



HB 4045 Public Safety Workforce Stabilization Act **Frequently Asked Questions & Information Sheet**

Summary: HB4045 adds the “hazardous” category to PERS for 911 operators as well as Oregon State Hospital employees that work directly with patients who are members of Tier 3, Oregon Public Service Retirement Plan (OPSRP).

- 1. What is the normal retirement age for a member of the pension program who retires from service as a person in a hazardous position?**
 - a. General Service employees:
 - i. (A) 65 years of age; or
 - ii. (B) 58 with 30 years of service
 - b. NEW - Hazardous position:
 - i. (A) 60 years of age; or
 - ii. (B) 58 years of age if the member has 25 or more years of retirement credit.
- 2. What is the percentage that the average final salary and number of years is multiplied by for those in the new Hazardous position category?**
 - a. Hazardous position: For service in a hazardous position, 1.8 percent of final average salary multiplied by the number of years of retirement credit attributable to service in a hazardous position.
 - b. To determine what your monthly retirement income will be, PERS uses a formula, with a percentage that varies depending on your service type: 1.8% × years of total retirement credit × final average salary.
- 3. When does HB4045 go into effect?**
 - a. HB 4045 goes into effect in 2030. Qualifying employees' eligibility is retroactive to 2019.
- 4. Who qualifies for the hazardous position category at Oregon State Hospital?**
 - a. PERS will make a determination with recommendation from OHA. The current definition states: “Employees of the Oregon State Hospital who have direct contact with patients.”

Public Employees Retirement System (PERS)

1. You are an OPSRP member if you were first hired by a PERS-participating employer after August 28, 2003.
2. While OPSRP has two parts — your **pension** and your **Individual Account Program (IAP)** — your IAP is the only account-based benefit in your retirement plan. What “account-based” means is that contributions are deposited into an account and invested for you, over time, to help build a pot of money for your retirement. Your PERS

contributions (6% of your salary, whether paid by you or your employer) have gone into your IAP, which is invested in a target-date fund based on your year of birth.

3. Your **retirement credit** is the amount of time (months and years) you have worked in a PERS-qualifying position. One month of retirement credit is earned for each major fraction of a month worked.
4. A “**qualifying position**” is one in which you work 600 or more hours in a calendar year for a PERS-participating employer(s). Hours worked with different participating employers are combined to determine if the 600-hour standard has been met for a given year. Under certain circumstances, if you are not employed for the full calendar year, you may earn retirement credit for a partial year with fewer than 600 hours of employment.
5. Your **final average salary** is the greater of these amounts:
 - The average gross monthly salary that results from the three consecutive years in which you earned your highest total salaries from one or more PERS-participating employers, even if one of those years was less than a full calendar year. These are typically your last 3 years of service.
 - 1/36 of the total salary you received from one or more PERS-participating employers in the last 36 months of active membership.

Scenarios:

- If someone has been at OSH for 12 years does the bill affect them and how? Can they retire after 25 years or is there some formula?
 - Their 25 years count back to 2019, so if they started working at OSH in 2015 and they want to retire in 2040 because that would be 25 years, because the eligibility is 2019, they would need to work until 2044 to retire with full retirement/benefits. 2019 is the furthest we could go back to capture some members who are employed right now.
- If a worker wants PERS to use the 1.8 multiplier for their retirement calculation for their highest earning years, the employee **MUST** work at least 3 years after the category is created in 2030.
 - Example: if a worker is planning to retire in 2032, PERS would use the multiplier of 1.5 for year 1, 1.8 for year 2, and 1.8 for year 3 unless the worker decides to work another year in order to receive the 1.8 multiplier for their last 3 years.