

Senate Bill 849

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Tina Kotek for Public Employees Retirement System)

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 **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act changes how PERS uses the money in the SDULF. (Flesch Readability Score: 87.9).

Changes the application of moneys in the School Districts Unfunded Liability Fund.

A BILL FOR AN ACT

1
2 Relating to the School Districts Unfunded Liability Fund; amending section 24, chapter 105, Oregon
3 Laws 2018.

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

5 **SECTION 1.** Section 24, chapter 105, Oregon Laws 2018, as amended by section 51, chapter 355,
6 Oregon Laws 2019, and section 19, chapter 10, Oregon Laws 2020 (second special session), is
7 amended to read:

8 **Sec. 24.** (1) The School Districts Unfunded Liability Fund is established in the State Treasury,
9 separate and distinct from the General Fund. Interest earned by the School Districts Unfunded Li-
10 ability Fund shall be credited to the fund. The fund consists of moneys transferred, allocated or
11 appropriated to the fund.

12 (2) Moneys in the fund are continuously appropriated to the Public Employees Retirement Board
13 for the purpose of [*establishing and funding a pooled account to be applied against*] **reducing** the li-
14 abilities of participating public employers, as defined in ORS 238.005, that are school districts.

15 (3) Moneys in the fund shall be invested in the Oregon Short Term Fund established under ORS
16 293.728.

17 [(4) *The board shall establish an account in the Public Employees Retirement Fund for the moneys*
18 *in the School Districts Unfunded Liability Fund.*]

19 [(5) *The board shall adopt rules providing for:*]

20 [(a) *Proportional distribution to school districts of the moneys in the account established under*
21 *subsection (4) of this section;*]

22 [(b) *Amortization of the moneys distributed; and*]

23 [(c) *Administration of the account established under subsection (4) of this section in the same*
24 *manner as accounts established under ORS 238.229 (2).*]

25 **(4) The board shall determine the appropriate timing to apply the funds against the**
26 **school district employers' liabilities.**

27 [(6)] **(5)** No later than February 1 of each odd-numbered year, the board shall report to the
28 Oregon Department of Administrative Services and the Legislative Fiscal Officer an estimate of how
29 moneys will be distributed under this section in the following biennium.

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.

