

## HB 2701 A STAFF MEASURE SUMMARY

### House Committee On Emergency Management, General Government, and Veterans

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**Action Date:** 04/04/23

**Action:** Do pass with amendments and be referred to Ways and Means by prior reference.  
(Printed A-Eng.)

**Vote:** 6-1-0-0

**Yeas:** 6 - Dexter, Evans, Grayber, Hieb, Lewis, Tran

**Nays:** 1 - Conrad

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

**Prepared By:** Beverly Schoonover, LPRO Analyst

**Meeting Dates:** 3/30, 4/4

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#### WHAT THE MEASURE DOES:

Defines "hazardous position" as a position that does not meet the definition of a qualified public safety employee under section 72(t)(10)(B) of Internal Revenue Service Code but is a position that works with or manages emergency or traumatic events or carries a high risk of physical harm. Limits hazardous position definition to telecommunicators and employees of the Oregon State Hospital who have direct contact with patients. Increases the amount of pension benefits for public employees in hazardous positions from 1.5 to 1.8 percent of their final average salary multiplied by the number of years of retirement credit attributable to service in a hazardous position. Requires the Public Employee Retirement System (PERS) to establish the liability of participating public employers for members in hazardous positions and requires participating public employers who employ members in hazardous positions make contributions based on that liability. Provisions become operative January 1, 2025. Increases to pension benefits apply only to service in a hazardous position performed on or after the operative date of the Act. Specifies normal retirement age if the member was last employed in a qualifying hazardous position, and for the last five years of service continuously held one or more positions that would qualify as a hazardous position. Allows PERS to take any action before the operative date to exercise the new provisions.

#### ISSUES DISCUSSED:

- Emotional and physical toll on emergency communication workers
- Examples of enhanced retirement benefits for telecommunicators in other states
- Occupational injuries and traumatic stress experienced by Oregon State Hospital staff

#### EFFECT OF AMENDMENT:

Replaces the measure.

#### 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.

The Oregon State Hospital (OSH) provides 24-hour psychiatric treatment for adults who need hospital-level care. According to a January 2022 memo from OSH to the Joint Interim Committee on Ways and Means, ongoing staff hiring and staff retention challenges impact sufficient levels of direct care staff to safely care for patients. OSH formed a workgroup of hospital leadership and union representatives to address causes of direct care staffing shortfalls, and they recommended enhancing retirement benefits for OSH employees.

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Telecommunicators are emergency communication workers and public safety dispatchers, including those working at 9-1-1 call centers. Telecommunicators in Tier 1 or Tier 2 of PERS can retire after 25 years or more creditable service. Their benefit is actuarially reduced, and the member does not receive a cost-of-living adjustment until reaching age 55. In recognition of the demanding nature of those positions, the Legislative Assembly passed Senate Bill 425 (2021) which defined telecommunicators as first responders.

House Bill 2701 A creates a new PERS classification for a "hazardous position," defined as a position that works with or manages emergency or traumatic events or carries a high risk of physical harm, including telecommunicators and employees at OSH that work directly with patients. Pension benefits for public employees in hazardous positions are increased from 1.5 to 1.8 percent of their final average salary multiplied by the number of years of retirement credit attributable to service in a hazardous position.