

Senate Bill 783

Sponsored by Senator KNOPP

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**.

Modifies calculation of final average salary for purposes of calculating retirement benefits of certain members of Public Employees Retirement System who were members of Legislative Assembly and earned larger salaries in public employment after service in Legislative Assembly.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to the final average salary of members of the Public Employees Retirement System who
3 served in the Legislative Assembly; creating new provisions; amending ORS 238.005, 238.435 and
4 238A.130; and declaring an emergency.

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

6 **SECTION 1.** ORS 238.005, as amended by section 2, chapter 107, Oregon Laws 2014, is amended
7 to read:

8 238.005. For purposes of this chapter:

9 (1) "Active member" means a member who is presently employed by a participating public em-
10 ployer in a qualifying position and who has completed the six-month period of service required by
11 ORS 238.015.

12 (2) "Annuity" means payments for life derived from contributions made by a member as provided
13 in this chapter.

14 (3) "Board" means the Public Employees Retirement Board.

15 (4) "Calendar year" means 12 calendar months commencing on January 1 and ending on De-
16 cember 31 following.

17 (5) "Continuous service" means service not interrupted for more than five years, except that
18 such continuous service shall be computed without regard to interruptions in the case of:

19 (a) An employee who had returned to the service of the employer as of January 1, 1945, and
20 who remained in that employment until having established membership in the Public Employees
21 Retirement System.

22 (b) An employee who was in the armed services on January 1, 1945, and returned to the service
23 of the employer within one year of the date of being otherwise than dishonorably discharged and
24 remained in that employment until having established membership in the Public Employees Retire-
25 ment System.

26 (6) "Creditable service" means any period of time during which an active member is being paid
27 a salary by a participating public employer and for which benefits under this chapter are funded by
28 employer contributions and earnings on the fund. For purposes of computing years of "credit-
29 able service," full months and major fractions of a month shall be considered to be one-twelfth of a year
30 and shall be added to all full years. "Creditable service" includes all retirement credit received by

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 a member.

2 (7) "Earliest service retirement age" means the age attained by a member when the member
3 could first make application for retirement under the provisions of ORS 238.280.

4 (8) "Employee" includes, in addition to employees, public officers, but does not include:

5 (a) Persons engaged as independent contractors.

6 (b) Seasonal, emergency or casual workers whose periods of employment with any public em-
7 ployer or public employers do not total 600 hours in any calendar year.

8 (c) Persons provided sheltered employment or made-work by a public employer in an employment
9 or industries program maintained for the benefit of such persons.

10 (d) Persons employed and paid from federal funds received under a federal program intended
11 primarily to alleviate unemployment. However, any such person shall be considered an "employee"
12 if not otherwise excluded by paragraphs (a) to (c) of this subsection and the public employer elects
13 to have the person so considered by an irrevocable written notice to the board.

14 (e) Persons who are employees of a railroad, as defined in ORS 824.020, and who, as such em-
15 ployees, are included in a retirement plan under federal railroad retirement statutes. This paragraph
16 shall be deemed to have been in effect since the inception of the system.

17 (9)(a) "Final average salary," **except as provided in paragraph (b) of this subsection**, means
18 whichever of the following is greater:

19 [(a)] **(A)** The average salary per calendar year paid by one or more participating public em-
20 ployers to an employee who is an active member of the system in three of the calendar years of
21 membership before the effective date of retirement of the employee, in which three years the em-
22 ployee was paid the highest salary. The three calendar years in which the employee was paid the
23 largest total salary may include calendar years in which the employee was employed for less than
24 a full calendar year. If the number of calendar years of active membership before the effective date
25 of retirement of the employee is three or fewer, the final average salary for the employee is the
26 average salary per calendar year paid by one or more participating public employers to the em-
27 ployee in all of those years, without regard to whether the employee was employed for the full cal-
28 endar year.

