

HB 2972 STAFF MEASURE SUMMARY**Carrier:** Sen. Hansell**Joint Committee On Ways and Means****Action Date:** 05/31/19**Action:** Do pass.**Senate Vote****Yeas:** 10 - Beyer, Frederick, Girod, Hansell, Heard, Johnson, Manning Jr, Roblan, Steiner, Hayward, Wagner**Exc:** 1 - Thomsen**House Vote****Yeas:** 8 - Gomberg, Holvey, McLain, Nosse, Piluso, Rayfield, Smith G, Stark**Exc:** 1 - McLane**Fiscal:** Has minimal fiscal impact**Revenue:** No revenue impact**Prepared By:** John Borden, Budget Analyst**Meeting Dates:** 5/29, 5/31**WHAT THE MEASURE DOES:**

Allows Harney County Health District to offer employees retirement benefits as an alternative to the Public Employees Retirement System (PERS). Provides retired member of PERS exemption from limitation on work after hours if retiree is licensed, registered, or certified health care provider employed by Harney County Health District. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- General provisions of the measure
- Difficulty retaining doctors and mobility of retirement benefits
- Limited pool of medical professionals in Harney County
- Minimal fiscal impact
- Relation to SB 1049 (2019)

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 a retiree wishes to re-enter the workforce, their PERS benefit may 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 1 or Tier 2 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. There are numerous exemptions to the limit on hours a retiree can work. 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. The measure allows a Tier 1 or Tier 2 retiree to work an unlimited number of hours without any loss of retirement benefits if they are employed by the Harney County Health District as a licensed, registered, or certified provider of health services. The measure also allows the Health District to offer retirement benefits that are an alternative to PERS.