



Oregon

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Public Employees Retirement System

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December 6, 2024

TO: Members of the PERS Board
 FROM: Stephanie Vaughn, Manager, Policy Analysis and Compliance Section
 SUBJECT: Adoption of Rulemaking for Reemployment of Retired Members Rule:
 OAR 459-017-0060 *Reemployment of Retired Members*

OVERVIEW

- Action: Adoption of Reemployment of Retired Members Rule.
- Reason: Amendment to resolve administrative error created in filing prior amendment with the Secretary of State.
- Policy Issue: None identified.

BACKGROUND

PERS staff seeks adoption of the amendments to this administrative rule due to an administrative error. On December 1, 2023, proposed rule revisions to OAR 459-017-0060 were presented for notice at the PERS Board meeting to implement changes pursuant to House Bill 2296 (2023). For background, Senate Bill 1049 (2019) introduced new work after retirement allowances for retirees which were set to expire at the end of calendar year 2024. HB 2296 extended SB 1049's work after retirement provisions until the end of calendar year 2034.

On February 2, 2024, the PERS Board adopted the rules as presented at the December 1, 2023 PERS Board meeting. Also on February 2, 2024, staff opened the same administrative rule to update the Social Security Income limits for working retirees who receive Social Security payments.

On April 1, 2024, the PERS Board adopted the Social Security amendments to the rule as presented at the February 2, 2023, PERS Board meeting. On this date, PERS filed a Permanent Administrative Order with the Secretary of State amending OAR 459-017-0060 as approved by the Board, however, the Permanent Order filing did not include the previous HB 2296 changes. The administrative error resulted in the work after retirement extensions being omitted from the current version of the rule.

Proposed revision of OAR 459-017-0060 amends the rule to incorporate the changes required by HB 2296, which have already been reviewed and adopted by the Board on February 2, 2024.

PUBLIC COMMENT AND HEARING TESTIMONY

A rulemaking hearing was held remotely on October 22, 2024, at 2:00 p.m. The public comment period ended October 25, 2024, at 5:00 p.m. No public comment was received.

LEGAL REVIEW

The attached rules were submitted to the Department of Justice for legal review and any comments or changes will be incorporated before the rules are presented for adoption.

IMPACT

Mandatory: Yes.

Benefit: Proposed revision of OAR 459-017-0060 amends the rule to incorporate the changes under HB 2296 and previously passed by the Board on February 2, 2024.

Cost: There are no discrete costs attributable to the rule.

RULEMAKING TIMELINE

October 1, 2024	Staff began the rulemaking process by filing Notice of Rulemaking with the Secretary of State.
October 1, 2024	Secretary of State publishes the Notice in the Oregon Administrative Rules Database. Notice is sent to employers, legislators, and interested parties. Public comment period begins.
October 4, 2024	PERS Board notified that staff began the rulemaking process.
October 22, 2024	Rulemaking hearing to be held remotely at 2:00 p.m.
October 25, 2024	Public comment period ends at 5:00 p.m.
December 6, 2024	Staff will propose adopting the rule modifications, including any changes resulting from public comment or reviews by staff or legal counsel.

BOARD OPTIONS

The PERS Board may:

1. Pass a motion to “adopt Rulemaking for Reemployment of Retired Members Rule, as presented.”
2. Direct staff to make other changes to the rules or explore other options.

STAFF RECOMMENDATION

Staff recommends the PERS Board choose Option #1.

B.4. Attachment 1 – OAR 459-017-0060 *Reemployment of a Retired Members*