29 [(b)] **(B)** One-third of the total salary paid by a participating public employer to an employee
30 who is an active member of the system in the last 36 calendar months of active membership before
31 the effective date of retirement of the employee.

32 **(b)(A) For an employee who was a member of the Legislative Assembly at any time dur-**
33 **ing the 84 calendar months immediately preceding the effective date of retirement of the**
34 **employee, if the salary paid to the employee in any of the 48 calendar months immediately**
35 **preceding the effective date of retirement of the employee, but after the employee's service**
36 **in the Legislative Assembly, is more than 400 percent of the average annual salary paid to**
37 **the employee during the employee's service in the Legislative Assembly, "final average**
38 **salary" means one-tenth of the total salary paid by one or more participating public em-**
39 **ployers to the employee in the 120 calendar months immediately preceding the effective date**
40 **of retirement of the employee. If the number of calendar months of active membership be-**
41 **fore the effective date of retirement of the employee is fewer than 120, the final average**
42 **salary for the employee is the average salary per calendar year paid by one or more partic-**
43 **ipating public employers to the employee in all of those years, without regard to whether the**
44 **employee was employed for the full calendar year.**

45 **(B) This paragraph does not apply to an employee who:**

1 (i) Leaves employment in a qualifying position for at least 12 months immediately after
 2 service in the Legislative Assembly and before becoming employed in a new qualifying posi-
 3 tion; or

4 (ii) Is elected to any state, county, city or district office after service in the Legislative
 5 Assembly.

6 (10) "Firefighter" does not include a volunteer firefighter, but does include:

7 (a) The State Fire Marshal, the chief deputy fire marshal and deputy state fire marshals; and

8 (b) An employee of the State Forestry Department who is certified by the State Forester as a
 9 professional wildland firefighter and whose primary duties include the abatement of uncontrolled
 10 fires as described in ORS 477.064.

11 (11) "Fiscal year" means 12 calendar months commencing on July 1 and ending on June 30 fol-
 12 lowing.

13 (12) "Fund" means the Public Employees Retirement Fund.

14 (13) "Inactive member" means a member who is not employed in a qualifying position, whose
 15 membership has not been terminated in the manner described by ORS 238.095 and who is not retired
 16 for service or disability.

17 (14) "Institution of higher education" means a public university listed in ORS 352.002, the
 18 Oregon Health and Science University and a community college, as defined in ORS 341.005.

19 (15) "Member" means a person who has established membership in the system and whose mem-
 20 bership has not been terminated as described in ORS 238.095. "Member" includes active, inactive
 21 and retired members.

22 (16) "Member account" means the regular account and the variable account.

23 (17) "Normal retirement age" means:

24 (a) For a person who establishes membership in the system before January 1, 1996, as described
 25 in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or firefighter
 26 or 58 years of age if the employee retires at that age as other than a police officer or firefighter.

27 (b) For a person who establishes membership in the system on or after January 1, 1996, as de-
 28 scribed in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or
 29 firefighter or 60 years of age if the employee retires at that age as other than a police officer or
 30 firefighter.

31 (18) "Pension" means annual payments for life derived from contributions by one or more public
 32 employers.

33 (19) "Police officer" includes:

34 (a) Employees of institutions defined in ORS 421.005 as Department of Corrections institutions
 35 whose duties, as assigned by the Director of the Department of Corrections, include the custody of
 36 persons committed to the custody of or transferred to the Department of Corrections and employees
 37 of the Department of Corrections who were classified as police officers on or before July 27, 1989,
 38 whether or not such classification was authorized by law.

39 (b) Employees of the Department of State Police who are classified as police officers by the
 40 Superintendent of State Police.

41 (c) Employees of the Oregon Liquor Control Commission who are classified as liquor enforce-
 42 ment inspectors by the administrator of the commission.

43 (d) Sheriffs and those deputy sheriffs or other employees of a sheriff whose duties, as classified
 44 by the sheriff, are the regular duties of police officers or corrections officers.

