

Requested by SENATE COMMITTEE ON FINANCE AND REVENUE

**PROPOSED AMENDMENTS TO  
SENATE BILL 1528**

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  
3 registered apprenticeship programs described in section 529(c)(8) of the  
4 Internal Revenue Code and amounts paid as principal or interest on a qual-  
5 ified education loan to the extent allowed under section 529(c)(9) of the  
6 Internal Revenue Code”.

7 After line 11, insert:

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

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

21 “(b) The death benefit under this subsection is an amount equal to the

1 amount in the member account of the deceased member at the time of death.

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

6 “(d) The beneficiary designated under paragraph (a) of this subsection and  
7 ORS 238.390 (1) may elect to receive the amount payable in actuarially de-  
8 termined monthly payments for the life of such beneficiary as long as such  
9 monthly payments, plus the monthly amount if elected under ORS 238.390 (3),  
10 are at least \$200.

11 “(e) Interest upon the death benefit provided by this subsection accrues  
12 until the date that the benefit is distributed. The Public Employees Retire-  
13 ment Board shall establish procedures for computing interest to be credited  
14 on the benefit for the period between the date of death and date of distrib-  
15 ution.

16 “(2)(a) If a member of the system dies while employed in the service of a  
17 participating public employer or within 120 days after termination from ser-  
18 vice with a participating public employer and the member’s spouse is the  
19 member’s beneficiary under ORS 238.390, the member’s spouse may elect to  
20 receive the benefit provided under this subsection in lieu of the death bene-  
21 fits provided under ORS 238.390 and subsection (1) of this section.

22 “(b) The member’s spouse must notify the board in writing of an election  
23 under this section no later than 60 days after the date of death of the mem-  
24 ber.

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

29 “(A) As of the date of death, if the member dies after the earliest retire-  
30 ment date for the member under ORS 238.280; or

1       “(B) As if the member became an inactive member on the date of death  
2 and retired at the earliest retirement date for the member under ORS 238.280.

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

9       “(3) Payment by the board of additional death benefits in the manner  
10 provided by this section completely discharges the board and system on ac-  
11 count of the death, and shall hold the board and system harmless from any  
12 claim for wrongful payment.”.

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

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

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

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