

A-Engrossed
House Bill 2701

Ordered by the House April 7
Including House Amendments dated April 7

Sponsored by Representative HUDSON; Representatives EVANS, NELSON, RUIZ, WALTERS, Senator PATTERSON (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Increases retirement benefits and lowers normal retirement age under Oregon Public Service Retirement Plan for telecommunicators and **certain** employees of Oregon State Hospital.

A BILL FOR AN ACT

1
2 Relating to the Oregon Public Service Retirement Plan; creating new provisions; and amending ORS
3 238A.005, 238A.125, 238A.160, 238A.220, 238A.240, 338.135, 352.138 and 353.100.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 238A.005, as amended by section 3, chapter 83, Oregon Laws 2022, is amended
6 to read:

7 238A.005. For the purposes of this chapter:

8 (1) "Active member" means a member of the pension program or the individual account program
9 of the Oregon Public Service Retirement Plan who is actively employed in a qualifying position.

10 (2) "Actuarial equivalent" means a payment or series of payments having the same value as the
11 payment or series of payments replaced, computed on the basis of interest rate and mortality as-
12 sumptions adopted by the board.

13 (3) "Board" means the Public Employees Retirement Board.

14 (4) "Eligible employee" means a person who performs services for a participating public em-
15 ployer, including persons considered employees of a participating public employer under 26 U.S.C.
16 3121(d)(2), as in effect on January 1, 2022, and elected officials other than judges. "Eligible
17 employee" does not include:

18 (a) Persons engaged as independent contractors;

19 (b) Aliens working under a training or educational visa;

20 (c) Persons provided sheltered employment or make-work by a public employer;

21 (d) Persons categorized by a participating public employer as student employees;

22 (e) Any person who is in custody in a state institution;

23 (f) Employees of foreign trade offices of the Oregon Business Development Department who live
24 and perform services in foreign countries under the provisions of ORS 285A.075 (1)(g);

25 (g) An employee actively participating in an alternative retirement program established under
26 ORS 353.250 or an optional retirement plan established under ORS 341.551;

27 (h) Employees of a public university listed in ORS 352.002 who are actively participating in an
28 optional retirement plan offered under ORS 243.815;

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 (i) Persons employed in positions classified as post-doctoral scholar positions by a public uni-
2 versity listed in ORS 352.002, or by the Oregon Health and Science University, under ORS 350.370;

3 (j) Any employee who belongs to a class of employees that was not eligible on August 28, 2003,
4 for membership in the system under the provisions of ORS chapter 238 or other law;

5 (k) Any person who belongs to a class of employees who are not eligible to become members
6 of the Oregon Public Service Retirement Plan under the provisions of ORS 238A.070 (2);

7 (L) Any person who is retired under ORS 238A.100 to 238A.250 or ORS chapter 238 and who
8 continues to receive retirement benefits while employed; and

9 (m) Judges.

10 (5) "Firefighter" means:

11 (a) A person employed by a local government, as defined in ORS 174.116, whose primary job
12 duties include the fighting of fires;

13 (b) The State Fire Marshal, the chief deputy state fire marshal and deputy state fire marshals;

14 (c) An employee of the State Fire Marshal whose primary duties include fire investigation, fire
15 prevention, fire safety, fire control or fire suppression;

16 (d) An employee of the State Forestry Department who is certified by the State Forester as a
17 professional wildland firefighter and whose primary duties include the abatement of uncontrolled
18 fires as described in ORS 477.064; and

19 (e) An employee of the Oregon Military Department whose primary duties include fighting
20 structural, aircraft, wildland or other fires.

21 (6) "Fund" means the Public Employees Retirement Fund.

22 (7)(a) **"Hazardous position" means a position that does not meet the definition of a**
23 **qualified public safety employee under section 72(t)(10)(B) of the Internal Revenue Code, but**
24 **that:**

25 **(A) Requires the person holding the position to work with or manage emergency or**
26 **traumatic events in the regular course of work; or**

27 **(B) Carries a high risk of physical harm.**

28 **(b) "Hazardous position" includes and is limited to:**

29 **(A) Employees of the Oregon State Hospital who have direct contact with patients; and**

30 **(B) Telecommunicators, as defined in ORS 181A.355.**

31 [(7)(a)] (8)(a) "Hour of service" means:

32 (A) An hour for which an eligible employee is directly or indirectly paid or entitled to payment
33 by a participating public employer for performance of duties in a qualifying position; and

34 (B) An hour of vacation, holiday, illness, incapacity, jury duty, military duty or authorized leave
35 during which an employee does not perform duties but for which the employee is directly or indi-
36 rectly paid or entitled to payment by a participating public employer for services in a qualifying
37 position, as long as the hour is within the number of hours regularly scheduled for the performance
38 of duties during the period of vacation, holiday, illness, incapacity, jury duty, military duty or au-
39 thorized leave.

