

HB 4045 -2, -3, -5 STAFF MEASURE SUMMARY

House Committee On Emergency Management, General Government, and Veterans

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/6

WHAT THE MEASURE DOES:

The measure provides that district attorneys qualify as police officers under the Public Employee Retirement System; lowers the normal retirement age for police officers under the Oregon Public Service Retirement Plan (OPSRP); establishes a new class of hazardous positions under OPSRP; and provides increased retirement benefits for members in this new class.

Detailed Summary

Section 1

Adds district attorneys to definition of “police officer” under the Public Employee Retirement System (PERS).

Sections 2-3

- Defines "hazardous position" as a position that does not meet the definition of a qualified public safety employee under section 72(t)(10)(B) of Internal Revenue Service Code but is a position that works with or manages emergency or traumatic events in the regular course of work.
- Limits hazardous position definition to employees of the Oregon State Hospital who have direct contact with patients and telecommunicators.
- Increases the amount of pension benefits for public employees in hazardous positions from 1.5 to 1.8 percent of their final average salary multiplied by the number of years of retirement credit attributable to service in a hazardous position.

Section 4

Lowers the normal retirement age from 60 to 55 years of Police and Fire Oregon Public Service Retirement Plan (OPSRP) members who retire from service, whose last 60 months of retirement credit preceding is classified as retirement credit for service as a police officer or firefighter.

Sections 5-7

- Establishes the normal retirement age of members who qualify in a hazardous position, whose last 60 months of retirement credit preceding eligibility is classified as retirement credit for service in a hazardous position, is the earlier of 60 years of age or 58 years of age if the member has 25 or more years of retirement credit.
- Determines that a member who establishes retirement credit in a hazardous position retains that eligibility, even if they perform service in a different position.
- Determines a period of leave from a hazardous position which is part of the members last 60 months of retirement credit, is counted for retirement credit.
- Determines that a retirement credit for a month in which a member performs service in both a hazardous position and in another position is classified as retirement credit in a hazardous position.
- Determines that a member is not required to restart the last 60 months of retirement credit when the member is on unpaid leave and is receiving insurance payments for short term or long-term disability when the retirement credit is not available under ORS 238A.155 and when the member is concurrently employed and performing service in a hazardous position.

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- Requires the PERS Board to establish the liability of participating public employers for members in hazardous positions and requires participating public employers who employ members in hazardous positions to make contributions based on that liability.

Sections 8-11

Conforming amendments.

Section 12-14

Entitles a person employed as a district attorney on or after the effective date of this Act to service under PERS as a police officer only for service performed as district attorney on or after the effective date. Establishes the earlier normal retirement age for police and fire members of PERS apply to members of the OPSRP whose effective date of retirement is on or after the effective date of the bill. Establishes that hazardous position provisions become operative January 1, 2030. Allows PERS to take any action before the operative date to exercise the new provisions.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 Requires PERS to submit biennial reports updating the Legislative Assembly on the progress of implementing the hazardous position category. Allows eligibility beginning in 2019 to members who qualify in the hazardous position category if they retire in a hazardous position and have accrued their last 60 months of retirement credit in one or more positions that qualify, or would qualify, in a hazardous position. Disallows service before January 1, 2019, to establish retirement credit in this new classification.

-3 Identical to the -2 amendment, except adds requirement that PERS study the liability of participating public employers for members in the new hazardous position and report to interim committees of the Legislative Assembly no later than September 15, 2028. Becomes effective July 1, 2027; repeals on January 2, 2030.

-5 Adds forensic scientists and evidence technicians employed by the Department of State Police to definition of "police officer" under the Public Employee Retirement System (PERS). Entitles forensic scientists and evidence technicians to service under PERS as a police officer only for service performed as forensic scientist and evidence technicians on or after the effective date.

BACKGROUND:

The Public Employees Retirement System (PERS) provides retirement benefits for state agencies and approximately 900 units of local government. PERS is overseen by a five-member board that appoints an executive director to manage the agency's daily operations including the management of benefits for more than 393,000 active, inactive, and retired members and beneficiaries.

Police Officer and Firefighter (P&F) units are an additional benefit to Tier One and Tier Two PERS members who serve in qualified positions as defined in ORS Chapter 238. Such positions are generally related to law enforcement, parole and probation, investigators, corrections officers, school police officers, and some residential care facilities workers. House Bill 2054 (2023) added deputy district attorneys to the list of vocations that qualify for P&F PERS benefits.

The Oregon State Hospital (OSH) provides 24-hour psychiatric treatment for adults who need hospital-level care. According to a January 2022 memo from OSH to the Joint Interim Committee on Ways and Means, ongoing staff hiring and staff retention challenges impact sufficient levels of direct care staff to safely care for patients. OSH formed a workgroup of hospital leadership and union representatives to address causes of direct care staffing shortfalls, and they recommended enhancing retirement benefits for OSH employees.

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Telecommunicators are emergency communication workers and public safety dispatchers, including those working at 9-1-1 call centers. In recognition of the demanding nature of those positions, the Legislative Assembly passed Senate Bill 425 (2021) which defined telecommunicators as first responders.