



NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 459

OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM

FILED

07/25/2025 12:12 PM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Review and establish the assumed rate beginning January 1, 2026.

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 08/29/2025 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

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Filed By:
Joel Mellor
Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 08/26/2025

TIME: 2:00 PM

OFFICER: Joel Mellor

IN-PERSON HEARING DETAILS

ADDRESS: PERS Headquarters Board Room, 11410 SW 68th Pkwy, Tigard, OR 97223

REMOTE HEARING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 971-300-4342

CONFERENCE ID: 947610573

SPECIAL INSTRUCTIONS:

Meeting ID: 238 900 468 796 4

Passcode: 9qf64wt9

NEED FOR THE RULE(S)

The PERS Board reviews the assumed rate in odd-numbered years as part of the Board's adoption of actuarial methods and assumptions. The rate is then adopted in an administrative rule. The rate the Board determines today after Milliman's presentation will be the preliminary assumed rate; the actual assumed rate will not be adopted until the September Board meeting. For now, these rule modifications include a blank space; the assumed rate will be filled in for public notice once the Board decides on a preliminary rate in this meeting.

The rule specifies that the new assumed rate will be effective for PERS transactions with an effective date of January 1, 2026, consistent with this Board's policy decision from 2013 that changes to the assumed rate will be effective January 1 following the Board's adoption of the new rate, giving staff ample time to perform the necessary preparations and communicate with members and employers. A January 1 effective date also provides equitable treatment to all members who retire in a year that a change is adopted, no matter which month they retire. The new assumed rate will

be aligned with the new actuarial equivalency factors (AEFs), which will allow for a clear effective date for all transactions that involve calculations using both the latest year-to-date rate and AEF components.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

ORS 238.650
ORS 238.255
ORS 238A.450

These documents are available on the Internet at: https://www.oregonlegislature.gov/bills_laws/Pages/ORS.aspx

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

Adoption of the rule will not affect racial equity.

FISCAL AND ECONOMIC IMPACT:

There are no discrete costs attributable to the rules.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

None.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

The rules do not affect small businesses and therefore small businesses were not involved in the development of the rules.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

A public hearing will be held and the PERS Board solicits input on rules from any interested or affected parties.

AMEND: 459-007-0007

RULE SUMMARY: Bi yearly update of assumed rate.

CHANGES TO RULE:

459-007-0007
Assumed Rate ¶

(1) The Board will review the assumed rate in odd-numbered years as part of the Board's review and adoption of actuarial assumptions and methods.¶
(2) The Board may adopt a change in the assumed rate at any time. A change in the assumed rate is effective the first of the year following the Board's adoption of the change.¶
(3) The assumed rate is set at 6.90 percent, effective on January 1, 2024~~6~~.
Statutory/Other Authority: ORS 238.650, 238A.450
Statutes/Other Implemented: ORS 238.255