

## SB 934 STAFF MEASURE SUMMARY

### Senate Committee On Workforce

---

**Action Date:** 04/02/19

**Action:** Without recommendation as to passage and be referred to Ways and Means by prior reference.

**Vote:** 4-0-1-0

**Yeas:** 4 - Golden, Knopp, Monnes Anderson, Taylor

**Exc:** 1 - Hansell

**Fiscal:** Has minimal fiscal impact

**Revenue:** No revenue impact

**Prepared By:** Ellen Osoinach, LPRO Analyst

**Meeting Dates:** 3/28, 4/2

---

#### WHAT THE MEASURE DOES:

Expands reemployment exemption allowing retired Tier 1 and Tier 2 members of Public Employees Retirement System (PERS) employed by a county sheriff, a municipal police department, a state or county correctional institution, or the Oregon State Police to work in excess of 1,040 hours per calendar year for a PERS participating public employer. Applies to existing and future retirees. Takes effect on 91st day following adjournment sine die.

#### ISSUES DISCUSSED:

- Statewide percentage of retiring PERS members
- Addressing workforce shortages through new hiring versus rehiring retirees
- Effect of exempting employers from contributing to PERS on a rehired retiree's salary

#### EFFECT OF 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 retirees wish 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 PERS member working for a participating public employer can continue to receive retirement benefits as long as the total period of combined employment with one or more participating public employers does not total more than 1,039 hours in a calendar year. The hour limitations on employment do not apply to certain retired members, including those employed by a sheriff, the Oregon State Police, or a state or county correctional institution in a county with a population of fewer than 75,000 persons. The hour limitations also do not apply to a retired member employed by a municipal police department in a city with a population of fewer than 15,000 persons.

Senate Bill 934 exempts Tier One or Tier Two retired members from the 1,039-hour limitation if they are employed by a sheriff, Oregon State Police, state or county correctional institution, or a municipal police department regardless of the population size of the county or city.