

Chapter 243

1965 REPLACEMENT PART

Public Employes' Rights and Benefits

LIFE INSURANCE

- 243.010 Group life insurance for State Police force and penitentiary or correctional institution employes
- 243.020 Issuance of \$10,000 policy
- 243.040 Surrender or conversion on separation
- 243.050 Department contribution to be included in the budget
- 243.060 Premium payments; payroll deduction
- 243.070 Insurance in lieu of claims against state

LIABILITY INSURANCE

- 243.110 Liability insurance for certain public officers and employes
- 243.120 Liability insurance for sheriff, undersheriff and deputies

DEFENSE OF PUBLIC EMPLOYEES

- 243.510 Attorney General as counsel in defense of state officer or employe
- 243.520 When Attorney General required to defend
- 243.530 Certificate of agency required in action concerning motor vehicle
- 243.540 Payment of expense of defense
- 243.610 Public body providing for defense of public officer or employe
- 243.620 Payment of expense of defense

COLLECTIVE BARGAINING

- 243.710 Definitions for ORS 243.710 to 243.760

- 243.720 Purpose
- 243.730 Right of public employes to join labor organizations
- 243.740 Right of public employer to enter into collective bargaining agreement
- 243.750 Use of State Conciliation Service
- 243.760 Striking or recognizing picket line prohibited
- 243.770 Application of ORS 243.710 to 243.750 to teachers
- 243.780 Selection and certification of bargaining representative for classified employes; rules of procedure; enforcement

TAX-SHELTERED ANNUITIES FOR EDUCATIONAL EMPLOYEES

- 243.810 Definitions for ORS 243.810 to 243.830
- 243.820 Agreement for payment of annuity premium
- 243.830 Effect of agreement on retirement contributions and benefits

HIGHER EDUCATION SUPPLEMENTAL RETIREMENT BENEFITS

- 243.910 Definitions for ORS 243.910 to 243.940
- 243.920 Assisting employes to obtain supplemental benefits; employe contribution
- 243.930 Board contribution; investment; purchase of benefits
- 243.940 Employe election; cancellation of election

CROSS REFERENCES

- Admission to state hospital, effect, 426.295
- County officers and employes, insurance and other benefits, 203.122
- Discrimination against optometrists prohibited, 683.035
- Insurance for:
 - Irrigation or drainage district employes, 548.050
 - School employes, 342.598
- Klamath River Basin Compact Commission, insurance and legal counsel for officers and employes of, 542.620
- Membership in mutual life and disability insurance companies, 739.160 to 739.170
- Negotiations between district school board and teachers, 342.460
- Peace Corps volunteers, leaves of absence for, 236.040
- Polygraph or lie detector test as condition of employment prohibited, 659.225
- Public Employes' Retirement System, medical and hospital insurance for retired members of, 237.320
- Teachers' Retirement System, medical and hospital benefits for retired members of, 239.242
- Transfer of public employes, 236.610 to 236.640
- Unemployment insurance, 657.020, 657.065, 657.097, 657.505

243.060

- Deduction of insurance premiums from salary and wages, 292.051

243.110

- Immunity of the state against suit, Const. Art. IV, § 24

- Insurance for:
 - County officers and employes, 203.122
 - Employes of State Department of Agriculture, 586.525
 - School districts, 332.435
 - State employes operating state vehicles, 278.090
 - Supervisors, officials and employes of soil and water conservation districts, 568.550 (16)
- Life insurance for employes of people's utility districts, 261.305

243.510

- Attorney General defending members of State Police in criminal proceedings, 180.120
- Member of organized militia, defense by Attorney General and Judge Advocate, 399.220

243.610

- District attorney defending county officers or employes in action involving performance of duty, 8.690
- Special counsel to represent county elective officials before civil service commission, 241.100

243.730

- Labor disputes and collective bargaining, Ch. 662

243.750

- Labor Conciliator's services for state agencies and political subdivisions, 662.435

243.770

- Negotiations between district school board and teachers, 342.460

LIFE INSURANCE

243.010 Group life insurance for State Police force and penitentiary or correctional institution employes. The Oregon State Board of Control shall enter into a contract with an insurance company licensed to do business in Oregon to purchase group insurance on the lives of all members of the Oregon State Police and employes at the Oregon State Penitentiary and the Oregon State Correctional Institution.

[Amended by 1955 c.203 §1; 1959 c.162 §1]

243.020 Issuance of \$10,000 policy. Every member of the Oregon State Police now or hereafter employed and every person now or hereafter in the regular employ of the Oregon State Penitentiary or the Oregon State Correctional Institution shall be issued, pursuant to the contract provided for in ORS 243.010, a term group life insurance certificate in the face amount of \$10,000 on his life. The insurance certificate shall set forth the names of any beneficiaries whom the insured may designate.

[Amended by 1955 c.203 §2; 1955 c.503 §1; 1957 c.204 §1; 1959 c.162 §2]

243.030 [Amended by 1955 c.203 §3; repealed by 1955 c.503 §2]

243.040 Surrender or conversion on separation. Every police officer or person in the regular employ of the Oregon State Penitentiary or the Oregon State Correctional Institution, upon termination of active duty or permanent release, may surrender the certificate to the head of the department or, at his option, may convert the insurance in accordance with the provisions of the contract, and no further premiums shall be paid on the policy by the state.