45 (e) Police chiefs and police personnel of a city who are classified as police officers by the

1 council or other governing body of the city.

2 (f) Police officers who are commissioned by a university under ORS 352.383 or 353.125 and who
3 are classified as police officers by the university.

4 (g) Parole and probation officers employed by the Department of Corrections, parole and pro-
5 bation officers who are transferred to county employment under ORS 423.549 and adult parole and
6 probation officers, as defined in ORS 181.610, who are classified as police officers for the purposes
7 of this chapter by the county governing body. If a county classifies adult parole and probation offi-
8 cers as police officers for the purposes of this chapter, and the employees so classified are repres-
9 ented by a labor organization, any proposal by the county to change that classification or to cease
10 to classify adult parole and probation officers as police officers for the purposes of this chapter is
11 a mandatory subject of bargaining.

12 (h) Police officers appointed under ORS 276.021 or 276.023.

13 (i) Employees of the Port of Portland who are classified as airport police by the Board of Com-
14 missioners of the Port of Portland.

15 (j) Employees of the State Department of Agriculture who are classified as livestock police of-
16 ficers by the Director of Agriculture.

17 (k) Employees of the Department of Public Safety Standards and Training who are classified by
18 the department as other than secretarial or clerical personnel.

19 (L) Investigators of the Criminal Justice Division of the Department of Justice.

20 (m) Corrections officers as defined in ORS 181.610.

21 (n) Employees of the Oregon State Lottery Commission who are classified by the Director of the
22 Oregon State Lottery as enforcement agents pursuant to ORS 461.110.

23 (o) The Director of the Department of Corrections.

24 (p) An employee who for seven consecutive years has been classified as a police officer as de-
25 fined by this section, and who is employed or transferred by the Department of Corrections to fill
26 a position designated by the Director of the Department of Corrections as being eligible for police
27 officer status.

28 (q) An employee of the Department of Corrections classified as a police officer on or prior to
29 July 27, 1989, whether or not that classification was authorized by law, as long as the employee
30 remains in the position held on July 27, 1989. The initial classification of an employee under a sys-
31 tem implemented pursuant to ORS 240.190 does not affect police officer status.

32 (r) Employees of a school district who are appointed and duly sworn members of a law
33 enforcement agency of the district as provided in ORS 332.531 or otherwise employed full-time as
34 police officers commissioned by the district.

35 (s) Employees at youth correction facilities and juvenile detention facilities under ORS 419A.050,
36 419A.052 and 420.005 to 420.915 who are required to hold valid Oregon teaching licenses and who
37 have supervisory, control or teaching responsibilities over juveniles committed to the custody of the
38 Department of Corrections or the Oregon Youth Authority.

39 (t) Employees at youth correction facilities as defined in ORS 420.005 whose primary job de-
40 scription involves the custody, control, treatment, investigation or supervision of juveniles placed
41 in such facilities.

42 (u) Employees of the Oregon Youth Authority who are classified as juvenile parole and pro-
43 bation officers.

44 (20) "Prior service credit" means credit provided under ORS 238.442 or under ORS 238.225 (2)
45 to (6) (1999 Edition).

1 (21) "Public employer" means the state, one of its agencies, any city, county, or municipal or
2 public corporation, any political subdivision of the state or any instrumentality thereof, or an agency
3 created by one or more such governmental organizations to provide governmental services. For
4 purposes of this chapter, such agency created by one or more governmental organizations is a gov-
5 ernmental instrumentality and a legal entity with power to enter into contracts, hold property and
6 sue and be sued.

7 (22) "Qualifying position" means one or more jobs with one or more participating public em-
8 ployers in which an employee performs 600 or more hours of service in a calendar year, excluding
9 any service in a job for which a participating public employer does not provide benefits under this
10 chapter pursuant to an application made under ORS 238.035.

