

Senate Bill 851

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 Governor Tina Kotek for Public Employees Retirement System)

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

Digest: The Act makes changes to PERS. (Flesch Readability Score: 100.0).
Modifies provisions relating to the Public Employees Retirement System.

A BILL FOR AN ACT

1
2 Relating to administration of Public Employees Retirement System member account data; amending
3 ORS 238.005, 238.148, 238.450, 238.580, 238.608, 238.715 and 238A.140; and repealing ORS
4 238A.010.

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

6 **SECTION 1.** ORS 238.715 is amended to read:

7 238.715. (1) If the Public Employees Retirement Board determines that a member of the Public
8 Employees Retirement System or any other person receiving a monthly payment from the Public
9 Employees Retirement Fund has received any amount in excess of the amounts that the member or
10 other person is entitled to under this chapter and ORS chapter 238A, the board may recover the
11 overpayment or other improperly made payment by:

12 (a) Reducing the monthly payment to the member or other person for as many months as may
13 be determined by the board to be necessary to recover the overpayment or other improperly made
14 payment; or

15 (b) Reducing the monthly payment to the member or other person by an amount actuarially de-
16 termined to be adequate to recover the overpayment or other improperly made payment during the
17 period during which the monthly payment will be made to the member or other person.

18 (2)(a) Any person who receives a payment from the Public Employees Retirement Fund and who
19 is not entitled to receive that payment, including a member of the system who receives an over-
20 payment, holds the improperly made payment in trust subject to the board's recovery of that pay-
21 ment under this section or by a civil action or other proceeding.

22 (b) The board may recover an improperly made payment in the manner provided by subsection
23 (1) of this section from any person who receives an improperly made payment from the fund and
24 who subsequently becomes entitled to receive a monthly payment from the fund.

25 (c) The board may recover an improperly made payment by reducing any lump sum payment in
26 the amount necessary to recover the improperly made payment if a person who receives an im-
27 properly made payment from the fund subsequently becomes entitled to receive a lump sum payment
28 from the fund.

29 (3) Unless the member or other person receiving a monthly payment from the fund authorizes
30 a greater reduction, the board may not reduce the monthly payment made to a member or other

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 person under the provisions of subsection (1) of this section by an amount that is equal to more than
2 10 percent of the monthly payment.

3 (4) Before reducing a benefit to recover an overpayment or erroneous payment, or pursuing any
4 other collection action under this section, the board shall give notice of the overpayment or erro-
5 neous payment to the person who received the payment. The notice shall describe the manner in
6 which the person who received the payment may appeal the board's determination that an over-
7 payment or erroneous payment was made, the action the board may take if the person does not re-
8 spond to the notice and the authority of the board to assess interest, penalties or costs of collection.

9 (5) If the board determines that an overpayment or erroneous payment was not caused by the
10 system or by a participating public employer, the board may assess interest in an amount equal to
11 one percent per month on the balance of the improperly made payment until the payment is fully
12 recovered. The board may also assess to the member or other person all costs incurred by the sys-
13 tem in recovering the payment, including attorney fees. Interest and costs may be collected in the
14 manner prescribed in subsections (1) and (2) of this section. The board may waive the interest and
15 costs on an overpayment or other improperly made payment for good cause shown.

16 (6) Notwithstanding ORS 293.240, the board may waive the recovery of any payment or payments
17 made to a person who was not entitled to receive the payment or payments if the total amount of
18 the overpayment or other improperly made payments is less than [~~\$50~~] **\$200**.

19 (7) A payment made to a person from the fund may not be recovered by the board unless within
20 six years after the date that the payment was made the board has commenced proceedings to re-
21 cover the payment. For the purposes of subsection (1) of this section, the board shall be considered
22 to have commenced proceedings to recover the payment upon mailing of notice to the person re-
23 ceiving a monthly payment that the board has determined that an overpayment or other improperly
24 made payment has been made.

25 (8) The remedies authorized under this section are supplemental to any other remedies that may
26 be available to the board for recovery of amounts incorrectly paid from the fund to members of the
27 system or other persons.

