

HOUSE COMMITTEE ON GENERAL GOVERNMENT

February 7, 1997 Hearing Room D

1:00 P.M. Tapes 16 - 17

MEMBERS PRESENT:

Rep. Ken Strobeck, Chair

Rep. Dan Gardner, Vice-Chair

Rep. Jim Hill

Rep. Bob Montgomery

Rep. Kurt Schrader

Rep. Liz VanLeeuwen

Rep. Tom Whelan

MEMBER EXCUSED:

STAFF PRESENT:

Jeri Chenelle, Administrator

Timaree Whitty, Administrative Support

MEASURE/ISSUES HEARD:

HB 2214 Work Session

HB 2081 Public Hearing

HB 2036 Public Hearing

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

Tape/#	Speaker	Comments
TAPE 16, A		
005	Chair Strobeck	Opens meeting and HB 2214 work session at 1:03 PM. Explains bill.
<u>HB 2214 WORK SESSION</u>		

026	Rep. Hill	MOTION: Moves HB 2214 to the floor with a DO PASS recommendation.
028		VOTE: 6-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 1 - VanLeeuwen
035	Chair Strobeck	The motion CARRIES. REP. HILL will lead discussion on the floor.
041	Chair Strobeck	Closes work session on HB 2214 and opens public hearing on HB 2081.
<u>HB 2081 PUBLIC HEARING</u>		
048	Jeri Chenelle	Committee Administrator, reviews provisions of the bill.
060	Fred McDonnal	Introduces himself as director of Public Employee's Retirement System (PERS). Submits (EXHIBIT A) and explains HB 2081.
131	Rep. Schrader	Asks what abuses occur in private sector regarding retirement benefits.
140	McDonnal	Contrasts private and public retirement systems.
163	Victoria Rudometkin	Introduces herself as representing Oregon Department of Justice. Contrasts private and public retirement systems.
192	McDonnal	Continues testimony and explains PERS annual compensation limits.
243	McDonnal	Explains content of HB 2081 (EXHIBIT A) and proposed amendments.
312	Rep. Schrader	Questions PERS credit system.
320	Rudometkin	Explains PERS trust fund and indirect credit system.
347	Chair Strobeck	Asks about benefit limits of state employees.
350	McDonnal	Explains benefit system.
372	Rep. VanLeeuwen	Asks for clarification regarding contributions to Benefit Equalization Fund (BEF).
380	McDonnal	Explains BEF.
<u>TAPE 17, A</u>		
018	Rep. Schrader	Comments on benefit limitations.
028	Rep. Hill	Contrasts federal law and HB 2081.
034	Rep. Whelan	Comments on Internal Revenue Service (IRS) requirements regarding benefit payments.
044	McDonnal	Explains IRS system and contrasts with HB 2081. Explains need for HB 2081.

073	Rudometkin	Explains PERS structure and associated federal limitations.
110	Chair Strobeck	Discusses 1995 legislation relating to PERS.
120	Rep. Whelan	Comments on HB 2081 and IRS requirements.
127	Rep. Schrader	Discusses Small Business Protection Act and BEF.
132	McDonnal	Explains BEF.
135	Brian Harrington	Introduces himself as representing PERS. Explains BEF.
158	Rep. Hill	Asks why the federal government does not raise the benefit limit. Asks if any other states have implemented this type of fund.
175	McDonnal	Explains need for BEF.
186	Rep. VanLeeuwen	Comments on early retirement issues and HB 2081 impacts.
210	McDonnal	States early retirement benefits will remain unaffected by HB 2081. Explains 1995 Ballot Measure 8.
235	Rep. VanLeeuwen	Asks why bill is necessary.
237	McDonnal	Explains need to maintain tax qualified status.
249	Rep. Hill	Asks if Attorney General's Office has position on issue.
261	McDonnal	Explains need for bill.
299	Rep. Schrader	Asks for clarification regarding state and federal laws and implications to retirement system.
308	Rudometkin	Discusses 1995 Ballot Measure 8.
343	Vice-Chair Gardner	Requests written advice from Attorney General.
358	Rep. Gardner	Closes public hearing on HB 2081 and opens public hearing on HB 2036.
<u>HB 2036 PUBLIC HEARING</u>		
368	Jeri Chenelle	Committee Administrator, reviews provisions of the bill.
375	Brian Harrington	Introduces himself as representing Public Employee's Retirement System (PERS). Submits and explains (EXHIBIT B) .
<u>TAPE 16, B</u>		
017	Rep. Schrader	Asks if there is another interpretation besides one given by Harrington.
020	Harrington	Discusses HB 2036.
030	Rep. VanLeeuwen	Asks for clarification of Harrington's testimony.
036	Harrington	Explains language of HB 2036.
044	Rep. Schrader	Asks if HB 2036 has fiscal impact.

050	Harrington	Explains fiscal aspects of HB 2036.
058	Rep. Gardner	Closes public hearing on HB 2036 and adjourns meeting at 2:00 PM.

Submitted By, Reviewed By,

Timaree Whitty, Jeri Chenelle,

Administrative Support Administrator

EXHIBIT SUMMARY

A - HB 2081 written testimony, Fred McDonnal, 6pp.

B - HB 2036 written testimony, Fred McDonnal, 2pp.