

**TESTIMONY ON SB 1546
OPSRP AND JUDGE PERS VESTING
BEFORE THE SENATE WORKFORCE COMMITTEE
FEBRUARY 6, 2018**

PRESENTED BY: BRUCE C. MILLER, OFFICE OF THE STATE COURT ADMINISTRATOR

SB 1546 is an Oregon Judicial Department (OJD) bill that is intended to correct a vesting anomaly that will trigger a forfeiture of retirement benefits for certain judges who were Oregon Public Service Retirement Plan (OPSRP) members prior to their appointment to the bench.

Historically, individuals who worked for PERS eligible employers prior to the start of their judicial service, but who had not yet vested, were able to count time in Judge PERS toward the Tier 1 and Tier 2 vesting requirements.

Last Fall PERS informed OJD that a judge who had participated in OPSRP before becoming a Judge PERS member was in danger of losing her OPSRP benefit. She was initially told that her hours of judge service counted toward vesting in OPSRP, the same as the historical case for Tier 1 and Tier 2 members. She was later told that her judge hours of service would not count toward the OPSRP vesting requirement. She had 4 years and 2 months of OPSRP retirement credit (just short of the 5 years required for vesting) when she became a judge. She will forfeit her OPSRP benefit if this measure is not enacted.

SB 1546 is intended to:

- correct this vesting anomaly
- prevent unintended loss of benefits for persons who become members of Judge PERS
- remove a disincentive for OPSRP members who may wish to serve as judges

The bill amends ORS 238A.115(4) to make clear that hours of service performed as a PERS judge member count toward vesting in OPSRP, as is the case for Tier 1 and Tier 2. The measure applies this change to PERS judge members whose effective date of retirement is on or after January 1, 2018.

SB 1546 would take effect on the 91st day following adjournment sine die.