28 (9) The board shall adopt rules establishing the procedures to be followed by the board in re-
29 covering overpayments and erroneous payments under this section.

30 **SECTION 2.** ORS 238.450 is amended to read:

31 238.450. (1) Upon receiving an application for a retirement allowance or benefit from a member
32 of the Public Employees Retirement System and obtaining information necessary for computation of
33 the retirement allowance or benefit to which the member is entitled upon retirement, the system
34 shall provide to the member a written computation of the retirement allowance or benefit to which
35 the member is entitled upon retirement and summary of the information used in making that com-
36 putation.

37 (2) A member of the system may dispute the accuracy of the information used by the system in
38 making the computation only by filing a written notice of dispute with the system not later than
39 whichever of the following days occurs last:

40 (a) The 240th day after the date on which the computation and information summary is provided
41 to the member pursuant to subsection (1) of this section.

42 (b) The 240th day after the date on which the retirement allowance or benefit to which the
43 member is entitled first becomes payable.

44 (3) The filing of a notice of dispute under subsection (2) of this section extends the time allowed
45 for election of an optional form of retirement allowance or benefit until the 30th day after the con-

1 clusion of the proceeding and any judicial review thereof if the proceeding or review results in a
 2 change in the computation of the retirement allowance or benefit.

3 (4) Upon receiving a notice of dispute under subsection (2) of this section, the system shall de-
 4 termine the accuracy of the disputed information and make a written decision either affirming the
 5 accuracy of the information and computation based thereon or changing the computation using
 6 corrected information. The system shall provide to the member a copy of the decision and a written
 7 explanation of any applicable statutes and rules. The member is entitled to judicial review of the
 8 decision as provided in ORS 183.484 and rules of the Public Employees Retirement Board consistent
 9 with applicable statutes.

10 (5) After the last date for filing a written notice of dispute under subsection (2) of this section,
 11 a participating public employer may not modify information that is provided to the system and that
 12 relates to a member’s creditable service, retirement credit, salary, employee contributions or accu-
 13 mulated unused sick leave, unless specifically required by one of the following circumstances:

14 (a) To comply with a judgment, administrative order, arbitration award, conciliation agreement,
 15 settlement agreement or other legal agreement entered into after the last date for filing a written
 16 notice of dispute under subsection (2) of this section;

17 (b) To comply with ORS 238.156 or 238A.150; *[or]*

18 **(c) To comply with a verification of retirement data under ORS 238.285 that was sub-**
 19 **mitted to the system before the member’s effective date of retirement; or**

20 *[(c)]* **(d) To make a correction or modification as a result of a dispute under subsection (2) of this**
 21 **section, or in response to the board’s request under ORS 238.285 (5) for the purpose of a de-**
 22 **termination under ORS 238.285 (2) or (4).**

23 (6) This section does not affect any authority of the system, on its own initiative, to correct an
 24 incorrect computation of any retirement allowance or benefit.

25 **SECTION 3.** ORS 238.005, as amended by section 1, chapter 101, Oregon Laws 2024, is amended
 26 to read:

27 238.005. For purposes of this chapter:

28 (1) “Active member” means a member who is presently employed by a participating public em-
 29 ployer in a qualifying position and who has completed the six-month period of service required by
 30 ORS 238.015.

31 (2) “Annuity” means payments for life derived from contributions made by a member as provided
 32 in this chapter.

33 (3) “Board” means the Public Employees Retirement Board.

34 (4) “Calendar year” means 12 calendar months commencing on January 1 and ending on De-
 35 cember 31 following.

36 (5) “Continuous service” means service not interrupted for more than five years, except that
 37 such continuous service shall be computed without regard to interruptions in the case of:

38 (a) An employee who had returned to the service of the employer as of January 1, 1945, and
 39 who remained in that employment until having established membership in the Public Employees
 40 Retirement System.

