

HB 2285 STAFF MEASURE SUMMARY

House Committee On Emergency Management, General Government, and Veterans

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Meeting Dates: 3/16

WHAT THE MEASURE DOES:

Removes obsolete provisions relating to the Social Security Revolving Account.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Public Employees Retirement System (PERS) provides retirement benefits for state agencies and approximately 900 units of local government. PERS is overseen by a five-member board that appoints an executive director to manage the agency's daily operations including the management of benefits for more than 393,000 active, inactive, and retired members and beneficiaries.

From 1951 through December 31, 1986, the Public Employees Retirement System (PERS) Director was also the State of Oregon's social security administrator, responsible for collecting Federal Insurance Contribution Act (FICA) taxes for the federal Social Security Administration. Although the Internal Revenue Service now has the fiduciary responsibility to collect FICA, some references to the FICA collection by the State remains in statute.

House Bill 2285 removes outdated language regarding the collection and administration of FICA taxes at PERS and repeals a statute excluding these funds from the PERS budget.