40 (b) "Hour of service" does not include any hour for which payment is made or due under a plan
41 maintained solely for the purpose of complying with applicable unemployment compensation laws.

42 [(8)] (9) "Inactive member" means a member of the pension program or the individual account
43 program of the Oregon Public Service Retirement Plan whose membership has not been terminated,
44 who is not a retired member and who is not employed in a qualifying position.

45 [(9)] (10) "Individual account program" means the defined contribution individual account pro-

1 gram of the Oregon Public Service Retirement Plan established under ORS 238A.025.

2 [(10)] (11) "Institution of higher education" means a public university listed in ORS 352.002, the
3 Oregon Health and Science University or a community college, as defined in ORS 341.005.

4 [(11)] (12) "Member" means an eligible employee who has established membership in the pension
5 program or the individual account program of the Oregon Public Service Retirement Plan and whose
6 membership has not been terminated under ORS 238A.110 or 238A.310.

7 [(12)] (13) "Participating public employer" means a public employer as defined in ORS 238.005
8 that provides retirement benefits for employees of the public employer under the system.

9 [(13)] (14) "Pension program" means the defined benefit pension program of the Oregon Public
10 Service Retirement Plan established under ORS 238A.025.

11 [(14)] (15) "Police officer" means a police officer as described in ORS 238.005.

12 [(15)] (16) "Qualifying position" means one or more jobs with one or more participating public
13 employers in which an eligible employee performs 600 or more hours of service in a calendar year,
14 excluding any service in a job for which benefits are not provided under the Oregon Public Service
15 Retirement Plan pursuant to ORS 238A.070 (2).

16 [(16)] (17) "Retired member" means a pension program member who is receiving a pension as
17 provided in ORS 238A.180 to 238A.195.

18 [(17)(a)] (18)(a) "Salary" means the remuneration paid to an active member in return for ser-
19 vices to the participating public employer, including remuneration in the form of living quarters,
20 board or other items of value, to the extent the remuneration is, or would be if the member were
21 an Oregon resident, includable in the employee's taxable income under Oregon law. "Salary" in-
22 cludes the additional amounts specified in paragraph (b) of this subsection, but does not include the
23 amounts specified in paragraph (c) of this subsection, regardless of whether those amounts are
24 includable in taxable income.

25 (b) "Salary" includes the following amounts:

26 (A) Payments of employee and employer money into a deferred compensation plan that are made
27 at the election of the employee.

28 (B) Contributions to a tax-sheltered or deferred annuity that are made at the election of the
29 employee.

30 (C) Any amount that is contributed to a cafeteria plan or qualified transportation fringe benefit
31 plan by the employer at the election of the employee and that is not includable in the taxable in-
32 come of the employee by reason of 26 U.S.C. 125 or 132(f)(4), as in effect on December 31, 2021.

33 (D) Any amount that is contributed to a cash or deferred arrangement by the employer at the
34 election of the employee and that is not included in the taxable income of the employee by reason
35 of 26 U.S.C. 402(e)(3), as in effect on December 31, 2021.

36 (E) Retroactive payments described in ORS 238.008.

37 (F) The amount of an employee contribution to the individual account program that is paid by
38 the employer and deducted from the compensation of the employee, as provided under ORS 238A.335
39 (1) and (2)(a).

40 (G) The amount of an employee contribution to the individual account program that is not paid
41 by the employer under ORS 238A.335.

42 (H) Wages of a deceased member paid to a surviving spouse or dependent children under ORS
43 652.190.

44 (c) "Salary" does not include the following amounts:

45 (A) Travel or any other expenses incidental to employer's business which is reimbursed by the

1 employer.

2 (B) Payments made on account of an employee's death.