41 (b) An employee who was in the armed services on January 1, 1945, and returned to the service
 42 of the employer within one year of the date of being otherwise than dishonorably discharged and
 43 remained in that employment until having established membership in the Public Employees Retire-
 44 ment System.

45 (6) “Creditable service” means any period of time during which an active member is being paid

1 a salary by a participating public employer and for which benefits under this chapter are funded by
2 employer contributions and earnings on the fund. For purposes of computing years of “creditable
3 service,” full months and major fractions of a month shall be considered to be one-twelfth of a year
4 and shall be added to all full years. “Creditable service” includes all retirement credit received by
5 a member.

6 (7) “Earliest service retirement age” means the age attained by a member when the member
7 could first make application for retirement under the provisions of ORS 238.280.

8 (8) “Employee” means a person who performs services for a participating public employer, in-
9 cluding persons considered employees of a participating public employer under 26 U.S.C. 3121(d)(2),
10 as in effect on December 31, 2019, and public officers. “Employee” does not include:

11 (a) Persons engaged as independent contractors.

12 (b) Seasonal, emergency or casual workers whose periods of employment with any public em-
13 ployer or public employers do not total 600 hours in any calendar year.

14 (c) Persons provided sheltered employment or made-work by a public employer in an employment
15 or industries program maintained for the benefit of such persons.

16 (d) Persons employed and paid from federal funds received under a federal program intended
17 primarily to alleviate unemployment. However, any such person shall be considered an “employee”
18 if not otherwise excluded by paragraphs (a) to (c) of this subsection and the public employer elects
19 to have the person so considered by an irrevocable written notice to the board.

20 (e) Persons who are employees of a railroad, as defined in ORS 824.020, and who, as such em-
21 ployees, are included in a retirement plan under federal railroad retirement statutes. This paragraph
22 shall be deemed to have been in effect since the inception of the system.

23 (f) Persons employed in positions classified as post-doctoral scholar positions by a public uni-
24 versity listed in ORS 352.002, or by the Oregon Health and Science University, under ORS 350.370.

25 (9) “Final average salary” means whichever of the following is greater:

26 (a) The average salary per calendar year paid by one or more participating public employers to
27 an employee who is an active member of the system in three of the calendar years of membership
28 before the effective date of retirement of the employee, in which three years the employee was paid
29 the highest salary. The three calendar years in which the employee was paid the largest total salary
30 may include calendar years in which the employee was employed for less than a full calendar year.
31 If the number of calendar years of active membership before the effective date of retirement of the
32 employee is three or fewer, the final average salary for the employee is the average salary per cal-
33 endar year paid by one or more participating public employers to the employee in all of those years,
34 without regard to whether the employee was employed for the full calendar year.

35 (b) One-third of the total salary paid by a participating public employer to an employee who is
36 an active member of the system in the last 36 calendar months of active membership before the ef-
37 fective date of retirement of the employee.

38 (10) “Firefighter” does not include a volunteer firefighter, but does include:

39 (a) The State Fire Marshal, the chief deputy fire marshal and deputy state fire marshals;

40 (b) An employee of the State Fire Marshal whose primary duties include fire investigation, fire
41 prevention, fire safety, fire control or fire suppression;

42 (c) An employee of the State Forestry Department who is certified by the State Forester as a
43 professional wildland firefighter and whose primary duties include the abatement of uncontrolled
44 fires as described in ORS 477.064; and

45 (d) An employee of the Oregon Military Department whose primary duties include fighting

1 structural, aircraft, wildland or other fires.

2 (11) "Fiscal year" means 12 calendar months commencing on July 1 and ending on June 30 fol-
3 lowing.

4 (12) "Fund" means the Public Employees Retirement Fund.

5 (13) "Inactive member" means a member who is not employed in a qualifying position, whose
6 membership has not been terminated in the manner described by ORS 238.095 and who is not retired
7 for service or disability.

8 (14) "Institution of higher education" means a public university listed in ORS 352.002, the
9 Oregon Health and Science University and a community college, as defined in ORS 341.005.