11 (23) "Regular account" means the account established for each active and inactive member un-
12 der ORS 238.250.

13 (24) "Retired member" means a member who is retired for service or disability.

14 (25) "Retirement credit" means a period of time that is treated as creditable service for the
15 purposes of this chapter.

16 (26)(a) "Salary" means the remuneration paid an employee in cash out of the funds of a public
17 employer in return for services to the employer, plus the monetary value, as determined by the
18 Public Employees Retirement Board, of whatever living quarters, board, lodging, fuel, laundry and
19 other advantages the employer furnishes the employee in return for services.

20 (b) "Salary" includes but is not limited to:

21 (A) Payments of employee and employer money into a deferred compensation plan, which are
22 deemed salary paid in each month of deferral;

23 (B) The amount of participation in a tax-sheltered or deferred annuity, which is deemed salary
24 paid in each month of participation;

25 (C) Retroactive payments described in ORS 238.008; and

26 (D) Wages of a deceased member paid to a surviving spouse or dependent children under ORS
27 652.190.

28 (c) "Salary" or "other advantages" does not include:

29 (A) Travel or any other expenses incidental to employer's business which is reimbursed by the
30 employer;

31 (B) Payments for insurance coverage by an employer on behalf of employee or employee and
32 dependents, for which the employee has no cash option;

33 (C) Payments made on account of an employee's death;

34 (D) Any lump sum payment for accumulated unused sick leave;

35 (E) Any accelerated payment of an employment contract for a future period or an advance
36 against future wages;

37 (F) Any retirement incentive, retirement severance pay, retirement bonus or retirement
38 gratuitous payment;

39 (G) Payments for periods of leave of absence after the date the employer and employee have
40 agreed that no future services qualifying pursuant to ORS 238.015 (3) will be performed, except for
41 sick leave and vacation;

42 (H) Payments for instructional services rendered to public universities listed in ORS 352.002 or
43 the Oregon Health and Science University when such services are in excess of full-time employment
44 subject to this chapter. A person employed under a contract for less than 12 months is subject to
45 this subparagraph only for the months to which the contract pertains; or

1 (I) Payments made by an employer for insurance coverage provided to a domestic partner of an
2 employee.

3 (27) "School year" means the period beginning July 1 and ending June 30 next following.

4 (28) "System" means the Public Employees Retirement System.

5 (29) "Variable account" means the account established for a member who participates in the
6 Variable Annuity Account under ORS 238.260.

7 (30) "Vested" means being an active member of the system in each of five calendar years.

8 (31) "Volunteer firefighter" means a firefighter whose position normally requires less than 600
9 hours of service per year.

10 **SECTION 2.** ORS 238.435 is amended to read:

11 238.435. (1) Notwithstanding the definition of "salary" or "other advantages" provided by ORS
12 238.005, for the purpose of calculating the retirement allowance of a person who establishes mem-
13 bership in the system on or after January 1, 1996, as described in ORS 238.430, the Public Employees
14 Retirement Board shall not include any lump sum payment for accrued vacation pay made to the
15 member during the last 36 calendar months of membership before the effective date of retirement
16 of the member, or during any period of time taken into account for purposes of determining the
17 three years in which the member was paid the highest salary for the purposes of determining the
18 member's final average salary.

19 (2) Notwithstanding the definition of "final average salary" provided by ORS 238.005[,]:

20 (a) **Except as provided in paragraph (b) of this subsection,** for the purpose of calculating the
21 retirement allowance of a person who establishes membership in the system on or after January 1,
22 1996, as described in ORS 238.430, and who is not employed by a local government as defined in
23 ORS 174.116, the term "final average salary" means whichever of the following is greater:

24 [(a)] (A) The average salary per calendar year paid to a public employee who is an active
25 member of the system in three of the calendar years of membership before the effective date of re-
26 tirement of the employee, in which three years the employee was paid the highest salary. The three
27 calendar years in which the employee was paid the largest total salary may include calendar years
28 in which the employee was employed for less than a full calendar year. If the number of calendar
29 years of active membership before the effective date of retirement of the employee is three or less,
30 the final average salary for the employee is the average salary per calendar year paid to the public
31 employee in all of those years, without regard to whether the employee was employed for full cal-
32 endar years.

