

SB 705-1  
(LC 3412)  
3/4/19 (MNJ/ps)

Requested by SENATE COMMITTEE ON WORKFORCE

**PROPOSED AMENDMENTS TO  
SENATE BILL 705**

1 On page 1 of the printed bill, line 16, after “subsection” delete the rest  
2 of the line and delete lines 17 through 31 and insert “, with the beginning  
3 contribution offset rate based on the actuarial report under ORS 238.605 most  
4 recently published at the time the lump sum payment is made.

5 “(b) Notwithstanding paragraph (a) of this subsection, the board may, af-  
6 ter consultation with the participating public employer, begin using a lump  
7 sum payment to offset contributions in an earlier year than the year chosen  
8 by the public employer under this section to ensure that the period for using  
9 the lump sum payment, including earnings accrued, will end no later than  
10 20 years after the date of the actuarial report under ORS 238.605 most re-  
11 cently published at the time the lump sum payment is made.

12 “(c) A lump sum payment for which a participating public employer  
13 chooses the beginning of the amortization period under this subsection is not  
14 a qualifying lump sum payment for purposes of section 2, chapter 105, Oregon  
15 Laws 2018.

16 “(d) In lieu of the expenses authorized under ORS 238.229 (3), the board  
17 may charge a participating public employer expenses for administration of  
18 an account established under this subsection in an amount established by the  
19 board by rule.

20 **“SECTION 2.** Section 3b, chapter 105, Oregon Laws 2018, as amended by  
21 section 1 of this 2019 Act, is amended to read:

1       **“Sec. 3b.** [(1)] If a participating public employer makes a lump sum pay-  
2 ment from moneys not borrowed by the employer to an account established  
3 under ORS 238.229 in an amount equal to or greater than \$10 million, the  
4 Public Employees Retirement Board shall allow the participating public em-  
5 ployer to choose an amortization period of six years, 10 years, 16 years or  
6 20 years for the use of the lump sum payment to offset contributions to the  
7 system that the public employer would otherwise be required to make for the  
8 liabilities against which the lump sum payment is applied.

9       “[(2)(a) *The board shall allow a participating public employer making a*  
10 *lump sum payment under this section to choose the year in which to begin to*  
11 *use the lump sum payment to offset contributions to the system that the public*  
12 *employer would otherwise be required to make for the liabilities against which*  
13 *the lump sum payment is applied. The board shall begin using the lump sum*  
14 *payment on July 1 of the year chosen under this subsection, with the beginning*  
15 *contribution offset rate based on the actuarial report under ORS 238.605 most*  
16 *recently published at the time the lump sum payment is made.*]

17       “[(b) *Notwithstanding paragraph (a) of this subsection, the board may, after*  
18 *consultation with the participating public employer, begin using a lump sum*  
19 *payment to offset contributions in an earlier year than the year chosen by the*  
20 *public employer under this section to ensure that the period for using the lump*  
21 *sum payment, including earnings accrued, will end no later than 20 years after*  
22 *the date of the actuarial report under ORS 238.605 most recently published at*  
23 *the time the lump sum payment is made.*]

24       “[(c) *A lump sum payment for which a participating public employer*  
25 *chooses the beginning of the amortization period under this subsection is not*  
26 *a qualifying lump sum payment for purposes of section 2, chapter 105, Oregon*  
27 *Laws 2018.*]

28       “[(d) *In lieu of the expenses authorized under ORS 238.229 (3), the board*  
29 *may charge a participating public employer expenses for administration of an*  
30 *account established under this subsection in an amount established by the*

1 *board by rule.}]”.*

2 On page 2, delete lines 1 through 18.

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