

## HB 2647 STAFF MEASURE SUMMARY

### House Committee On Business and Labor

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**Action Date:** 04/08/19

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

**Vote:** 7-4-0-0

**Yeas:** 7 - Barker, Boles, Clem, Doherty, Evans, Fahey, Holvey

**Nays:** 4 - Barreto, Bonham, Boshart Davis, Bynum

**Fiscal:** Has minimal fiscal impact

**Revenue:** No revenue impact

**Prepared By:** Jan Nordlund, LPRO Analyst

**Meeting Dates:** 4/3, 4/8

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#### WHAT THE MEASURE DOES:

Allows individual currently employed as Oregon Health and Science University (OHSU) police officer who elected, prior to January 1, 2014, to participate in OHSU alternative retirement program, to discontinue participation in that alternate retirement program and elect to participate in the Public Employees Retirement System going forward from date of election.

#### ISSUES DISCUSSED:

- Change in status from security officer to commissioned police officer

#### EFFECT OF AMENDMENT:

No amendment.

#### BACKGROUND:

The Public Employees Retirement System (PERS) includes two classifications for all primary PERS plans: Police and Fire and General Service. PERS members who work in a position that meets the definition for police officer or firefighter are classified as Police and Fire (P&F). 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.

Examples of qualified positions for the P&F classification include certain Department of Corrections employees, Oregon State Police employees, 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. Frequently, legislation is introduced to expand the definition of police officer to afford P&F status to a broader range of positions.

Employees of Oregon Health and Science University (OHSU) who are eligible for a retirement plan have a choice at the time of hire between enrolling in the University Pension Plan (UPP) and PERS. Once selected, the employee remains in that plan for the entire period of employment with OHSU.

Until January 1, 2014, the definition of "police officer" for purposes of PERS did not include OHSU public safety employees. An OHSU public safety employee hired before that date who chose PERS was classified under PERS as a General Service member, and would not have had the option to become a PERS P&F member.

In 2013, the Legislative Assembly enacted Senate Bill 565, amending the definition of police officer for purposes of PERS benefits to include police officers commissioned by OHSU and who are classified as police officers by the university. Consequently, an individual hired as an OHSU police officer on or after January 1, 2014, who opts for PERS has enhanced benefits available to P&F members that are not available to General Service members.

## **HB 2647 STAFF MEASURE SUMMARY**

House Bill 2647 allows individuals currently employed as OHSU police officers who elected the UPP retirement plan prior to 2014, when membership in PERS P&F was not an option, to change their election and become a member of PERS P&F going forward.