

78th Oregon Legislative Assembly - 2016 Regular Session
STAFF MEASURE SUMMARY
Senate Committee On Workforce and General Government

MEASURE: HB 4022
CARRIER: Sen. Thatcher

Fiscal: No fiscal impact
Revenue: No Revenue Impact

Action Date: 02/16/16

Action: Do Pass.

Meeting Dates: 02/16

Vote:

Yeas: 5 - Dembrow, Gelser, Knopp, Rosenbaum, Thatcher

Prepared By: Jan Nordlund, Committee Administrator

WHAT THE MEASURE DOES:

Permits retired Tier One and Tier Two members of Public Employees Retirement System to work for school district or education service district as speech-language pathologist or speech-language pathology assistant for unlimited hours without loss of retirement benefits. Sunsets January 2, 2026. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Reinstating exemption that expired January 2, 2016
- Labor shortage a particular concern in rural districts
- Long term strategies to address labor shortage

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

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.

If a retiree wishes to re-enter the workforce, their PERS benefit could be affected based on the plan they retired under, who their employer is, and how many hours they work per year. Any retiree who works for a private-sector or non-PERS covered employer may work unlimited hours without any impact on their level of retirement benefit. In general, a Tier One or Tier Two retired member working for a participating public employer can continue to receive retirement benefits as long as the period or periods of employment with one or more participating public employers do not total more than 1,039 hours in a calendar year. Retirement benefit payments will cease for a retiree under the Oregon Public Service Retirement Plan (OPSRP) if they are employed in a qualifying position by a participating employer.

To address a labor shortage, the Legislative Assembly passed House Bill 2585 in 2007 to allow a retiree to work an unlimited number of hours as a speech-language pathologist or speech-language pathology assistant for a school district or education service district without any loss of retirement benefits. That exemption expired January 2, 2016. House Bill 4022 brings back the exemption and allows it to remain in effect until January 2, 2026. It applies to retirees under Tier One and Tier Two and for hours worked on or after January 1, 2016.