3 (C) Any lump sum payment for accumulated unused sick leave, vacation leave or other paid
4 leave.

5 (D) Any severance payment, accelerated payment of an employment contract for a future period
6 or advance against future wages.

7 (E) Any retirement incentive, retirement bonus or retirement gratuitous payment.

8 (F) Payment for a leave of absence after the date the employer and employee have agreed that
9 no future services in a qualifying position will be performed.

10 (G) Payments for instructional services rendered to public universities listed in ORS 352.002 or
11 the Oregon Health and Science University when those services are in excess of full-time employment
12 subject to this chapter. A person employed under a contract for less than 12 months is subject to
13 this subparagraph only for the months covered by the contract.

14 (H) The amount of an employee contribution to the individual account program that is paid by
15 the employer and is not deducted from the compensation of the employee, as provided under ORS
16 238A.335 (1) and (2)(b).

17 (I) Compensation described and authorized under ORS 341.556 that is not paid by the community
18 college employing the faculty member.

19 (J) Compensation described and authorized under ORS 352.232 that is not paid by the public
20 university employing the officer or employee.

21 (K) Compensation described and authorized under ORS 353.270 that is not paid by Oregon
22 Health and Science University.

23 (L) For years before 2020, any amount in excess of \$200,000 for a calendar year. If any period
24 over which salary is determined is less than 12 months, the \$200,000 limitation for that period shall
25 be multiplied by a fraction, the numerator of which is the number of months in the determination
26 period and the denominator of which is 12. The board shall adopt rules adjusting this dollar limit
27 to incorporate cost-of-living adjustments authorized by the Internal Revenue Service.

28 (M) For years beginning on or after January 1, 2020, any amount in excess of \$195,000 for a
29 calendar year. If any period over which salary is determined is less than 12 months, the \$195,000
30 limitation for that period shall be multiplied by a fraction, the numerator of which is the number
31 of months in the determination period and the denominator of which is 12. On January 1 of each
32 year, the board shall adjust the dollar limit provided by this subparagraph to reflect any percentage
33 changes in the Consumer Price Index for All Urban Consumers, West Region (All Items), as pub-
34 lished by the Bureau of Labor Statistics of the United States Department of Labor.

35 [(18)] (19) "System" means the Public Employees Retirement System.

36 [(19)] (20) "Workers' compensation benefits" means:

37 (a) Payments made under ORS chapter 656; or

38 (b) Payments provided in lieu of workers' compensation benefits under ORS 656.027 (6).

39 **SECTION 2.** ORS 238A.125, as amended by section 4, chapter 83, Oregon Laws 2022, is amended
40 to read:

41 238A.125. (1) Upon retiring at normal retirement age, a vested pension program member shall
42 be paid an annual pension for the life of the member as follows:

43 (a) For service as a police officer or firefighter, 1.8 percent of final average salary multiplied
44 by the number of years of retirement credit attributable to service as a police officer or firefighter.

45 (b) For service in a hazardous position, 1.8 percent of final average salary multiplied by

1 **the number of years of retirement credit attributable to service in a hazardous position.**

2 [(b)] (c) For service as other than a police officer or firefighter **or in a hazardous position**, 1.5
3 percent of final average salary multiplied by the number of years of retirement credit attributable
4 to service as other than a police officer or firefighter **or in a hazardous position**.

5 (2) Notwithstanding any provision of ORS 238A.100 to 238A.250, the annual benefit payable to
6 a member under the pension program and under any other tax-qualified defined benefit plan main-
7 tained by the participating public employer may not exceed the applicable limitations set forth in
8 26 U.S.C. 415(b), as in effect on December 31, 2021. The Public Employees Retirement Board shall
9 adopt rules for the administration of this limitation, including adjustments in the annual dollar lim-
10 itation to reflect cost-of-living adjustments authorized by the Internal Revenue Service.

11 (3) The board shall make no actuarial adjustment in a member's pension calculated under this
12 section by reason of the member's retirement after normal retirement age.

13 **SECTION 3.** ORS 238A.160 is amended to read:

14 238A.160. (1) Except as provided in subsections (2) [and (3)] **to (4)** of this section, normal re-
15 tirement age for a member of the pension program is the earlier of:

16 (a) 65 years of age; or

17 (b) 58 years of age if the member has 30 years or more of retirement credit.

