

HB 4045 A STAFF MEASURE SUMMARY

Carrier: Rep. Grayber, Rep. Lewis

House Committee On Emergency Management, General Government, and Veterans

Action Date: 02/08/24

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

Vote: 7-0-0-0

Yeas: 7 - Conrad, Dexter, Evans, Grayber, Hieb, Lewis, Tran

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 2/6, 2/8

WHAT THE MEASURE DOES:

The measure provides that district attorneys, forensic scientists, and evidence technicians qualify as police officers under the Public Employee Retirement System; lowers the normal retirement age for police officers under the Oregon Public Service Retirement Plan (OPSRP); establishes a new class of hazardous positions under OPSRP; and provides increased retirement benefits for members in this new class.

Detailed Summary

Section 1

Adds district attorneys, forensic scientists, and evidence technicians employed by the Department of State Police to definition of "police officer" under the Public Employee Retirement System (PERS).

Sections 2-3

- 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 Code but is a position that works with or manages emergency or traumatic events in the regular course of work or carries a high risk of physical harm.
- Limits hazardous position definition to emergency 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.

Section 4

Lowers the normal retirement age from 60 to 55 years for Police and Fire Oregon Public Service Retirement Plan (OPSRP) members who retire from service and whose last 60 months of retirement credit preceding is classified as retirement credit for service as a police officer or firefighter.

Sections 5-7

- Establishes that the normal retirement age of members who qualify in a hazardous position and whose last 60 months of retirement credit preceding eligibility is classified as retirement credit for service in a hazardous position, is the earlier of 60 years of age or 58 years of age if the member has 25 or more years of retirement credit.
- Determines that a member who establishes retirement credit in a hazardous position retains that eligibility, even if they perform service in a different position.
- Establishes that a period of leave from a hazardous position that is part of a member's last 60 months of retirement credit is counted for retirement credit.

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- Determines that a retirement credit for a month in which a member performs service in both a hazardous position and in another position is classified as retirement credit in a hazardous position.
- Determines that a member is not required to restart the last 60 months of retirement credit when the member is on unpaid leave and is receiving insurance payments for short term or long-term disability when the retirement credit is not available under ORS 238A.155 or when the member is concurrently employed and performing service in a hazardous position.
- Requires the PERS Board to establish the liability of participating public employers for members in hazardous positions and requires participating public employers who employ such members to make contributions based on that liability.

Sections 8-11

- Conforming amendments.

Section 12-13

- Directs the PERS Board to study the liability of participating public employers for members in the new hazardous position classification and report to interim committees of the Legislative Assembly no later than September 15, 2028. Becomes effective July 1, 2027; will be repealed on January 2, 2030.

Section 14-15

- Requires the PERS Board to submit biennial reports updating the Legislative Assembly on the progress of implementing the hazardous position category; will be repealed on January 2, 2030.

Section 16-17

- Entitles a person employed as a district attorney, forensic scientist, or evidence technician on or after the effective date of this Act to service under PERS as a police officer only for service performed as a district attorney, forensic scientist, or evidence technician on or after the effective date.
- Establishes that the earlier normal retirement age for police and fire members of PERS applies to members of the OPSRP whose effective date of retirement is on or after the effective date of the bill.

Section 18

- Establishes hazardous position provisions to become operative January 1, 2030.
- Allows eligibility beginning in 2019 to members who qualify in the hazardous position category if they retire in a hazardous position and have accrued their last 60 months of retirement credit in one or more positions that qualify, or would qualify, in a hazardous position.
- Disallows service before January 1, 2019, to establish retirement credit in this new classification.
- Allows the PERS Board to take any action before January 1, 2030, to enable the Board to exercise the new provisions on and after this operative date.

ISSUES DISCUSSED:

- Public safety workforce challenges
- Retirement benefits as workforce incentives
- Examples of similar retirement benefits in other states
- Fiscal impacts on public employers
- Occupational injuries and stress experienced by job classes in proposed categories

EFFECT OF AMENDMENT:

-6 Adds forensic scientists and evidence technicians employed by the Department of State Police to definition of "police officer" under PERS. Entitles forensic scientists and evidence technicians to service under PERS as a police officer only for service performed in these positions on or after the effective date. Requires PERS to submit biennial reports updating the Legislative Assembly on the progress of implementing the hazardous positions category. Allows eligibility beginning in 2019 to members who qualify in this category, if they retire in a hazardous position and have accrued their last 60 months of retirement credit in one or more positions that qualify, or would qualify, in a hazardous position. Disallows service before January 1, 2019, to establish retirement credit in

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this new classification. Requires PERS to study the liability of participating public employers and report to interim committees of the Legislative Assembly not later than September 15, 2028.

BACKGROUND:

The Public Employees Retirement System (PERS) provides retirement benefits for employees of 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.

Police Officer and Firefighter (P&F) units are an additional benefit to Tier One and Tier Two PERS members who serve in qualified positions as defined in ORS Chapter 238. Such positions are generally related to law enforcement, parole and probation, investigators, corrections officers, school police officers, and some residential care facilities workers. House Bill 2054 (2023) added deputy district attorneys to the list of vocations that qualify for P&F PERS benefits.

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 make it difficult to maintain 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 this group recommended enhancing retirement benefits for OSH employees.

Telecommunicators are emergency communication workers and public safety dispatchers, including those working at 9-1-1 call centers. In recognition of the demanding nature of those positions, the Legislative Assembly passed Senate Bill 425 (2021) which defined telecommunicators as first responders.

Forensic scientists and evidence technicians who are employed by the Department of State Police provide scientific, technical, and investigative support to the criminal justice system. Their services include scientific examination of physical evidence, collection and preservation of evidence, crime scene response, and expert testimony regarding scientific examinations.