

SENATE AMENDMENTS TO SENATE BILL 1528

By COMMITTEE ON FINANCE AND REVENUE

February 10

1 On page 1 of the printed bill, line 2, after “178.300,” insert “238.395.”

2 On page 2, line 2, before the period insert “, expenses associated with registered apprenticeship
3 programs described in section 529(c)(8) of the Internal Revenue Code and amounts paid as principal
4 or interest on a qualified education loan to the extent allowed under section 529(c)(9) of the Internal
5 Revenue Code”.

6 After line 11, insert:

7 “**SECTION 1a.** ORS 238.395 is amended to read:

8 “238.395. (1)(a) In addition to any other benefits under this chapter, a death benefit, provided
9 by contributions of the public employer under ORS 238.225 and, for benefits that accrue on or after
10 July 1, 2020, amounts in the employee pension stability account established for the member under
11 ORS 238A.353, shall be paid to the beneficiaries designated under ORS 238.390 (1) of a person who
12 is an active or inactive member of the Public Employees Retirement System and who dies as a result
13 of injuries received while employed in the service of the public employer or within 120 days after
14 termination from service with a participating public employer. A member who is on a leave of ab-
15 sence without pay from employment with a participating public employer has not terminated service
16 with that participating public employer for the purposes of this section.

17 “(b) The death benefit under this subsection is an amount equal to the amount in the member
18 account of the deceased member at the time of death.

19 “(c) In the event that a beneficiary has not been named as provided in paragraph (a) of this
20 subsection and ORS 238.390 (1), the death benefit under this subsection shall be paid in the manner
21 provided for payment of money credited to the member account of the member in ORS 238.390 (2).

22 “(d) The beneficiary designated under paragraph (a) of this subsection and ORS 238.390 (1) may
23 elect to receive the amount payable in actuarially determined monthly payments for the life of such
24 beneficiary as long as such monthly payments, plus the monthly amount if elected under ORS 238.390
25 (3), are at least \$200.

26 “(e) Interest upon the death benefit provided by this subsection accrues until the date that the
27 benefit is distributed. The Public Employees Retirement Board shall establish procedures for com-
28 puting interest to be credited on the benefit for the period between the date of death and date of
29 distribution.

30 “(2)(a) If a member of the system dies while employed in the service of a participating public
31 employer or within 120 days after termination from service with a participating public employer and
32 the member’s spouse is the member’s beneficiary under ORS 238.390, the member’s spouse may elect
33 to receive the benefit provided under this subsection in lieu of the death benefits provided under
34 ORS 238.390 and subsection (1) of this section.

35 “(b) The member’s spouse must notify the board in writing of an election under this section no

1 later than 60 days after the date of death of the member.

2 “(c) The death benefit to be paid under this subsection is for the life of the member’s spouse and
3 is the actuarial equivalent of 50 percent of the service retirement allowance that would otherwise
4 have been paid to the deceased member, which shall be calculated:

5 “(A) As of the date of death, if the member dies after the earliest retirement date for the mem-
6 ber under ORS 238.280; or

7 “(B) As if the member became an inactive member on the date of death and retired at the ear-
8 liest retirement date for the member under ORS 238.280.

9 “(d) The death benefit provided under this subsection is first effective on the first day of the
10 month following the election of the member’s spouse to receive the death benefit under this sub-
11 section. The member’s spouse may elect to delay payment of the death benefit, but payment must
12 commence no later than December 31 of the calendar year in which the deceased member would
13 have reached [70-1/2] **72** years of age.

14 “(3) Payment by the board of additional death benefits in the manner provided by this section
15 completely discharges the board and system on account of the death, and shall hold the board and
16 system harmless from any claim for wrongful payment.”.

17 On page 6, line 2, delete “70-1/2” and insert “72”.

18 In line 6, delete “70-1/2” and insert “72”.

19 In line 11, delete “December 31,” and delete “2019” and insert “January 1, 2020”.

20 In line 37, delete “70-1/2” and insert “72”.

21 In line 40, delete “December 31,”.

22 In line 41, delete “2019” and insert “January 1, 2020”.

23 On page 7, line 41, delete “December 31,” and delete “2019” and insert “January 1, 2020”.

24 On page 8, line 34, delete “December 31,” and delete “2019” and insert “January 1, 2020”.

25
