

# OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



## Employer Advisory Group

April 2024



# Agenda

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- Director's Office update
- Legislative update
- Employer Service Center update
- Senate Bill 1049 update
- Communications update
- Additional items
- Open discussion

# Director's Office update

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Kevin Olineck, Director

# Director's Office update

## PERS Board updates

### April 1 PERS Board meeting

- Oregon PERS Fund (OPERF) year-end update from Treasury.
- Oregon Savings Growth Plan (OSGP) annual report out.
- Final earnings crediting.
- 2025-27 budget preview.



# Legislative update

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Heather Case, Senior Policy Advisor

# Legislative update

## 2024 session wrap-up

### Bills affecting PERS

**House Bill (HB) 4034** Federal tax reconnect: Updates the date for PERS' statutory connections to the Internal Revenue Code to December 31, 2023. Ensures congruency between federal and state **tax codes**.

**HB 4083** Fossil fuel disinvestment: Removes investments in **thermal coal** from the State Treasury investment portfolio.

**Senate Bill (SB) 5701** Omnibus budget reconciliation: Includes all requested **program adjustments**, and all position adjustments, requested by the agency.



# Legislative update


## 2024 session wrap-up

### HB 4045 Public Safety Workforce Stabilization Act:

- Reduces OPSRP Police and Fire (P&F) normal retirement age for members who have fewer than 25 years of service from 60 to **55**. (Service retirement age for members with 25+ years of service remains unchanged at **53**.) **Effective 1/1/2025**.
- Adds **elected district attorneys** and **forensic scientists** at Oregon State Police to definition of “police officer” in ORS 238.005 for the purpose of receiving P&F benefits. **Effective 1/1/2025**.
- Creates a new job classification, “**Hazardous Position**,” for OPSRP members. **Operative 1/1/2030**. (More on next slide.)

# Legislative update

## 2024 session wrap-up

- **Hazardous Position** OPSRP job class will receive:
  - 1.8% benefit factor for calculating pension benefits (same as OPSRP P&F).
  - Lower retirement age than General Service — age 60, or age 58 with 25 years of service. 
- Mandates an experience study be conducted by PERS' consulting actuaries.

PERS must report both the results of that study and progress on implementation of the Hazardous Position member classification creation to the Legislature.

Job class	Service time	Retirement age
General Service and School Employees	30 years	58
	<30 years	65
Police and Fire	25 years	53*
	<25 years	60* **
Hazardous Position	25 years	58*
	<25 years	60*

*\*Last 60 months of retirement credit preceding retirement eligibility must be for service in this job class to qualify for normal retirement at this age.*

*\*\*Will change to 55 on January 1, 2025.*



# Legislative update

## PERS 2025 Legislative Concepts

The PERS Board voted to move forward on these **four possible bills** on April 1, 2024.

### **Bill 1: Alignment/clean up of death benefit.** Includes —

- Limit IAP post-retirement death benefit payout to lump sum only.
- Increase minimum monthly payment of P&F death benefit to \$200.
- Correct statutory language regarding OPSRP “pop-up” options.
- Correct unintended limitation on allowing surviving spouse who is designated beneficiary of retiree to elect an option change if the retiree dies within the initial 60-day period.

# Legislative update

## PERS 2025 Legislative Concepts

### **Bill 2: Alignment/clean up of employer reporting.** Includes —

- Increase optional waiver on overpayment recovery from \$50 to \$200.
- Repeal obsolete statute ORS 238A.010.
- Clean up data-locking language in ORS 238.450.
- Clarify language for creditable service accrual in a partial month.

**ORS 238A.010 Computation of hours of service.** For the purpose of computing hours of service under this chapter, an eligible employee shall be credited with 40 hours of service for each calendar week in which the employee was employed in a qualifying position unless otherwise shown by records maintained by the participating public employer.

# Legislative update

## PERS 2025 Legislative Concepts

### **Bill 3: PERS Health Insurance Program (PHIP) concepts.** Includes —

- Raise Retiree Health Insurance Account (RHIA) subsidy from \$60 to an amount that is 50% to 100% of five-year average.
- Tie it to the changing five-year average instead of a specific amount.
  - Five-year average is currently \$271/month.
  - 50% of this average would be about \$135/month.
- Open up RHIA and Retiree Health Insurance Premium Account (RHIPA) subsidies to OPSRP retirees.

