

A-Engrossed Senate Bill 5534

Ordered by the Senate June 11
Including Senate Amendments dated June 11

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Oregon Department of Administrative Services)

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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act creates an agency budget. (Flesch Readability Score: 73.8).

Limits certain biennial expenditures from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Public Employees Retirement System.

Limits biennial expenditures by the Public Employees Retirement System from specified funds.

Authorizes specified unlimited expenditures.

Modifies certain limitations on expenditures for the biennium ending June 30, 2025.

Declares an emergency, effective *[July 1, 2025]* on passage.

A BILL FOR AN ACT

Relating to the financial administration of the Public Employees Retirement System; and declaring an emergency.

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

SECTION 1. Notwithstanding any other law limiting expenditures, the following amounts are established for the biennium beginning July 1, 2025, as the maximum limits for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts but excluding lottery funds and federal funds, collected or received by the Public Employees Retirement System, for the following purposes:

(1) Central Administration

Division \$ 24,546,996

(2) Financial Services

Division \$ 28,558,929

(3) Information Services Division .. \$ 33,832,210

(4) Operations Division..... \$ 57,344,632

(5) Compliance, Audit and Risk

Division \$ 13,005,334

(6) Core Retirement System:

(a) Core Retirement System

Applications Program Office..... \$ 4,100,071

(b) ORION Modernization

Implementation..... \$ 3,733,000

(c) Chapter 101, Oregon Laws 2024,

Note: For budget, see 2025-2027 Biennial Budget

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 (HB 4045) Implementation..... \$ 7,036,629

2 (d) Legacy Stabilization and

3 Technology Readiness \$ 6,688,780

4 **SECTION 2.** Notwithstanding any other law limiting expenditures, the amount of
5 \$41,287,102 is established for the biennium beginning July 1, 2025, as the maximum limit for
6 payment of expenses from lottery moneys allocated from the Administrative Services Eco-
7 nomic Development Fund to the Public Employees Retirement System for the Employer In-
8 centive Fund.

9 **SECTION 3.** Notwithstanding any other law limiting expenditures, the amount of \$1 is
10 established for the biennium beginning July 1, 2025, as the maximum limit for payment of
11 expenses from fees, moneys, or other revenues, including Miscellaneous Receipts, but ex-
12 cluding lottery funds and federal funds, by the Public Employees Retirement System from
13 the Employer Incentive Fund.

14 **SECTION 4.** For the biennium beginning July 1, 2025, expenditures by the Public Em-
15 ployees Retirement System for refunds, retirement benefits, deferred compensation and in-
16 dividual account program payments, health insurance premiums, health insurance premium
17 subsidies, third party administrator costs for health and individual account programs and
18 Public Employee Benefit Equalization Fund payments are not limited.

19 **SECTION 5.** Notwithstanding any other law limiting expenditures, the limitation on
20 expenditures established by section 1 (6)(b)(F), chapter 457, Oregon Laws 2023, for the
21 biennium ending June 30, 2025, as the maximum limit for payment of expenses from fees,
22 moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and
23 federal funds, collected or received by the Public Employees Retirement System, for the
24 ORION Modernization Project - independent quality management services, is decreased by
25 \$300,000, for a budget realignment.

26 **SECTION 6.** Notwithstanding any other law limiting expenditures, the limitation on
27 expenditures established by section 135, chapter 7, Oregon Laws 2025, for the biennium end-
28 ing June 30, 2025, as the maximum limit for payment of expenses from fees, moneys or other
29 revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds,
30 collected or received by the Public Employees Retirement System, for the ORION Modern-
31 ization Project, for an independent assessment of the replacement alternatives for the core
32 pension administration system, is increased by \$300,000, for a budget realignment.

33 **SECTION 7.** This 2025 Act being necessary for the immediate preservation of the public
34 peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect
35 on its passage.

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