

# D R A F T

## SUMMARY

Directs Public Employees Retirement Board to provide members of individual account program of Public Employees Retirement System with written disclosure statement about investment options available under program.

Limits liability of state, State Treasurer, Oregon Investment Council and board, and their officers and employees, related to investment options available under individual account program.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to the individual account program of the Public Employees Retirement System; creating new provisions; amending sections 2 and 3, chapter  
3 118, Oregon Laws 2018; repealing section 4, chapter 118, Oregon Laws  
4 2018; and declaring an emergency.  
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6 **Be It Enacted by the People of the State of Oregon:**

7 **SECTION 1.** Section 2, chapter 118, Oregon Laws 2018, is amended to  
8 read:

9 **Sec. 2.** (1) Except as provided in subsection [(6)] **(7)** of this section, the  
10 Public Employees Retirement Board, in consultation with the office of the  
11 State Treasurer, shall adopt rules providing that if the Oregon Investment  
12 Council invests the assets of the individual account program in multiple risk  
13 categories depending on the characteristics of an individual member, a  
14 member of the individual account program may elect to have the moneys in  
15 the member's individual accounts established under ORS 238A.350 deposited  
16 into an investment option approved by the council.

17 (2) A member may make an election under this section once per calendar  
18 year. The board shall establish by rule the date by which a member must

**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 make an election under this section in order for the election to become ef-  
2 fective on January 1 of the following calendar year.

3 **(3) The board shall give each member of the individual account**  
4 **program a disclosure statement in writing that contains information**  
5 **regarding the investment options approved under this section, includ-**  
6 **ing the probable income and probable safety of the moneys invested,**  
7 **that persons of reasonable prudence and discretion require when de-**  
8 **termining the permanent disposition of their funds.**

9 [(3)] (4) Subject to such direction and oversight as may be provided by the  
10 Legislative Assembly, the board shall take all steps necessary to develop and  
11 implement the information technology systems needed to implement and  
12 carry out this section.

13 [(4)] (5) The board may contract with a private provider for purposes of  
14 implementing this section. The board is not subject to the provisions of ORS  
15 chapter 279A or 279B in awarding a contract under the provisions of this  
16 subsection. The board shall establish procedures for inviting proposals and  
17 awarding contracts under this subsection.

18 [(5)] (6) The board may adopt rules as necessary to implement this sec-  
19 tion, but the council and the office of the State Treasurer retain authority  
20 over investment decisions required to implement this section.

21 [(6)] (7) The board may not adopt rules under subsection (1) of this section  
22 that violate state or federal laws or regulations.

23 **SECTION 2.** Section 3, chapter 118, Oregon Laws 2018, is amended to  
24 read:

25 **Sec. 3.** The Public Employees Retirement Board shall allow members of  
26 the individual account program to make an election under section 2, [*of this*  
27 *2018 Act*] **chapter 118, Oregon Laws 2018**, that becomes effective on Janu-  
28 ary 1, [*2019*] **2020**.

29 **SECTION 3.** Section 4 of this 2019 Act is added to and made a part  
30 of ORS chapter 238A.

31 **SECTION 4.** A civil action for damages may not be brought against

1 the state, the State Treasurer, the Oregon Investment Council or the  
2 Public Employees Retirement Board, or any of their officers or em-  
3 ployees, by reason of any losses suffered by a member of the individual  
4 account program or the beneficiaries of a member because of the  
5 member's choice of an investment option approved under section 2,  
6 chapter 118, Oregon Laws 2018.

7 SECTION 5. Section 4, chapter 118, Oregon Laws 2018, is repealed.

8 SECTION 6. This 2019 Act being necessary for the immediate pres-  
9 ervation of the public peace, health and safety, an emergency is de-  
10 clared to exist, and this 2019 Act takes effect on its passage.

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