

HB 2728 STAFF MEASURE SUMMARY

House Committee On Labor and Workplace Standards

Prepared By: Erin Seiler, LPRO Analyst

Meeting Dates: 2/17

WHAT THE MEASURE DOES:

Requires the Public Employees Retirement System (PERS) include in the written computation of the retirement allowance or benefit a member is entitled to upon retirement detailed information about the number of overtime hours performed by the member during the time period used to calculate the member's final average salary and the number of overtime hours applied to the calculation of the member's final average salary. Becomes operative on January 1, 2026. Takes effect 91st day following adjournment sine die.

Fiscal impact: (info)

Revenue impact: (info)

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

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. PERS members are in one of three plans, depending on when they first became a member. The three plans are: Tier One, Tier Two, and the Oregon Public Service Retirement Plan (OPSRP). PERS members who work in positions that meet the definitions for "police officer" and "firefighter" are eligible for special benefit provisions such as retiring at an earlier age and calculating their retirement benefit with a higher statutory factor.

When PERS receives an application for a retirement allowance or benefit from a member and obtains the information necessary to compute the members' retirement allowance or benefit to which the member is entitled, PERS must provide the member a written computation of the retirement allowance or benefit the member is entitled to upon retirement. The written summary must include a summary of the information used in making that computation.

House Bill 2728 requires the written summary include detailed information about the number of overtime hours performed by the member during the time period used to calculate the member's final average salary and the number of overtime hours applied to the calculation of the member's final average salary.