

EMPLOYER NEWSLETTER

- Senate Bill 1049 updates
- Reporting a change to an employee's SSN
- Member education and retirement planning sessions

Senate Bill 1049 updates: Employer Incentive Fund details coming soon, new content on PERS website

The Oregon Legislature and Governor approved [Senate Bill 1049](#) during the 2019 legislative session.

Read [PERS Director Kevin Olineck's statement from when the bill passed](#).

If you haven't already, you and your colleagues can [sign up for GovDelivery updates to receive email or text alerts from PERS](#) to stay informed. You may want to choose the "Senate Bill 1049 Information" and "Employer Rate Relief Programs" topics.

PERS' [SB 1049 Information and Implementation for PERS Employers](#) webpage contains the latest analysis about the bill. That page will be updated as we continue addressing policy and implementation questions.

Thank you for your patience and understanding as the agency works to implement the bill.

PERS does have a few new updates to share:

Employer Incentive Fund

In the coming days, **PERS will send more information to employers about the application process for the Employer Incentive Fund**. The most critical details will be established through the [PERS Administrative Rulemaking](#) process. PERS will hold a Special Board meeting to adopt "temporary rules" on August 16, 2019, which will allow us to officially "open" the EIF application process.

SB 1049 requires an initial 90-day application window to **only be open to employers with an unfunded actuarial liability (UAL) of greater than 200% of the employer's payroll**. All other employers may apply after the first 90-day window is closed.

PERS anticipates opening the initial 90-day window **the first week of September 2019**. More details will be shared soon.

Work After Retirement - Effective January 1, 2020

PERS has created a [new webpage](#) to help explain how SB 1049 simplifies the rules for "Work After Retirement," **starting in 2020**.

This webpage contains two decision-making flowcharts ([General Service](#), [Police & Fire](#)) to help employers and retirees understand who can work unlimited hours if they are employed by a PERS-participating employer as a PERS retiree.

Salary Limit - Effective January 1, 2020

Beginning **January 1, 2020**, SB 1049 changes the definition of "salary" for PERS purposes, and creates a new \$195,000* limitation on subject salary used for PERS benefit calculations and contributions.

PERS has created a [new webpage](#) to explain these changes in full. Included on that webpage are illustrative examples to help members understand how they may or may not be impacted by the changes in SB 1049.

The limit will impact what PERS considers "subject salary" earned **after** January 1, 2020, but **does not impact salary earned before that date**. Currently, PERS subject salary is not limited for Tier One members. For Tier Two and OPSRP members, PERS subject salary is currently limited to \$280,000.

PERS subject salary is used to determine member Individual Account Program (IAP) contributions, employer contributions to fund the pension program, and the Final Average Salary (FAS) used in calculating retirement benefits under formula methods.

**The limit is indexed annually to the Consumer Price Index (CPI) [All Urban Consumers, West Region].*

Reporting a change to an employee's Social Security number (SSN)

Employers can very carefully change an employee's SSN by creating a demographic (DTL1) record with values similar to those shown in the following example.

Before correcting or changing a member's SSN, PERS would like to remind employers to be extremely careful with data entry and verify an employee's SSN information first. You can use a web-based system such as E-Verify (<https://www.e-verify.gov>) to confirm the identity of a newly hired employee.

Changes to a member's SSN with incorrect data can completely alter an existing member's PERS account and could also cause a mix up with another member's employment history if you are not careful.

PERS recommends contacting your PERS Account Representative to report incorrect data and process a final review prior to reporting a change to an employee's SSN.

<https://www.oregon.gov/pers/EMP/Pages/ESC-Representatives.aspx>

Screen field name	Example	Notes
SSN	000000000	Required. Type new SSN.
Status Code	00 – No Change in Status	Required. This code tells EDX there is no change in employment status; only personal information is changing.
Old SSN	111111111	Required. Type previous SSN.
First Name	Stuart	Required.
Last Name	Appleby	Required.
Name Change Indicator	N	Required.

Member education and retirement planning sessions

PERS offers a number of opportunities to help PERS-covered employees understand their PERS retirement benefits, including free education sessions throughout the state for members in all stages of their careers. PERS also offers help reviewing retirement forms when it is time to retire.

Please share the following information about our education and retirement planning sessions with your staff.

We offer sessions on the following topics:

Retirement Readiness

This session is for Tier One and Tier Two members within three years of retirement.

Introduction to PERS Retirement

This session is for Tier One and Tier Two members more than three years from retirement.

All About OPSRP (Oregon Public Service Retirement Plan)

This session is for OPSRP members (hired after August 28, 2003) at any stage of their career.

Staff can register for a session by going to the following link:

<https://www.oregon.gov/pers/MEM/Pages/index.aspx>

Once there, click on "Education Sessions" under either the Tier One/Tier Two or the OPSRP headings. Class size is limited, so registration is required. Please note the cities listed below may have sessions both with and without financial planning, so check both links to find the session that meets your needs.

Retirement Application Assistance Sessions (RAAS)

PERS also offers individual appointments with a PERS staff member where retiring members can have their PERS retirement paperwork reviewed for accuracy and completeness within the 90 days before their PERS retirement date. Members can also have their paperwork notarized during the session at no cost. These appointments are called Retirement Application Assistance Sessions (RAAS).

Registration can be found through this link:

<http://www.oregon.gov/pers/MEM/Pages/RAAS/Retirement-Application-Assistance-Sessions.aspx>

PERS will be conducting retirement education sessions and RAAS in the following cities in August, September, and October:

- Albany
- Ashland
- Astoria
- Bend
- Central Point
- Coos Bay
- Corvallis
- The Dalles
- Eugene
- Gresham
- Hillsboro
- Hood River
- Klamath Falls
- La Grande
- Madras
- Medford
- Newport
- Ontario
- Oregon City
- Pendleton
- Portland
- Redmond
- Roseburg
- Salem
- Springfield
- Tigard

Need help registering for a session? Call and speak with a PERS staff member: Toll-free 888-320-7377, Monday-Friday, 8:30 a.m. to 5 p.m.