10 (15) **"Major fraction of a month" means a month:**

11 **(a) In which an active member is employed for more than one-half of the total calendar**
12 **days in that calendar month; and**

13 **(b) In which the member is being paid a salary by a participating public employer for**
14 **hours worked in that calendar month.**

15 [(15)] (16) "Member" means a person who has established membership in the system and whose
16 membership has not been terminated as described in ORS 238.095. "Member" includes active, inac-
17 tive and retired members.

18 [(16)] (17) "Member account" means the regular account and the variable account.

19 [(17)] (18) "Normal retirement age" means:

20 (a) For a person who establishes membership in the system before January 1, 1996, as described
21 in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or firefighter
22 or 58 years of age if the employee retires at that age as other than a police officer or firefighter.

23 (b) For a person who establishes membership in the system on or after January 1, 1996, as de-
24 scribed in ORS 238.430, 55 years of age if the employee retires at that age as a police officer or
25 firefighter or 60 years of age if the employee retires at that age as other than a police officer or
26 firefighter.

27 [(18)] (19) "Pension" means annual payments for life derived from contributions by one or more
28 public employers.

29 [(19)] (20) "Police officer" includes:

30 (a) Employees of institutions defined in ORS 421.005 as Department of Corrections institutions
31 whose duties, as assigned by the Director of the Department of Corrections, include the custody of
32 persons committed to the custody of or transferred to the Department of Corrections and employees
33 of the Department of Corrections who were classified as police officers on or before July 27, 1989,
34 whether or not such classification was authorized by law.

35 (b) Employees of the Department of State Police who are classified as police officers, forensic
36 scientists or evidence technicians by the Superintendent of State Police.

37 (c) Employees of the Oregon Liquor and Cannabis Commission who are classified as regulatory
38 specialists by the administrator of the commission.

39 (d) Sheriffs and those deputy sheriffs or other employees of a sheriff whose duties, as classified
40 by the sheriff, are the regular duties of police officers or corrections officers.

41 (e) Police chiefs and police personnel of a city who are classified as police officers by the
42 council or other governing body of the city.

43 (f) Police officers who are commissioned by a university under ORS 352.121 or 353.125 and who
44 are classified as police officers by the university.

45 (g) Parole and probation officers employed by the Department of Corrections, parole and pro-

1 bation officers who are transferred to county employment under ORS 423.549 and adult parole and
2 probation officers, as defined in ORS 181A.355, who are classified as police officers for the purposes
3 of this chapter by the county governing body. If a county classifies adult parole and probation offi-
4 cers as police officers for the purposes of this chapter, and the employees so classified are repres-
5 ented by a labor organization, any proposal by the county to change that classification or to cease
6 to classify adult parole and probation officers as police officers for the purposes of this chapter is
7 a mandatory subject of bargaining.

8 (h) Police officers appointed under ORS 276.021 or 276.023.

9 (i) Employees of the Port of Portland who are classified as airport police by the Board of Com-
10 missioners of the Port of Portland.

11 (j) Employees of the State Department of Agriculture who are classified as livestock police of-
12 ficers by the Director of Agriculture.

13 (k) Employees of the Department of Public Safety Standards and Training who are classified by
14 the department as other than secretarial or clerical personnel.

15 (L) Investigators of the Criminal Justice Division of the Department of Justice.

16 (m) Corrections officers as defined in ORS 181A.355.

17 (n) Employees of the Oregon State Lottery Commission who are classified by the Director of the
18 Oregon State Lottery as enforcement agents pursuant to ORS 461.110.

19 (o) The Director of the Department of Corrections.

20 (p) An employee who for seven consecutive years has been classified as a police officer as de-
21 fined by this section, and who is employed or transferred by the Department of Corrections to fill
22 a position designated by the Director of the Department of Corrections as being eligible for police
23 officer status.

24 (q) An employee of the Department of Corrections classified as a police officer on or prior to
25 July 27, 1989, whether or not that classification was authorized by law, as long as the employee
26 remains in the position held on July 27, 1989. The initial classification of an employee under a sys-
27 tem implemented pursuant to ORS 240.190 does not affect police officer status.

