

**SB 195 STAFF MEASURE SUMMARY**

**Senate Committee On Labor and Business**

---

**Prepared By:** Whitney Perez, LPRO Analyst

**Meeting Dates:** 1/31

---

**WHAT THE MEASURE DOES:**

Exempts overtime hours worked for the Oregon State Police from limitation on overtime hours inclusion in final average salary calculations for purposes of the Public Service Retirement Plan. Applies to Public Employees Retirement System members whose effective date of retirement is on or after the effective date of this Measure.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

The Public Employees Retirement System (PERS) is administered by the Public Employees Retirement Board. Oregon law specifies retirement age for public employees and amount of pension based on the retirees "final average salary." The final average salary for PERS members who do not work for local government means the greater of one of the following: (1) the average gross salary or adjusted total gross earned over three calendar years in which the retiree earned the largest total salary from a PERS-participating employer(s), or (2) the total gross salary or adjusted gross earned over the last 36 months divided by the actual number of calendar months of active service within that 36-month period.

Hours of overtime that exceed the average number of hours of overtime for the applicable class of employees is excluded from final average salary calculations. Senate Bill 195 exempts overtime hours worked for the Oregon State Police from this overtime limitation on final average salary calculations.