33 [(b)] (B) One-third of the total salary paid to a public employee who is an active member of the
34 system in the last 36 calendar months of membership before the effective date of retirement of the
35 employee.

36 (b)(A) **For a person who establishes membership in the system on or after January 1,**
37 **1996, as described in ORS 238.430, and who is not employed by a local government as defined**
38 **in ORS 174.116, and who was a member of the Legislative Assembly at any time during the**
39 **84 calendar months immediately preceding the effective date of retirement of the employee,**
40 **if the salary paid to the employee in any of the 48 calendar months immediately preceding**
41 **the effective date of retirement of the employee, but after the employee's service in the**
42 **Legislative Assembly, is more than 400 percent of the average annual salary paid to the**
43 **employee during the employee's service in the Legislative Assembly, "final average salary"**
44 **means one-tenth of the total salary paid to the employee in the 120 calendar months imme-**
45 **diately preceding the effective date of retirement of the employee. If the number of calendar**

1 months of active membership before the effective date of retirement of the employee is less
 2 than 120, the final average salary for the employee is the average salary per calendar year
 3 paid to the employee in all of those years, without regard to whether the employee was em-
 4 ployed for full calendar years.

5 **(B) This paragraph does not apply to an employee who:**

6 (i) Leaves employment in a qualifying position for at least 12 months immediately after
 7 service in the Legislative Assembly and before becoming employed in a new qualifying posi-
 8 tion; or

9 (ii) Is elected to any state, county, city or district office after service in the Legislative
 10 Assembly.

11 (3) For the purposes of calculating the final average salary of a member under subsection (2)(a)
 12 of this section, the Public Employees Retirement Board shall:

13 (a) Include any salary paid in or for the calendar month of separation from employment;

14 (b) Exclude any salary for any pay period before the first full pay period that is included in the
 15 three calendar years of membership under subsection (2)(a)(A) of this section if the three calendar
 16 years were consecutive; and

17 (c) Exclude any salary for any pay period before the first full pay period that is included in the
 18 last 36 calendar months of membership under subsection [(2)(b)] **(2)(a)(B)** of this section.

19 (4) Notwithstanding the definition of “final average salary” provided by ORS 238.005[,];

20 **(a) Except as provided in paragraph (b) of this subsection,** for the purpose of calculating the
 21 retirement allowance of a person who establishes membership in the system on or after January 1,
 22 1996, as described in ORS 238.430, and who is employed by a local government as defined in ORS
 23 174.116, the term “final average salary” means whichever of the following is greater:

24 [(a)] **(A)** The average salary per calendar year earned by a public employee who is an active
 25 member of the system in three of the calendar years of membership before the effective date of re-
 26 tirement of the employee, in which three years the employee earned the highest salary. The three
 27 calendar years in which the employee earned the largest total salary may include calendar years in
 28 which the employee was employed for less than a full calendar year. If the number of calendar years
 29 of active membership before the effective date of retirement of the employee is three or less, the
 30 final average salary for the employee is the average salary per calendar year earned by the public
 31 employee in all of those years, without regard to whether the employee was employed for full cal-
 32 endar years.

33 [(b)] **(B)** One-third of the total salary earned by a public employee who is an active member of
 34 the system in the last 36 calendar months of membership before the effective date of retirement of
 35 the employee.