# Legislative update

## PERS 2025 Legislative Concepts

### Bill 4: Treatment of School District Unfunded Liability Fund (SDULF).

- Currently, SDULF has a balance of \$85 million.
- Funds cannot be used to benefit school districts because of statutory requirement that **side account** be set up with these funds (with a subsequent amortization period).
- Instead of a school district side account, this concept repurposes the SDULF to apply funds directly to the School Districts Pool **Tier One/Tier Two unfunded actuarial liability (UAL)**. This would benefit every employer in the pool.
- The last remaining revenue stream for the SDULF will end on January 2, 2027. Funds remain available until June 30, 2042.

# Legislative update

## PERS 2025 Legislative Concepts

### Next steps

Agency must **submit concepts** to Department of Administrative Services (DAS) and the Governor's Office by April 30, 2024.

Governor's Office will discuss concepts with agencies and give **final approval** to send concepts out for drafting by June 28, 2024.

# Employer Service Center update

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Theresa Tabish, Operations & Policy Analyst



# Employer Service Center (ESC) update

## Gold Star Awards

*Superhero Gold Star Awards* are in the mail!

You are making a difference:

- ☆ ESC started this award in 2016 with 492 Gold Star Awards mailed out.
- ☆ We're giving **713** awards for 2023.
  - Nearly 80% of all employer reports!
- ☆ Up **61%** from prior year (436 in 2022).



# Employer Service Center (ESC) update

## Beginner Employer Reporting instructor-led course

Employer reporters can now register for the **new Beginner Employer Reporting class**.

- First class May 8. Offered monthly.
- Delivered virtually.
- Covers overview of PERS, reporter roles, reporting in EDX, understanding PERS rules, and more.
- Includes hands-on practice in EDX test environment and handouts.
- Spots are limited to 15.



Agenda	
Part 1 Introduction and overview Slide 3	Part 2 Creating reports and records Slide 20
Part 3 Reporting wages Slide 73	Part 4 Reporting status changes Slide 104
Part 5 Practice Slide 137	

# Senate Bill 1049 update

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Elli Probasco, Product Owner

# Senate Bill 1049 update

## Employer statement download

Deployed on February 15, 2024.

Two options:

Download Invoice Detail

Download Full Invoice Detail

Q: Are the people who need to reconcile finding the functionality useful?

Q: Are there any issues with the functionality that PERS needs to be aware of?

# Communications update

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Shawn Harper, Employer Communications Specialist

# Communications update

## New resources

### New employer reporting guides

Guide 9, *Reporting Wages for a Qualifying Employee*

Guide 10, *Reporting Wages for a Non-Qualifying Employee*

Guide 12, *Military Leave*

Guide 16, *Reporting a Retirement*

***Continued***





# Communications update

## New resources

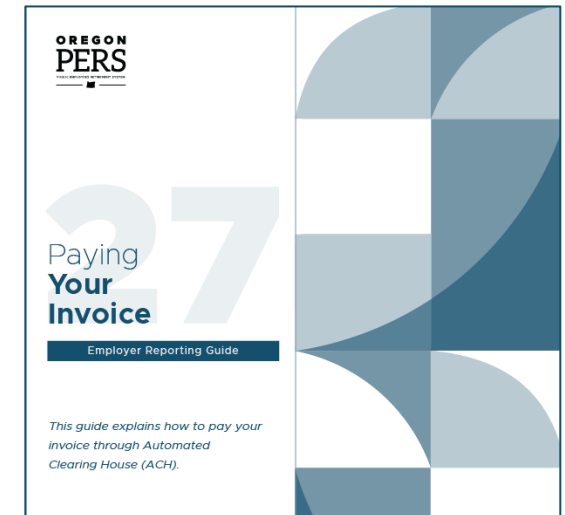
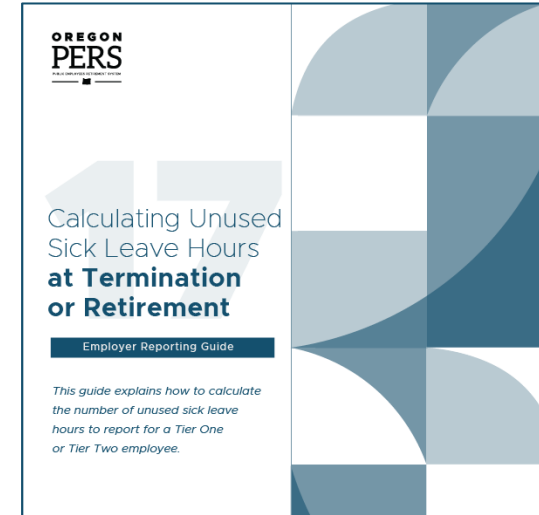
### New employer reporting guides

