

Enrolled Senate Bill 849

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CHAPTER

AN ACT

Relating to the School Districts Unfunded Liability Fund; amending section 24, chapter 105, Oregon Laws 2018; and declaring an emergency.

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

SECTION 1. Section 24, chapter 105, Oregon Laws 2018, as amended by section 51, chapter 355, Oregon Laws 2019, and section 19, chapter 10, Oregon Laws 2020 (second special session), is amended to read:

Sec. 24. (1) The School Districts Unfunded Liability Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the School Districts Unfunded Liability Fund shall be credited to the fund. The fund consists of moneys transferred, allocated or appropriated to the fund.

(2) Moneys in the fund are continuously appropriated to the Public Employees Retirement Board for the purpose of *[establishing and funding a pooled account to be applied against]* **reducing** the liabilities of participating public employers, as defined in ORS 238.005, that are school districts.

(3) Moneys in the fund shall be invested in the Oregon Short Term Fund established under ORS 293.728.

[(4) The board shall establish an account in the Public Employees Retirement Fund for the moneys in the School Districts Unfunded Liability Fund.]

[(5) The board shall adopt rules providing for:]

[(a) Proportional distribution to school districts of the moneys in the account established under subsection (4) of this section;]

[(b) Amortization of the moneys distributed; and]

[(c) Administration of the account established under subsection (4) of this section in the same manner as accounts established under ORS 238.229 (2).]

(4)(a) No later than June 30, 2025, the board shall apply all moneys in the fund on February 28, 2025, in equal amounts against all school district employers' individual 2025-2027 employer contribution rates.

(b) The board shall apply any moneys that are credited to the fund after February 28, 2025, in equal amounts against all school district employers' individual employer contribution rates for the biennium following the crediting.

[(6)] **(5)** No later than February 1 of each odd-numbered year, the board shall report to the Oregon Department of Administrative Services and the Legislative Fiscal Officer an estimate of how moneys will be distributed under this section in the following biennium.

SECTION 2. This 2025 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect on its passage.

Passed by Senate March 11, 2025

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Obadiah Rutledge, Secretary of Senate

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Rob Wagner, President of Senate

Passed by House April 23, 2025

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Julie Fahey, Speaker of House

Received by Governor:

.....M.,....., 2025

Approved:

.....M.,....., 2025

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Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M.,....., 2025

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Tobias Read, Secretary of State