

Enrolled
Senate Bill 399

Sponsored by COMMITTEE ON COMMERCE AND WORKFORCE DEVELOPMENT

CHAPTER

AN ACT

Relating to rollover contributions.

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

SECTION 1. Section 2 of this 2009 Act is added to and made a part of ORS chapter 238.

SECTION 2. (1) Notwithstanding ORS 238.220, a member of the Public Employees Retirement System who is eligible to obtain restoration of forfeited creditable service under ORS 238.115, or to purchase retirement credit under ORS 238.125, 238.135, 238.145, 238.156, 238.157, 238.162, 238.165, 238.175 or 526.052, and who participates in an eligible retirement plan described in subsection (3) of this section, may use moneys transferred by way of a trustee-to-trustee transfer from the eligible retirement plan to the Public Employees Retirement Board for the purpose of obtaining restoration of the forfeited creditable service or to purchase the retirement credit. The board may not make any amount transferred under this section available to the member, and may use the amount only for the purposes described in this section. The amount transferred under this section may not exceed the amount needed to obtain restoration of the forfeited creditable service or to purchase the retirement credit.

(2) If amounts transferred under this section are not sufficient to pay the full amount necessary to obtain restoration of the forfeited creditable service or to purchase the retirement credit, the member must pay the remaining amount that is needed to obtain restoration of the forfeited creditable service or to purchase the retirement credit.

(3) The following are eligible retirement plans for the purposes of this section:

(a) A governmental deferred compensation plan described in section 457 of the Internal Revenue Code; and

(b) A tax sheltered annuity described in section 403(b) of the Internal Revenue Code.

(4) The board shall adopt rules and establish procedures for determining whether a member is allowed to obtain restoration of the forfeited creditable service or to purchase the retirement credit by means of a trustee-to-trustee transfer under this section. The rules and procedures must ensure that transfers under this section do not adversely affect the status of the system and the Public Employees Retirement Fund as a qualified governmental plan and trust under federal income tax law.

SECTION 3. Section 2 of this 2009 Act becomes operative September 1, 2011.

Passed by Senate June 27, 2009

.....
Secretary of Senate

.....
President of Senate

Passed by House June 29, 2009

.....
Speaker of House

Received by Governor:

.....M,....., 2009

Approved:

.....M,....., 2009

.....
Governor

Filed in Office of Secretary of State:

.....M,....., 2009

.....
Secretary of State