Guide 17, *Calculating Unused Sick Leave Hours at Termination or Retirement*

Guide 26, *Understanding Your Statement*

Guide 27, *Paying Your Invoice*

[Employer Manuals and Guides webpage](#)



# Communications update

## New resources

### Updated Unfunded Actuarial Liability Resolution Program (UALRP) guides

*Guide to Financial Modeling*

*Guide to Understanding Your Valuation:  
School Districts Pool*

### Coming soon

*Guide to Understanding Your Valuation: State  
and Local Government Rate Pool*



# Communications update

## EAG article in March newsletter

Article in [March Employer News](#).

**Q:** Any feedback? Responses?  
Questions?

Email feedback to:

[Employer\\_Advisory\\_Group@pers.oregon.gov](mailto:Employer_Advisory_Group@pers.oregon.gov)



# Communications update

## 2024 employer satisfaction survey

### Employer satisfaction survey

Runs May 1 – 31.

Link to online survey sent by email.

Entirely anonymous (unless respondents choose to leave their contact info).



# Communications update

## 2024 employer satisfaction survey

### Response rate

Information gathered is important to us. We use it to prioritize improvements.

**Q:** Do you have suggestions for motivating employers to fill out the survey?

Email suggestions to:

[Employer\\_Advisory\\_Group@pers.oregon.gov](mailto:Employer_Advisory_Group@pers.oregon.gov)

**Please spread  
the word!**

# Additional items

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Member annual statements (MAS) update, Shanara Miller



# Additional items

## Member annual statements (MAS) update

### Status

- Minor cosmetic updates this year; no data changes.
- Currently preparing for data extract and testing to ensure statements are accurate.
- Working with Publishing and Distribution and gliding toward a mid-May mailing date.

### Impact to employers

- Efforts to update member addresses should continue to reduce returned statements:
  - Notifying members to update incorrect addresses.
  - Using the National Change of Address Database again.

# Additional items

## Member annual statements (MAS) update

### Fielding MAS questions

- The statements will again have a back page with high-level information.
- MAS FAQ on the PERS website:  
<https://www.oregon.gov/pers/MEM/Pages/Member-Annual-Statement-FAQs.aspx>
- Contact PERS Member Services for assistance.

Hover over a green-outlined item on interactive statement for a pop-up explanation.

[OPSRP](#)

[Tier Two](#)

[Tier One](#)

### 20XX OPSRP PENSION INFORMATION

Your Oregon Public Service Retirement Plan (OPSRP) pension is the first part of your retirement benefit. The pension provides a lifetime monthly benefit at retirement for eligible, vested members. You can produce a pension benefit estimate for a future retirement date on Online Member Services (OMS), located on the PERS website.

#### What could my pension benefit be at retirement?

$1.5\% \times \text{years of total retirement credit} \times \text{monthly final average salary} = \text{monthly pension benefit}$

Vested status:

20XX retirement credit:

Total retirement credit:

#### KEY ITEM TO CHECK!

Retirement credit is the number of months and years you work in a PERS-qualifying position. You also may see this called "years of service" or "service credit." You must work at least 600 hours per calendar year and the majority of each month to receive retirement credit for the year. Because your retirement credit is used in the calculation above, errors in your credit could negatively impact your pension benefit payments in retirement. If you are working, contact your PERS-participating employer(s) to resolve any errors.

20XX IN

# Open discussion

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# Open discussion

Any questions or comments for PERS?

Questions for each other?





# OREGON PERS

PUBLIC EMPLOYEES RETIREMENT SYSTEM



**Thank you!**

