

House Bill 4155

Sponsored by COMMITTEE ON RULES

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**.

Authorizes Public Employees Retirement Board to establish procedures for recovering administrative costs from participating public employers for providing to those employers information or services needed to report in compliance with generally accepted accounting principles.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to public employer pension reporting standards used to comply with generally accepted
3 accounting principles; amending ORS 238.610; and declaring an emergency.

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

5 **SECTION 1.** ORS 238.610 is amended to read:

6 238.610. (1)(a) The administrative expenses of the Public Employees Retirement System shall be
7 paid from interest earned by the Public Employees Retirement Fund; provided, that if such interest
8 be insufficient the expense in excess thereof shall be paid from the contributions which this chapter
9 and ORS 238A.220 and 238A.240 require participating employers to pay into the Public Employees
10 Retirement Fund. The Public Employees Retirement Board by rule may establish procedures for re-
11 covering administrative costs from members for services provided in estimating retirement benefit
12 amounts and processing payments if the board determines that the services requested by an indi-
13 vidual member result in extraordinary costs to the system.

14 **(b) The board may adopt rules establishing procedures for recovering administrative**
15 **costs from participating public employers for providing to those employers information or**
16 **services needed to report in compliance with generally accepted accounting principles. Ad-**
17 **ministrative costs recovered under this paragraph may be recovered only from interest**
18 **earned on employer contributions made under ORS 238.225 or 238A.220.**

19 (2) In order to facilitate financing the establishment and administration of the system the board
20 may designate fiscal periods and may provide that extraordinary expenses incurred during one such
21 period, such as expenses for equipment and actuarial studies, may, for purposes of equitably dis-
22 tributing part of the burden of the expenses, be apportioned to subsequent fiscal periods in such
23 manner as to the board seems equitable.

24 (3) For each fiscal period designated by the board there shall be deducted from the interest
25 earned by the fund, the administrative expenses of the system for that period; provided, that if such
26 interest be insufficient for such purpose, the excess expense shall be paid by deducting from the
27 account of each employer participating in the system that fraction of the administrative expense of
28 the system for that period which the employer's total contribution to the fund for the period is of
29 the sum of all the employers' contributions to the fund for the period.

30 (4) Amounts payable as refunds and retirement allowances shall not for any purpose be deemed

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 expenses of the board and shall not be included in its biennial departmental budget.

2 **SECTION 2. This 2014 Act being necessary for the immediate preservation of the public**
3 **peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect**
4 **on its passage.**

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