18 (2) Normal retirement age for a member of the pension program who retires from service as a
19 police officer or firefighter, and who has held a position as a police officer or firefighter contin-
20 uously for a period of not less than five years immediately preceding the effective date of retirement,
21 is the earlier of:

22 (a) 60 years of age; or

23 (b) 53 years of age if the member has 25 years or more of retirement credit.

24 **(3) Normal retirement age for a member of the pension program who retires from service**
25 **in a hazardous position, whose last qualifying position was in a hazardous position and who**
26 **continuously held one or more hazardous positions for at least the last five years of service**
27 **preceding the effective date of retirement is the earlier of:**

28 **(a) 60 years of age; or**

29 **(b) 58 years of age if the member has 25 or more years of retirement credit.**

30 [(3)] (4) Normal retirement age for a member of the pension program who retires from service
31 as a school employee as defined by ORS 238A.140 is the earlier of:

32 (a) 65 years of age; or

33 (b) 58 years of age if the member has been an active member in 30 or more calendar years.

34 [(4)] (5) The normal retirement date of a member is the first day of the month beginning on or
35 after the date the member reaches normal retirement age.

36 **SECTION 4.** ORS 238A.220 is amended to read:

37 238A.220. (1) A participating public employer shall make employer contributions to the Public
38 Employees Retirement Board at intervals designated by the board in the amounts determined by the
39 board under ORS 238.225. All participating public employers shall be considered to be a single em-
40 ployer for the purposes of the employer contributions under ORS 238.225 that are required for
41 funding the pension program established under ORS 238A.025.

42 (2) For the purpose of the actuarial computation required under ORS 238.225, the board shall
43 separately establish the liability of participating public employers for police officers and firefighters
44 under the pension program and shall require that public employers that employ police officers and
45 firefighters who are members of the pension program make contributions for those employees based

1 on the liability established under this subsection.

2 **(3) For the purpose of the actuarial computation required under ORS 238.225, the board**
3 **shall separately establish the liability of participating public employers for members in haz-**
4 **ardous positions under the pension program and shall require that public employers that**
5 **employ members in hazardous positions who are members of the pension program make**
6 **contributions for those employees based on the liability established under this subsection.**

7 **SECTION 5.** ORS 238A.240 is amended to read:

8 238A.240. (1) A participating public employer shall contribute to the pension program, at inter-
9 vals designated by the Public Employees Retirement Board, all amounts determined by the board to
10 be actuarially necessary to adequately fund the disability benefits to be provided under ORS
11 238A.235 and the reasonable costs of administering the provision of those benefits. The board shall
12 periodically determine the liabilities attributable to the disability benefits and shall set the amount
13 of contributions to be made by participating public employers, and by other public employers who
14 are required to make contributions on behalf of members, to ensure that those liabilities will be
15 funded no more than 40 years after the date on which the determination is made. All participating
16 public employers shall be considered to be a single employer for the purposes of the contributions
17 required under this section.

18 (2) For the purpose of the actuarial computation required under subsection (1) of this section,
19 the board shall separately establish the liability of participating public employers for police officers
20 and firefighters, and shall require that public employers that employ police officers and firefighters
21 make contributions for those employees based on the liability established under this section.

22 **(3) For the purpose of the actuarial computation required under subsection (1) of this**
23 **section, the board shall separately establish the liability of participating public employers for**
24 **members in hazardous positions, and shall require that public employers that employ mem-**
25 **bers in hazardous positions make contributions for those employees based on the liability**
26 **established under this section.**

27 **SECTION 6.** ORS 338.135, as amended by section 29, chapter 81, Oregon Laws 2022, is amended
28 to read:

29 338.135. (1) Employee assignment to a public charter school shall be voluntary.

30 (2)(a) A public charter school or the sponsor of the public charter school is considered the em-
31 ployer of any employees of the public charter school. If a school district board is not the sponsor
32 of the public charter school, the school district board may not be the employer of the employees of
33 the public charter school and the school district board may not collectively bargain with the em-
34 ployees of the public charter school. The public charter school governing body shall control the
35 selection of employees at the public charter school.