36 **(b)(A) For a person who establishes membership in the system on or after January 1,**
 37 **1996, as described in ORS 238.430, and who is employed by a local government as defined in**
 38 **ORS 174.116, and who was a member of the Legislative Assembly at any time during the 84**
 39 **calendar months immediately preceding the effective date of retirement of the employee, if**
 40 **the salary earned by the employee in any of the 48 calendar months immediately preceding**
 41 **the effective date of retirement of the employee, but after the employee’s service in the**
 42 **Legislative Assembly, is more than 400 percent of the average annual salary paid to the**
 43 **employee during the employee’s service in the Legislative Assembly, “final average salary”**
 44 **means one-tenth of the total salary earned by the employee in the 120 calendar months im-**
 45 **mediately preceding the effective date of retirement of the employee. If the number of cal-**

1 **endar months of active membership before the effective date of retirement of the employee**
2 **is less than 120, the final average salary for the employee is the average salary per calendar**
3 **year earned by the employee in all of those years, without regard to whether the employee**
4 **was employed for full calendar years.**

5 **(B) This paragraph does not apply to an employee who:**

6 **(i) Leaves employment in a qualifying position for at least 12 months immediately after**
7 **service in the Legislative Assembly and before becoming employed in a new qualifying posi-**
8 **tion; or**

9 **(ii) Is elected to any state, county, city or district office after service in the Legislative**
10 **Assembly.**

11 (5) The normal retirement age is 60 years of age for a member who establishes membership in
12 the system on or after January 1, 1996, as described in ORS 238.430, and who retires as other than
13 a police officer or firefighter.

14 (6) ORS 238.255 does not apply to any person who establishes membership in the Public Em-
15 ployees Retirement System on or after January 1, 1996, as described in ORS 238.430.

16 (7) Except as provided in this section, all provisions of this chapter are applicable to persons
17 who establish membership in the system on or after January 1, 1996, as described in ORS 238.430.

18 **SECTION 3.** ORS 238A.130 is amended to read:

19 238A.130. (1) Except as provided in [subsection (3)] **subsections (3) and (4)** of this section, for
20 purposes of the computation of pension program benefits under ORS 238A.125, “final average
21 salary” means whichever of the following is greater:

22 (a) The average salary per calendar year paid to an active member in the three consecutive
23 calendar years of membership that produce the highest average salary, including calendar years in
24 which the member was employed for less than a full calendar year. If the number of consecutive
25 calendar years of active membership before the effective date of retirement of the member is three
26 or less, the final average salary for the member is the average salary per calendar year paid to the
27 member in all of those years, without regard to whether the member was employed for full calendar
28 years.

29 (b) One-third of the total salary paid to an active member in the last 36 calendar months of
30 membership before the effective date of retirement of the member.

31 (2) For the purposes of calculating the final average salary of a member under subsection (1)
32 of this section, the Public Employees Retirement Board shall:

33 (a) Include any salary paid in or for the calendar month of separation from employment;

34 (b) Exclude any salary for any pay period before the first full pay period that is included in the
35 three consecutive calendar years of membership under subsection (1)(a) of this section; and

36 (c) Exclude any salary for any pay period before the first full pay period that is included in the
37 last 36 calendar months of membership under subsection (1)(b) of this section.

38 (3) For purposes of the computation of pension program benefits under ORS 238A.125 of a person
39 employed by a local government as defined in ORS 174.116, “final average salary” means whichever
40 of the following is greater:

41 (a) The average salary per calendar year earned by an active member in the three consecutive
42 calendar years of membership that produce the highest average salary, including calendar years in
43 which the member was employed for less than a full calendar year. If the number of consecutive
44 calendar years of active membership before the effective date of retirement of the member is three
45 or less, the final average salary for the member is the average salary per calendar year earned by

1 the member in all of those years, without regard to whether the member was employed for full cal-
 2 endar years.

3 (b) One-third of the total salary earned by an active member in the last 36 calendar months of
 4 membership before the effective date of retirement of the member.

