

SB 403 STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

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Meeting Dates: 1/24, 2/2

WHAT THE MEASURE DOES:

Allows retired member of Public Employees Retirement System (PERS) who retired as a police officer from the Department of State Police on or after normal retirement age to participate in group health benefit plan offered by Public Employees' Benefit Board (PEBB). Prohibits premium from being increased beyond premium amount charged before retirement. Defines key terms.

ISSUES DISCUSSED:

- Meaning of "normal retirement age"
- Applies only to Oregon Department of State Police
- Scope and cost of coverage

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Public Employees Retirement System (PERS) administers the retirement system for public employees in Oregon. For Tier One and Tier Two PERS members, a police officer is considered at normal retirement age at age 55. Normal retirement age for OPSRP PERS members who retire as police officers, is age 60 or age 53 with 25 years of service. Additionally, OPSRP PERS members who seek to retire as a police officer must have held that position continuously for five or more years immediately preceding the effective date of retirement.

The Public Employees' Benefits Board (Board) provides group benefit plans for eligible employees. Benefit plans include such things as dental, medical, vision, and disability insurance. Eligible employee is defined in law and includes officers or employees of state agencies or local government, whether or not retired. Oregon law requires the Board to contract for health benefit plans to meet the needs of eligible employees. The Board is also required to adopt policies to limit annual premium increases.

Senate Bill 403 allows a person who retires as a police officer from the Department of State Police to participate in group health benefit plan offered by the Public Employees' Benefits Board with no increase in premiums.