36 (b) If a virtual public charter school or the sponsor of a virtual public charter school contracts
37 with a for-profit entity to provide educational services through the virtual public charter school, the
38 for-profit entity may not be the employer of any employees of the virtual public charter school un-
39 less:

40 (A) The employee is an administrator who does not have any teaching responsibilities; and

41 (B) Both the executive officer of the sponsor and the public charter school governing body ap-
42 prove employment by the for-profit entity. The executive officer or governing body may choose to
43 grant approval under this subparagraph:

44 (i) For all employees of the for-profit entity who meet the description in subparagraph (A) of this
45 paragraph;

1 (ii) Based on the job categories of the employees who meet the description in subparagraph (A)
2 of this paragraph; or

3 (iii) On a case-by-case basis for each employee who meets the description in subparagraph (A)
4 of this paragraph.

5 (3) The school district board of the school district within which the public charter school is lo-
6 cated shall grant a leave of absence to any employee who chooses to work in the public charter
7 school. The length and terms of the leave of absence shall be set by negotiated agreement or by
8 board policy. However, the length of the leave of absence may not be less than two years unless:

9 (a) The charter of the public charter school is terminated or the public charter school is dis-
10 solved or closed during the leave of absence; or

11 (b) The employee and the school district board have mutually agreed to a different length of
12 time.

13 (4) An employee of a public charter school operating within a school district who is granted a
14 leave of absence from the school district and returns to employment with the school district shall
15 retain seniority and benefits as an employee pursuant to the terms of the leave of absence.
16 Notwithstanding ORS 243.650 to 243.809, a school district that was the employer of an employee of
17 a public charter school not operating within the school district may make provisions for the return
18 of the employee to employment with the school district.

19 (5)(a) For purposes of ORS chapters 238 and 238A, a public charter school shall be considered
20 a public employer and as such shall participate in the Public Employees Retirement System.

21 (b) For purposes of determining the salary paid to an active member of the Public Employees
22 Retirement System under ORS 238A.005 [(17)] (18) during the period between August 29, 2003, and
23 January 1, 2020, remuneration paid to a member in return for services to a public charter school is
24 deemed includable in the member's taxable income under Oregon law during a period of continuous
25 employment with any public charter school if:

26 (A) The member was hired in a qualifying position by any public charter school on or after
27 August 29, 2003;

28 (B) The member was informed in writing by the public charter school during the period of con-
29 tinuous employment that the member was eligible to participate in the Public Employees Retirement
30 System and the public charter school made contributions to the system on the member's behalf;

31 (C) The remuneration was, or would have been if the member were an Oregon resident,
32 includable in the member's taxable income under Oregon law during the period of continuous em-
33 ployment; and

34 (D) The member resided and performed services in the United States during the period of con-
35 tinuous employment.

36 (c) As used in this subsection, "continuous employment" means employment with a public char-
37 ter school that is not interrupted by a period of more than 30 consecutive calendar days.

38 (6) For teacher licensing, employment experience in public charter schools shall be considered
39 equivalent to experience in public schools.

40 (7)(a) Any person employed as an administrator in a public charter school shall be licensed or
41 registered to administer by the Teacher Standards and Practices Commission.

42 (b) Any person employed as a teacher in a public charter school shall be licensed or registered
43 to teach by the commission.

44 (c) Notwithstanding paragraph (a) or (b) of this subsection, at least one-half of the total full-time
45 equivalent (FTE) teaching and administrative staff at the public charter school shall be licensed by

1 the commission pursuant to ORS 342.125.

2 (8) Notwithstanding ORS 243.650, a public charter school shall be considered a school district
3 for purposes of ORS 243.650 to 243.809. An employee of a public charter school may be a member
4 of a labor organization or organize with other employees to bargain collectively. Bargaining units
5 at the public charter school may be separate from other bargaining units of the sponsor or of the
6 school district in which the public charter school is located. Employees of a public charter school
7 may be part of the bargaining units of the sponsor or of the school district in which the public
8 charter school is located.

9 (9) An entity described in ORS 338.005 (4) may not waive the right to sponsor a public charter
10 school in a collective bargaining agreement.

11 **SECTION 7.** ORS 352.138 is amended to read:

12 352.138. (1) The following entities are not subject to any provision of law enacted after January
13 1, 2013, that is unique to governmental entities unless the following entities are expressly named:

14 (a) A public university listed in ORS 352.002; and

15 (b) Any not-for-profit organization or other entity if the equity of the entity is owned or con-
16 trolled exclusively by a public university and if the organization or entity is created by the univer-
17 sity to advance any of the university's statutory missions.

