

**A-Engrossed**  
**House Bill 2906**

Ordered by the House May 4  
Including House Amendments dated May 4

Sponsored by Representatives EVANS, WILLIAMS; Representatives CLEM, GRAYBER, NERON, SALINAS, SCHOUTEN, SOLLMAN, ZIKA (Presession filed.)

**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.

*[Directs Public Employees Retirement Board to study methods for allowing members of Public Employees Retirement System to certify that member will earn less than \$30,000 in calendar year so that board does not credit employee contributions to employee pension stability account.]*

**Provides that, if monthly salary of member of individual account program of Oregon Public Service Retirement Plan does not exceed \$3,333, instead of \$2,500, Public Employees Retirement Board shall credit all employee contributions made by member to employee account and credit no employee contributions made by member to employee pension stability account.**

**A BILL FOR AN ACT**

1  
2 Relating to employee contributions to the Public Employees Retirement System; creating new pro-  
3 visions; and amending ORS 238A.330.

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

5 **SECTION 1.** ORS 238A.330 is amended to read:

6 238A.330. (1) A member of the individual account program must make employee contributions  
7 to the individual account program of six percent of the member's salary.

8 (2) Employee contributions made by a member of the individual account program under this  
9 section shall be credited by the Public Employees Retirement Board as follows:

10 (a) Except as provided in paragraph (c) of this subsection, for a member who established mem-  
11 bership in the Public Employees Retirement System before August 29, 2003, as described in ORS  
12 238A.025:

13 (A) If the member's salary does not exceed [*\$2,500*] **\$3,333** in a calendar month, the board shall  
14 credit all employee contributions made by the member under this section to the employee account  
15 established for the member under ORS 238A.350 (2).

16 (B) If the member's salary exceeds [*\$2,500*] **\$3,333** in a calendar month, the board shall credit:

17 (i) 3.5 percent of the member's salary to the employee account established for the member under  
18 ORS 238A.350 (2); and

19 (ii) 2.5 percent of the member's salary to the employee pension stability account established for  
20 the member under ORS 238A.353.

21 (b) Except as provided in paragraph (c) of this subsection, for a member who established mem-  
22 bership in the system on or after August 29, 2003, as described in ORS 238A.025:

23 (A) If the member's salary does not exceed [*\$2,500*] **\$3,333** in a calendar month, the board shall  
24 credit all employee contributions made by the member under this section to the employee account

**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 established for the member under ORS 238A.350 (2).

2 (B) If the member's salary exceeds [~~\$2,500~~] **\$3,333** in a calendar month, the board shall credit:

3 (i) 5.25 percent of the member's salary to the employee account established for the member un-  
4 der ORS 238A.350 (2); and

5 (ii) 0.75 percent of the member's salary to the employee pension stability account established for  
6 the member under ORS 238A.353.

7 (c) During a biennium following a rate setting valuation prepared by the actuary under ORS  
8 238.605 that shows that the funded status of the system, including any lump sum payments made  
9 under ORS 238.229, is 90 percent or greater, the board shall credit all employee contributions made  
10 by a member of the individual account program to the employee account established for the member  
11 under ORS 238A.350 (2).

12 (3) If any contributions made by a member of the individual account program are credited to the  
13 employee pension stability account under subsection (2) of this section, the member may make ad-  
14 ditional employee contributions to the individual account program in the amount credited to the  
15 employee pension stability account. The board shall credit employee contributions made under this  
16 subsection to the employee account established for the member under ORS 238A.350 (2). Contribu-  
17 tions under this subsection may not be paid by the employer under ORS 238A.335.

18 (4) A new member of the individual account program shall first make contributions under this  
19 section for those wages that are attributable to services performed by the employee during the first  
20 full pay period following the six-month probationary period required under ORS 238A.300, without  
21 regard to when those wages are considered earned for other purposes under this chapter.

22 (5) On January 1 of each year, the board shall adjust the dollar amounts provided in subsection  
23 (2) of this section to reflect any percentage increase in the cost of living for the previous calendar  
24 year, based on changes in the Consumer Price Index for All Urban Consumers, West Region (All  
25 Items), as published by the Bureau of Labor Statistics of the United States Department of Labor.

26 **SECTION 2. The amendments to ORS 238A.330 by section 1 of this 2021 Act apply to**  
27 **calendar months beginning on and after the effective date of this 2021 Act.**

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