28 (r) Employees of a school district who are appointed and duly sworn members of a law
29 enforcement agency of the district as provided in ORS 332.531 or otherwise employed full-time as
30 police officers commissioned by the district.

31 (s) Employees at youth correction facilities and juvenile detention facilities under ORS 419A.050,
32 419A.052 and 420.005 to 420.915 who are required to hold valid Oregon teaching licenses and who
33 have supervisory, control or teaching responsibilities over juveniles committed to the custody of the
34 Department of Corrections or the Oregon Youth Authority.

35 (t) Employees at youth correction facilities as defined in ORS 420.005 whose primary job de-
36 scription involves the custody, control, treatment, investigation or supervision of juveniles placed
37 in such facilities.

38 (u) Employees of the Oregon Youth Authority who are classified as juvenile parole and pro-
39 bation officers.

40 (v) Employees of the Department of Human Services who are prohibited from striking under ORS
41 243.726 and whose duties include the care of residents of residential facilities, as defined in ORS
42 443.400, that house individuals with intellectual or developmental disabilities.

43 (w) Employees appointed as judicial marshals under ORS 1.177 who are certified under ORS
44 181A.540.

45 (x) Certified parole and probation officers employed by the State Board of Parole and Post-

1 Prison Supervision.

2 (y) District attorneys and deputy district attorneys.

3 [(20)] **(21)** “Prior service credit” means credit provided under ORS 238.442 or under ORS 238.225
4 (2) to (6) (1999 Edition).

5 [(21)] **(22)** “Public employer” means the state, one of its agencies or any city, county, municipal
6 or public corporation, political subdivision of the state or instrumentality thereof, or an agency
7 created by one or more such governmental organizations to provide governmental services. For
8 purposes of this chapter, such agency created by one or more governmental organizations is a gov-
9 ernmental instrumentality and a legal entity with power to enter into contracts, hold property and
10 sue and be sued.

11 [(22)] **(23)** “Qualifying position” means one or more jobs with one or more participating public
12 employers in which an employee performs 600 or more hours of service in a full calendar year, or
13 would perform 600 or more hours of service if the employee were employed for the full calendar
14 year, excluding any service in a job for which a participating public employer does not provide
15 benefits under this chapter pursuant to an application made under ORS 238.035.

16 [(23)] **(24)** “Regular account” means the account established for each active and inactive member
17 under ORS 238.250.

18 [(24)] **(25)** “Retired member” means a member who is retired for service or disability.

19 [(25)] **(26)** “Retirement credit” means a period of time that is treated as creditable service for
20 the purposes of this chapter.

21 [(26)(a)] **(27)(a)** “Salary” means the remuneration paid an employee in cash out of the funds of
22 a public employer in return for services to the employer, plus the monetary value, as determined
23 by the Public Employees Retirement Board, of whatever living quarters, board, lodging, fuel, laundry
24 and other advantages the employer furnishes the employee in return for services.

25 (b) “Salary” includes but is not limited to:

26 (A) Payments of employee and employer money into a deferred compensation plan, which are
27 deemed salary paid in each month of deferral;

28 (B) The amount of participation in a tax-sheltered or deferred annuity, which is deemed salary
29 paid in each month of participation;

30 (C) Retroactive payments described in ORS 238.008;

31 (D) Wages of a deceased member paid to a surviving spouse or dependent children under ORS
32 652.190; and

33 (E) The full amount of required employee contributions under ORS 238A.330 that are paid by the
34 employer on behalf of its employees under ORS 238A.335 (2)(b), solely for the purpose of computing
35 a member’s final average salary, and not for any other purpose.

