

Enrolled
Senate Bill 200

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CHAPTER

AN ACT

Relating to retirement credit for periods of service in uniformed services; creating new provisions; amending ORS 238.156 and 238.157; and declaring an emergency.

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

SECTION 1. ORS 238.156 is amended to read:

238.156. (1) Notwithstanding any other provision of this chapter, but subject to subsection (4) of this section, an employee who leaves a qualifying position for the purpose of performing service in the uniformed services is entitled to receive contributions, benefits and service credit for the period under rules adopted by the Public Employees Retirement Board pursuant to subsection (2) of this section.

(2) The board shall adopt rules establishing contributions, benefits and service credit for any period of service in the uniformed services by an employee described in subsection (1) of this section. For the purpose of adopting rules under this subsection, the board shall consider and take into account all federal law relating to contributions, benefits and service credit for any period of service in the uniformed services. Contributions, benefits and service credit under rules adopted by the board pursuant to this subsection may not exceed contributions, benefits and service credit required under federal law for periods of service in the uniformed services.

(3) Subject to subsection (4) of this section, an employee who leaves a qualifying position for the purpose of entering or reentering active service in the Armed Forces shall acquire retirement credit for the period during which the employee served in the Armed Forces if:

(a) The employee returns to the service of the employer who employed the employee immediately before commencing service in the Armed Forces in a qualifying position;

(b) The employee returns to that employment within one year after being otherwise than dishonorably discharged from the Armed Forces and within five years after the date that the employee entered or reentered active service in the Armed Forces; and

(c) After returning to employment and before retirement, the employee pays to the Public Employees Retirement Board in a lump sum six percent of the salary that would have been paid to the member during the period of military service in the Armed Forces based on the employee's salary rate at the time the employee entered or reentered the Armed Forces, as though the employee had remained in the employment of the employer. Any lump sum contribution made under this paragraph shall be added to the employee's regular account and in all respects shall be considered as though made by payroll deduction.

(4) An employee may not receive benefits under both subsections (1) and (3) of this section for the same period of service in the Armed Forces or uniformed services. If an employee is entitled to benefits under both subsections (1) and (3) of this section by the terms of those provisions, the employee shall receive benefits under the subsection that provides the greater benefit.

(5) For the purposes of this section[,]:

(a) "Armed Forces" means the Army, Navy, Air Force, Marine Corps and Coast Guard.

(b) "Uniformed services" means:

(A) The Armed Forces;

(B) The Army National Guard or the Air National Guard when the employee is engaged in active duty for training, inactive duty for training or full-time National Guard duty;

(C) The commissioned corps of the United States Public Health Service;

(D) The commissioned corps of the National Oceanic and Atmospheric Administration;
and

(E) Any other category of persons designated by the President of the United States in time of war or national emergency.

SECTION 2. ORS 238.157 is amended to read:

238.157. (1) As used in this section, "uniformed services" has the meaning given that term in ORS 238.156.

[(1)](2) Any person who entered or reentered active service in the [*Armed Forces of the United States*] **uniformed services** after January 1, 1950, [*for other than active duty for training,*] or who was in active service in the [*Armed Forces of the United States*] **uniformed services** on January 1, 1950, [*for other than active duty for training,*] and who, after being other than dishonorably discharged therefrom, entered the employ of an employer participating in the Public Employees Retirement System, may acquire retirement credit for up to four years of active service in the [*Armed Forces*] **uniformed services** by paying in a lump sum to the Public Employees Retirement Board within 90 days of the member's effective date of retirement an amount determined by the board to represent the full cost to the system of providing the retirement credit to the member, including all administrative costs incurred by the system in processing the application for acquisition of the retirement credit.

[(2)] (3) [*No person shall*] **A person may not** receive retirement credit under this section for any period of service with the [*Armed Forces of the United States*] **uniformed services** for which that person receives credit under the provisions of ORS 238.156 or for which the person is receiving or entitled to receive a pension or retirement pay under a public retirement system established by the United States for the performance of service in the [*Armed Forces*] **uniformed services**.

[(3)] (4) Any person acquiring retirement credit under this section may elect to have the service retirement allowance of the person determined under any calculation for which the person is eligible under ORS 238.300, even if the calculation does not produce the largest service retirement allowance. An election under this subsection must be made within 90 days of the member's effective date of retirement.

SECTION 3. The amendments to ORS 238.156 and 238.157 by sections 1 and 2 of this 2017 Act apply only to members of the Public Employees Retirement System for whom the 90th day after the member's effective date of retirement is on or after the effective date of this 2017 Act.

SECTION 4. This 2017 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect on its passage.

Passed by Senate June 27, 2017

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Lori L. Brocker, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House July 6, 2017

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Tina Kotek, Speaker of House

Received by Governor:

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Approved:

.....M,....., 2017

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Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2017

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Dennis Richardson, Secretary of State