18 (2) Notwithstanding subsection (1) of this section and ORS 352.033, the provisions of ORS 30.260
19 to 30.460, 33.710, 33.720, 200.005 to 200.025, 200.045 to 200.090, 236.605 to 236.640, 279.835, 279.840,
20 279.850 and 297.040 and ORS chapters 35, 190, 192 and 244 apply to a public university listed in ORS
21 352.002 under the same terms as they apply to public bodies other than the state.

22 (3) Except as otherwise provided by law, the provisions of ORS 35.550 to 35.575, 180.060, 180.210
23 to 180.235, 184.305 to 184.345, 190.480, 190.490, 200.035, 243.696, 357.805 to 357.895 and 656.017 (2)
24 and ORS chapters 182, 183, 240, 270, 273, 276, 278, 279A, 279B, 279C, 282, 283, 291, 292, 293, 294, 295
25 and 297 do not apply to a public university listed in ORS 352.002.

26 (4)(a) Notwithstanding subsections (1) and (3) of this section and ORS 352.033, ORS 240.167,
27 279C.600 to 279C.625, 279C.800, 279C.810, 279C.825, 279C.827, 279C.830, 279C.835, 279C.836, 279C.838,
28 279C.840, 279C.845, 279C.850, 279C.855, 279C.860, 279C.865, 279C.870 and 292.043 apply to a public
29 university listed in ORS 352.002 under the same terms as they apply to public bodies other than the
30 state.

31 (b) Notwithstanding subsections (1) and (3) of this section, ORS 279C.800 to 279C.870 apply to
32 an agreement under the terms of which a private entity constructs, reconstructs, renovates or paints
33 an improvement on real property owned by a public university listed in ORS 352.002 or by a not-
34 for-profit organization or other entity that a public university owns or controls exclusively.

35 (5) Notwithstanding subsection (2) of this section, ORS 190.430 and 192.105 do not apply to a
36 public university listed in ORS 352.002 or any organization or other entity described in subsection
37 (1) of this section.

38 (6)(a) Notwithstanding ORS 352.033, except as set forth in subsection (3) of this section, ORS
39 243.650 to 243.809 and 276.073 to 276.090 and ORS chapters 238 and 238A apply to a public univer-
40 sity listed in ORS 352.002 under the same terms as they apply to the state.

41 (b) For purposes of determining the salary of an active member of the Public Employees Re-
42 tirement System under ORS 238A.005 [(17)] (18), remuneration paid to a member in return for ser-
43 vices to a public university listed in ORS 352.002 is deemed includable in the member's taxable
44 income under Oregon law during a period of continuous employment with any public university
45 listed in ORS 352.002 if:

1 (A) The member was hired in a qualifying position by a public university listed in ORS 352.002
2 on or after August 29, 2003, and on or before December 31, 2016; and

3 (B) The member resided and performed services in the United States during the period of con-
4 tinuous employment.

5 (7) ORS 350.285, 350.290, 352.198, 352.226, 352.232, 352.293, 352.296, 352.303, 352.309 and 352.313
6 apply to a public university listed in ORS 352.002.

7 (8) Notwithstanding ORS 352.033, a public university listed in ORS 352.002 and its agents and
8 employees remain subject to all statutes and administrative rules of this state that create rights,
9 benefits or protections in favor of military veterans, service members and families of service mem-
10 bers to the same extent as an agency of this state would be subject to such statutes and adminis-
11 trative rules.

12 (9) Notwithstanding ORS 352.033, ORS 350.540, 350.545 and 350.550 apply to a public university
13 listed in ORS 352.002. A public university may not issue a tax credit certificate under ORS 350.540,
14 350.545 and 350.550 that will cause the General Fund to be owed more than \$8.4 million at any one
15 time under ORS 350.540, 350.545 and 350.550.

