26 only for the convenience of the reader and do not become part of the
27 statutory law of this state or express any legislative intent in the
28 enactment of this 2013 Act.

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30 “EMERGENCY CLAUSE