5 **(4)(a) For purposes of the computation of pension program benefits under ORS 238A.125**
 6 **of a person who was a member of the Legislative Assembly at any time during the 84 cal-**
 7 **endar months immediately preceding the effective date of retirement of the member, if the**
 8 **salary paid to the member in any of the 48 calendar months immediately preceding the ef-**
 9 **fective date of retirement of the member, but after the member’s service in the Legislative**
 10 **Assembly, is more than 400 percent of the average annual salary paid to the member during**
 11 **the member’s service in the Legislative Assembly, “final average salary” means one-tenth**
 12 **of the total salary paid by one or more participating public employers to the member in the**
 13 **120 calendar months immediately preceding the effective date of retirement of the employee.**
 14 **If the number of calendar months of active membership before the effective date of retire-**
 15 **ment of the member is less than 120, the final average salary for the member is the average**
 16 **salary per calendar year paid by one or more participating public employers to the member**
 17 **in all of those years, without regard to whether the member was employed for full calendar**
 18 **years.**

19 (b) This subsection does not apply to a person who:

20 (A) Leaves employment in a qualifying position for at least 12 months immediately after
 21 service in the Legislative Assembly and before becoming employed in a new qualifying posi-
 22 tion; or

23 (B) Is elected to any state, county, city or district office after service in the Legislative
 24 Assembly.

25 [(4)] (5) For the purposes of calculating the final average salary of a member under this section,
 26 the salary of the member does not include:

27 (a) Any amounts attributable to hours of overtime that exceed the average number of hours of
 28 overtime for the same class of employees as established by rule of the Public Employees Retirement
 29 Board. The Oregon Department of Administrative Services shall establish by rule more than one
 30 overtime average for a class of state employees based on the geographic placement of the employees.

31 (b) Any increases in salary during the last 36 calendar months of membership before the effec-
 32 tive date of retirement of the member that:

33 (A) Are made by an employer to pay for insurance coverage previously paid for by the employer;
 34 and

35 (B) Are not offered to all employees in the same class of employees as established by rule of the
 36 board under paragraph (a) of this subsection.

37 **SECTION 4. The amendments to ORS 238.005, 238.435 and 238A.130 by sections 1 to 3 of**
 38 **this 2015 Act apply only to members of the Public Employees Retirement System whose ef-**
 39 **fective date of retirement is on or after the effective date of this 2015 Act.**

40 **SECTION 5. (1) Jurisdiction is conferred on the Supreme Court to determine in the**
 41 **manner provided by this section whether this 2015 Act breaches any contract between**
 42 **members of the Public Employees Retirement System and their employers or violates any**
 43 **constitutional provision, including but not limited to impairment of contract rights of mem-**
 44 **bers of the Public Employees Retirement System under Article I, section 21, of the Oregon**
 45 **Constitution, or Article I, section 10, clause 1, of the United States Constitution.**

1 **(2) A person who is adversely affected by this 2015 Act or who will be adversely affected**
2 **by this 2015 Act may institute a proceeding for review by filing with the Supreme Court a**
3 **petition that meets the following requirements:**

4 **(a) The petition must be filed within 60 days after the effective date of this 2015 Act.**

5 **(b) The petition must include the following:**

6 **(A) A statement of the basis of the challenge; and**

7 **(B) A statement and supporting affidavit showing how the petitioner is adversely af-**
8 **ected.**

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

11 **(4) Proceedings for review under this section shall be given priority over all other mat-**
12 **ters before the Supreme Court.**

13 **(5) The Supreme Court shall allow public employers participating in the Public Employees**
14 **Retirement System to intervene in any proceeding under this section.**

15 **(6) In the event the Supreme Court determines that there are factual issues in the peti-**
16 **tion, the Supreme Court may appoint a special master to hear evidence and to prepare re-**
17 **commended findings of fact.**

18 **(7) The Supreme Court may not award attorney fees to a petitioner in a proceeding under**
19 **this section.**

20 **SECTION 6. This 2015 Act being necessary for the immediate preservation of the public**
21 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
22 **on its passage.**

23 _____