

**PROPOSED AMENDMENTS TO
SENATE BILL 861**

1 On page 4 of the printed bill, delete lines 24 through 26 and insert:

2 “(b) Cost-of-living adjustments under ORS 238.360 or 238A.210 to the re-
3 tirement allowance paid to an alternate payee shall be calculated on the
4 basis of the amount of the alternate payee’s yearly allowance or yearly pen-
5 sion or benefit, as those terms are defined in ORS 238.360 and 238A.210.”.

6 On page 5, delete lines 14 through 34 and insert:

7 **“SECTION 8. (1) As used in this section:**

8 **“(a) ‘Yearly allowance’ has the meaning given that term in ORS**
9 **238.360.**

10 **“(b) ‘Yearly pension or benefit’ has the meaning given that term in**
11 **ORS 238A.210.**

12 **“(2) Each year, the Public Employees Retirement Board shall make**
13 **a supplementary payment to each member or member’s beneficiary**
14 **with a yearly allowance or yearly pension or benefit of \$20,000 or less.**
15 **The supplementary payment shall be equal to 0.25 percent of the**
16 **member’s or member’s beneficiary’s yearly allowance or yearly pen-**
17 **sion or benefit. The board shall make the first supplementary payment**
18 **under this subsection in 2014.**

19 **“(3)(a) The board may make a supplementary payment each year**
20 **to each member or member’s beneficiary with a yearly allowance or**
21 **yearly pension or benefit that is more than \$20,000 but not more than**
22 **\$60,000. A supplementary payment made under this subsection shall**

1 be equal to 0.25 percent of the member's or member's beneficiary's
2 yearly allowance or yearly pension or benefit. The board may make the
3 first supplementary payment under this subsection in 2014.

4 “(b) The board shall develop a formula for determining each year
5 whether it is reasonably prudent, based on the earnings of the Public
6 Employees Retirement Fund, available reserves and the unfunded
7 actuarial liability of the Public Employees Retirement System, to
8 make a supplementary payment under this subsection.

9 “(4) A supplementary payment made under this section may not be
10 included in a member's or member's beneficiary's yearly allowance or
11 yearly pension or benefit for purposes of calculating cost-of-living ad-
12 justments under ORS 238.360, 238.575 or 238A.210.

13 “(5) The board shall pay supplementary payments under this section
14 out of the reserve account established under ORS 238.670 (1).”

15