16 (10) If state bonds are issued for the benefit of a public university listed in ORS 352.002 under
17 Article XI-Q of the Oregon Constitution:

18 (a) The Higher Education Coordinating Commission shall have the powers and duties of a
19 project agency, as defined in ORS 286A.816, to the extent necessary for the issuance of the state
20 bonds and the administration of the proceeds of the state bonds; and

21 (b) The university and the Higher Education Coordinating Commission shall enter into grant
22 contracts or loan agreements that comply with rules adopted by the Oregon Department of Admin-
23 istrative Services relating to:

24 (A) Disbursement of project funds by a project agency through grant contracts or loan agree-
25 ments;

26 (B) Submission of a request for project funds to the commission under ORS 350.095; and

27 (C) Any other matters determined by the Oregon Department of Administrative Services to be
28 necessary for the administration of the Article XI-Q bond program.

29 (11) Nothing in this section may be construed so that statutory provisions that are not set forth
30 in this section apply to a public university listed in ORS 352.002.

31 **SECTION 8.** ORS 353.100 is amended to read:

32 353.100. (1) The provisions of ORS chapters 35, 190, 192, 244 and 295 and ORS 30.260 to 30.460,
33 200.005 to 200.025, 200.045 to 200.090, 236.605 to 236.640, 243.650 to 243.809, 297.040, 307.090 and
34 307.112 apply to Oregon Health and Science University under the same terms as they apply to public
35 bodies other than the state.

36 (2) Except as otherwise provided by law, the provisions of ORS chapters 182, 183, 240, 270, 273,
37 276, 279A, 279B, 279C, 283, 291, 292, 293, 294 and 297 and ORS 35.550 to 35.575, 180.060, 180.210 to
38 180.235, 183.710 to 183.730, 183.745, 183.750, 184.305 to 184.345, 190.430, 190.480, 190.490, 192.105,
39 200.035, 243.105 to 243.585, 243.696, 278.011 to 278.120, 278.315 to 278.415, 279.835 to 279.855, 282.010
40 to 282.150, 283.085 to 283.092, 357.805 to 357.895 and 656.017 (2) do not apply to the university or
41 any not-for-profit organization or other entity if the equity of the entity is owned exclusively by the
42 university and if the organization or entity is created by the university to advance any of the
43 university's statutory missions.

44 (3) The university, as a distinct governmental entity, or any organization or entity described in
45 subsection (2) of this section is not subject to any provision of law enacted after January 1, 1995,

1 with respect to any governmental entity, unless the provision specifically provides that it applies to
2 the university or to the organization or entity.

3 (4) For purposes of determining the salary, as defined in ORS 238A.005 [(17)] (18), paid between
4 August 29, 2003, and January 1, 2020, to a member of the Public Employees Retirement System,
5 remuneration paid to a member of the system in return for services to the university is deemed
6 includable in the member's taxable income under Oregon law during a period of continuous em-
7 ployment with the Oregon Health and Science University if:

8 (a) The member was hired in a qualifying position, as defined in ORS 238A.005, by the university
9 on or after August 29, 2003; and

10 (b) The remuneration was, or would have been if the member were an Oregon resident,
11 includable in the member's taxable income under Oregon law during the period of continuous em-
12 ployment.

13 **SECTION 9. (1) The amendments to ORS 238A.005, 238A.125, 238A.160, 238A.220, 238A.240,**
14 **338.135, 352.138 and 353.100 by sections 1 to 8 of this 2023 Act become operative on January**
15 **1, 2025.**

16 **(2) The amendments to ORS 238A.125 by section 2 of this 2023 Act apply only to service**
17 **in a hazardous position performed on or after the operative date specified in subsection (1)**
18 **of this section.**

19 **(3) A member is of normal retirement age for purposes of ORS 238A.160 (3) if the mem-**
20 **ber, on or after the operative date specified in subsection (1) of this section:**

21 **(a) Meets the age or age and retirement credit requirements of ORS 238A.160 (3);**

22 **(b) Was last employed in a qualifying position that is a hazardous position; and**

23 **(c) For the last five years of service, continuously held one or more positions that would**
24 **qualify as hazardous positions, as defined in ORS 238A.005.**

25 **(4) The Public Employees Retirement Board may take any action before the operative**
26 **date specified in subsection (1) of this section to enable the board to exercise, on and after**
27 **the operative date specified in subsection (1) of this section, all of the duties, functions and**
28 **powers conferred on the board by the amendments to ORS 238A.005, 238A.125, 238A.160,**
29 **238A.220, 238A.240, 338.135, 352.138 and 353.100 by sections 1 to 8 of this 2023 Act.**

30