

SB 712 -3 STAFF MEASURE SUMMARY

Senate Committee On Workforce

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Meeting Dates: 3/20, 4/5

WHAT THE MEASURE DOES:

Modifies formula for calculating hours of service credit of Oregon Public Service Retirement Plan (OPSRP) member for vesting purposes and retirement credits by including time that member received workers' compensation disability payments in certain circumstances. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Current variations in eligibility for service credit time based on Tier One, Tier Two, or OPSRP membership
- Limited scope of expanded eligibility for OPSRP members to receive service credit time under SB 712--unable to work for 18 months and returns to work with PERS employer
- Number of people who would qualify for expanded eligibility

EFFECT OF AMENDMENT:

-3 Replaces bill. Expands eligibility to OPSRP members to accrue retirement credit and hours of service credit during period of disability leave when member returns to qualified employment after receiving workers' compensation benefits for injury or disease sustained while in actual performance of duty and not intentionally self-inflicted. Defines workers' compensation benefits. Limits application to PERS members who retire on or after Act's effective date.

BACKGROUND:

The 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 participate in PERS, including approximately 925 employers and covering about 95 percent of all public employees in Oregon.

PERS contains approximately 347,000 members, including 168,000 active, 43,000 inactive, and 136,000 retired. Approximately 32 percent of members are currently eligible to retire by age or service

Under current law, Tier One and Tier Two PERS members who return to qualifying employment following disability leave for a duty-related injury under the workers' compensation system are eligible for PERS service credit for that period. OPSRP members in the same circumstances are not eligible for PERS service credit for that period.

Senate Bill 712 provides that an OPSRP member who returns to qualifying employment after receiving disability payments for an injury or disease sustained while in actual performance of duty and not intentionally self-inflicted shall receive hours of service credit for vesting purposes and retirement credit for the period of those payments.