36 (c) “Salary” or “other advantages” does not include:

37 (A) Travel or any other expenses incidental to employer’s business which is reimbursed by the
38 employer;

39 (B) Payments for insurance coverage by an employer on behalf of employee or employee and
40 dependents, for which the employee has no cash option;

41 (C) Payments made on account of an employee’s death;

42 (D) Any lump sum payment for accumulated unused sick leave;

43 (E) Any accelerated payment of an employment contract for a future period or an advance
44 against future wages;

45 (F) Any retirement incentive, retirement severance pay, retirement bonus or retirement

1 gratuitous payment;

2 (G) Payments for periods of leave of absence after the date the employer and employee have
 3 agreed that no future services qualifying pursuant to ORS 238.015 (3) will be performed, except for
 4 sick leave and vacation;

5 (H) Payments for instructional services rendered to public universities listed in ORS 352.002 or
 6 the Oregon Health and Science University when such services are in excess of full-time employment
 7 subject to this chapter. A person employed under a contract for less than 12 months is subject to
 8 this subparagraph only for the months to which the contract pertains;

9 (I) Payments made by an employer for insurance coverage provided to a domestic partner of an
 10 employee;

11 (J) Compensation described and authorized under ORS 341.556 that is not paid by the community
 12 college employing the faculty member;

13 (K) Compensation described and authorized under ORS 352.232 that is not paid by the public
 14 university employing the officer or employee;

15 (L) Compensation described and authorized under ORS 353.270 that is not paid by Oregon Health
 16 and Science University; or

17 (M) For years beginning on or after January 1, 2020, any amount in excess of \$195,000 for a
 18 calendar year. If any period over which salary is determined is less than 12 months, the \$195,000
 19 limitation for that period shall be multiplied by a fraction, the numerator of which is the number
 20 of months in the determination period and the denominator of which is 12. On January 1 of each
 21 year, the board shall adjust the dollar limit provided by this subparagraph to reflect any percentage
 22 changes in the Consumer Price Index for All Urban Consumers, West Region (All Items), as pub-
 23 lished by the Bureau of Labor Statistics of the United States Department of Labor.

24 [(27)] (28) "School year" means the period beginning July 1 and ending June 30 next following.

25 [(28)] (29) "System" means the Public Employees Retirement System.

26 [(29)] (30) "Variable account" means the account established for a member who participates in
 27 the Variable Annuity Account under ORS 238.260.

28 [(30)] (31) "Vested" means being an active member of the system in each of five calendar years.

29 [(31)] (32) "Volunteer firefighter" means a firefighter whose position normally requires less than
 30 600 hours of service per year.

31 **SECTION 4.** ORS 238A.140 is amended to read:

32 238A.140. (1) An active member of the pension program accrues one year of retirement credit
 33 for each complete year of service and one-twelfth of a year of retirement credit for each full month
 34 and each major fraction of a month of service.

35 (2) An active member who is a school employee shall be credited with at least six months of
 36 retirement credit if the member performs service for a major fraction of each month of a school year
 37 that falls between January 1 and June 30, and at least six months of retirement credit if the member
 38 performs service for a major fraction of each month of a school year that falls between July 1 and
 39 December 31.

40 (3) When an eligible employee becomes a member under ORS 238A.100, the board shall credit
 41 the eligible employee with retirement credit for the period of employment required of the employee
 42 under ORS 238A.100.

43 (4) A member may not accrue more than one full year of retirement credit in any calendar year.

44 (5) For purposes of this section[,]:

45 (a) "Major fraction of a month" or "major fraction of each month" means a month:

1 (A) In which an active member is employed for more than one-half of the total calendar
 2 days in that calendar month; and

3 (B) In which the member is being paid a salary by a participating public employer for
 4 hours worked in that calendar month.

5 (b) “School employee” means:

6 [(a)] (A) A person who is employed by a common school district, a union high school district
 7 or an education service district;

8 [(b)] (B) An employee of an institution of higher education who is engaged in teaching or other
 9 school activity; and

10 [(c)] (C) An employee of the Department of Human Services, the Oregon Youth Authority, the
 11 Department of Corrections or the State Board of Education who is engaged in teaching or other
 12 school activity at an institution supervised by the authority, board or department.

