

WORK AFTER RETIREMENT POLICY

Pursuant to the Work After Retirement provisions of Oregon Senate Bill 1049 enacted in 2019 and HB 2296 which extended the SB 1049 end date of HB 2296 by ten more years, and based on the mutual benefit to the City of Hermiston and its employees, the following policy is adopted effective November 1, 2024:

1. An employee who has attained or will attain “normal retirement age” under PERS and intends to retire from service after the effective date of this policy, may submit a request to be rehired after the retirement date, under the terms stated in this policy. A request to be rehired after retirement must be submitted in writing to Human Resources at least 90 days prior to the date of retirement.
2. Re-employment under this policy while the employee is receiving PERS benefits will end no later than two years from the re-employment start date or no later than December 31, 2029, whichever occurs first, irrespective of any additional years available or extensions to the Work after Retirement provisions of Senate Bill 1049 or House Bill 2296. The terms and conditions of employment will be governed by the City of Hermiston Employee Handbook, except as specifically provided otherwise in this policy or in an applicable collective bargaining agreement.
3. An employee who is rehired under this policy will be placed in the same job classification that the employee held on the date of retirement, receive the wages at the same step of the classification that the employee was receiving on the date of retirement, and be eligible for the same step increases as other employees in the job classification.
4. An employee who is rehired under this policy will receive the same benefits as other employees in the same job classification (including annual COLA increase, e-days, vacation, sick, personal time off (PTO) accrual, holiday pay, medical, dental, life and long-term disability insurance, access to health and wellness programs, and 457 contributions), except as follows:
 - a. PERS contributions will be paid by the City in accordance with SB 1049, which means that the rehired employee will not receive any additional PERS contributions after retirement, and any PERS contributions made by the City will only be applied to PERS unfunded liability rather than the employee’s PERS benefits.
5. An employee who is rehired under this policy must have no gap in service (i.e. the date of re-employment is the next City business day after the date of retirement) and will retain the employee’s seniority with the City, except where an applicable collective bargaining agreement provides otherwise.
6. An employee who is rehired under this policy will not be eligible for promotion but will be eligible for work-out-of-class assignments, as needed.
7. As a condition of requesting rehiring under this policy, an employee:
 - a. Must not have a record of discipline more serious than a written reprimand within 12 months of the retirement, unless the discipline was overturned or reduced to a written reprimand in a grievance or appeal process;
 - b. Must not be the subject of a pending investigation or disciplinary process with the City or an

agency responsible for a job-required license or certification; and

- c. Must have received at least a “Meets Expectations” rating on the employee’s most recent performance evaluation.
8. If there is a conflict between this policy and any provision of an applicable collective bargaining agreement, the collective bargaining agreement shall be the controlling document.
 9. An employee who is rehired under this policy is subject to the same disciplinary processes and procedures, up to and including termination, that affect regular employees in the same job classification and in the same collective bargaining unit, if any.
 10. PERS will use one half of Employee’s accumulated sick leave benefits accrued, up to 1,500 hours, for use in Employee’s PERS final benefit calculation. City shall carry over to Employee’s new employment status the other half of Employee’s sick leave hours at retirement, employee will continue to accrue sick leave at the rate in effect prior to the retirement date.
 11. As prescribed in the City of Hermiston Employee Handbook, a percentage of accumulated sick leave will be cashed out into a VEBA account at retirement. Any remaining amount will then carry over after any sick leave is used in a PERS retirement calculation.
 12. Employee may elect to cash-in up to 120 hours of accrued vacation time on the date of retirement. Employee will continue to accrue vacation hours at the same accrual rate, with the same accrual limit, prior to retirement. City shall carry over any unused or un-cashed vacation hours not included in Employee’s PERS final benefit calculation.