

REVENUE:

FISCAL:

SUBSEQUENT REFERRAL TO:

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: Jan Nordlund, Administrator

Meeting Dates: 2/1

WHAT THE MEASURE DOES: Classifies as “police officer” under Public Employees Retirement System all employees of the Oregon State Hospital. Phases in reclassifications in three stages. Applies police and fire benefits to service performed on or after the operative date. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

Proposed -1 amendment: Adds registered nurses to first stage of phase in. Adds physicians to second stage of phase in.

BACKGROUND: Oregon’s Public Employees Retirement System (PERS) enables public employers to provide their employees with retirement benefits. State government, public schools, community colleges, and many local governments (cities, counties, and special districts) participate in PERS. There are approximately 900 public employers currently participating in PERS, covering about 95 percent of all public employees in Oregon.

There are two types of classifications for all primary PERS plans. Examples of qualified positions for the Police and Fire (P&F) classification include certain Department of Corrections employees, Oregon State Police officers, local government police officers, parole and probation officers, the state and deputy state fire marshal, and persons employed by cities, counties, or districts whose duties involve firefighting. All other qualifying positions are classified as General Service. For both General Service and P&F, the level of benefits differs depending on the hire date. An employee is a Tier One member if they began working for a PERS-participating employer before January 1, 1996; Tier Two employees are those who were first employed on or after January 1, 1996 and before August 29, 2003. All other employees are members of the OPSRP Pension Program. Employees classified as P&F under PERS statutes can retire at an earlier age and have a higher benefit factor used in calculating their retirement benefits.

House Bill 4011 classifies as “police officers” under PERS statutes the employees of the Oregon State Hospital over a four year period. The P&F benefits apply only for service performed by the employee on or after the operative date of their reclassification as a police officer. In the first phase, the P&F benefits will apply to those prohibited from striking under ORS 243.726 or licensed practical nurses. The second phase adds those employees who are required to be in areas populated by patients to perform the primary functions of their job. The final phase adds in all employees of the hospital.