13 **SECTION 5.** ORS 238.148 is amended to read:

14 238.148. (1) A member of the Public Employees Retirement System who is a police officer is en-
 15 titled to receive retirement credit as provided in subsection (2) of this section if:

16 (a) The member was employed as a public safety officer by another state, or political subdivision
 17 of another state, before being employed in a position that entitled the member to credit in the sys-
 18 tem; and

19 (b) The member makes the payment required by subsection (2) of this section within the time
 20 specified by that subsection.

21 (2) Except as provided in subsection (3) of this section, a member of the system employed as a
 22 police officer who meets the requirements of subsection (1) of this section is entitled to receive re-
 23 tirement credit for the period of the member’s service with another state, or political subdivision
 24 of another state, not to exceed a maximum of four years, if the member within 90 days of the
 25 member’s effective date of retirement:

26 (a) Applies in writing to the Public Employees Retirement Board for such retirement credit;

27 (b) Provides written verification to the board from the other state, or political subdivision of the
 28 other state, that employed the member, verifying the period of time that the member served as a
 29 public safety officer in the other state; and

30 (c) Pays to the board, in a lump sum, for each year of retirement credit applied for under this
 31 section, an amount determined by the board to represent the full cost to the system of providing the
 32 retirement credit to the member, including all administrative costs incurred by the system in pro-
 33 cessing the application for acquisition of the retirement credit.

34 (3) A member may not receive retirement credit under the provisions of this section for any
 35 period of service with another state, or political subdivision of another state, if the member is en-
 36 titled to a pension or retirement allowance by reason of that service under a public plan or system
 37 offered by the other state or by a political subdivision of the other state.

38 (4) For the purposes of this section, “public safety officer” means a person who serves in a po-
 39 sition with another state, or political subdivision of another state, that is the other state’s equiv-
 40 alent of a position described in ORS 238.005 [(19)] (20).

41 **SECTION 6.** ORS 238.580 is amended to read:

42 238.580. (1) Except as provided in subsection (3) of this section, ORS 238.005 (4) and [(26)] (27),
 43 238.025, 238.078, 238.082, 238.092, 238.115 (1), 238.250, 238.255, 238.260, 238.350, 238.362, 238.364,
 44 238.372 to 238.384, 238.410, 238.415, 238.420, 238.445, 238.458, 238.460, 238.465, 238.475, 238.600,
 45 238.605, 238.610, 238.618, 238.630, 238.635, 238.645, 238.650, 238.655, 238.660, 238.665, 238.670 and

1 238.705 and the increases provided by ORS 238.366 for members of the system who are serving as
2 other than police officers or firefighters apply in respect to service as a judge member.

3 (2) This chapter applies in respect to persons described in ORS 238.505 (1) and in respect to
4 service as a judge member only as specifically provided in ORS 238.500 to 238.585.

5 (3) ORS 238.005 [(26)(c)(M)] **(27)(c)(M)** does not apply in respect to service as a judge member.

6 **SECTION 7.** ORS 238.608 is amended to read:

7 238.608. (1) The Public Employees Retirement Board shall conduct a study of the life expectancy
8 of members of the Public Employees Retirement System in the categories described in subsection (2)
9 of this section. If the board determines that members in the categories described in subsection (2)
10 of this section have a life expectancy that is substantially shorter than the life expectancy of mem-
11 bers of the system generally, the board shall adopt and use separate actuarial equivalency factor
12 tables under ORS 238.607 for the purpose of computing the payments to be made to members in the
13 categories described in subsection (2) of this section and to the beneficiaries and alternate payees
14 of those members. Any actuarial equivalency factor tables adopted under this section shall first be-
15 come effective January 1, 2005.

16 (2) The provisions of this section apply to members of the system who are defined as firefighters
17 under ORS 238.005 or as police officers under ORS 238.005 [(19)(a)] **(20)(a)**, (b), (d), (e), (f), (g), (L),
18 (m), (o), (p) or (q).

19 **SECTION 8.** ORS 238A.010 is repealed.
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