[Amended by 1955 c.203 §4; 1959 c.162 §3]

243.050 Department contribution to be included in the budget. The Superintendent of the Oregon State Police, the Warden of the Oregon State Penitentiary and the Superintendent of the Oregon State Correctional Institution shall include in the biennial budget of their respective departments amounts sufficient to pay the annual premiums accruing on policies of insurance, covering police officers and persons in the regular employ of the Oregon State Penitentiary and the Oregon State Correctional Institution, purchased under ORS 243.010 to 243.070.

[Amended by 1955 c.203 §5; 1959 c.162 §4]

243.060 Premium payments; payroll deduction. (1) The premiums on the insurance

provided for in ORS 243.010 to 243.070 are to be paid one-half by the employe and one-half by the state department affected, with a maximum on the department's contribution of \$3 per month for each person in the regular employ of the Oregon State Penitentiary or the Oregon State Correctional Institution or police officer covered. All additional charges for premiums above the \$3 per month to be paid by the department are to be paid by the employe.

(2) The Superintendent of the Oregon State Police, the Warden of the Oregon State Penitentiary and the Superintendent of the Oregon State Correctional Institution may make a monthly deduction on the payroll of the amount due from each employe under subsection (1) of this section and remit the same, with the department's contribution, to the insurance company holding the contract for the insurance.

[Amended by 1955 c.203 §6; 1957 c.204 §2; 1959 c.162 §5]

243.070 Insurance in lieu of claims against state. The term group life insurance provided for in ORS 243.010 to 243.070 is to be in lieu of any and all claims against the State of Oregon other than claims coming under the jurisdiction of the State Compensation Department.

243.080 to 243.100 [Reserved for expansion]

LIABILITY INSURANCE

243.110 Liability insurance for certain public officers and employes. (1) Any county, school district, municipal corporation and any state agency, including any state officer, board, commission, department, institution or branch of the state government, may purchase liability insurance, in such amounts and containing such terms and conditions as it may deem necessary, for the protection of its board or commission members, officers and employes against claims against them incurred by such board or commission members, officers and employes in the performance of their official duties. The premiums for such insurance shall be paid out of appropriations or funds available for expenditure by the state agency, district or county purchasing the insurance.

(2) No state agency, county, school district or municipal corporation shall purchase or renew liability insurance under this section unless the policy or contract of insurance provides that the insurer will not, in any proceeding brought on the policy or contract,

assert as a defense the immunity of this state, or such county, school district or municipal corporation, against suit.

(3) Nothing in this section shall be construed as a waiver by the State of Oregon of any immunity against suit.

[1955 c.313 §1; 1959 c.540 §1; 1963 c.313 §1]

243.120 Liability insurance for sheriff, undersheriff and deputies. (1) Multnomah County shall, and any other county may, purchase liability insurance in such amounts and containing such terms and conditions as are necessary for the protection of the sheriff, any undersheriff or deputy undersheriff and all deputy sheriffs against claims against them incurred in or arising out of the performance of their official duties. The premiums for such insurance shall be paid by the county.

(2) Nothing in this section shall be construed as a waiver by the State of Oregon of any immunity against suit.

[1963 c.331 §8]

243.130 to 243.500 [Reserved for expansion]

DEFENSE OF PUBLIC EMPLOYES

243.510 Attorney General as counsel in defense of state officer or employe. Subject to the provisions of ORS 243.520 and 243.530, the Attorney General shall act as counsel for the defendant in any civil action, suit or proceeding brought against any state officer or employe in his official or individual capacity on account of:

(1) Any action taken, work done or omission in his official capacity or in the course of his employment.

(2) Any injuries to persons or property resulting from the dangerous or defective condition of any public property.

(3) The dangerous or defective condition of any public property alleged to be the result of the negligence or carelessness of the officer or employe.

(4) The negligence or carelessness of the officer or employe occurring in the course of his official duties or employment.

[1955 c.368 §1]

243.520 When Attorney General required to defend. (1) If any civil action, suit or proceeding listed in ORS 243.510 is brought against any state officer or employe, the officer or employe may file a written request for counsel with the Attorney General.

(2) If the Attorney General upon investigation, after receipt of the request, finds

that the officer or employe was acting in the course of his official capacity, duties or employment in good faith and without malice, the Attorney General shall appear and defend the officer or employe; provided, however, the Attorney General shall not appear or act as counsel for any officer or employe in any action or cause of action with respect to which provision has been made for legal counsel and representation for such officer or employe under the terms of any policy of insurance.

[1955 c.368 §2]

243.530 Certificate of agency required in action concerning motor vehicle. If the request filed under ORS 243.520 relates to a civil action, suit or proceeding concerning a motor vehicle, the request shall be accompanied by a certificate from the agency by which the officer or employe is employed certifying that use of the motor vehicle for state purposes was duly authorized at the time and place the event complained of occurred.

[1955 c.368 §3]

243.540 Payment of expense of defense.

(1) All expenses, including court costs, disbursements and compensation of attorneys, in accordance with minimum fees established by the Oregon State Bar but not including the amount of any judgment, involved in the defense under ORS 243.510 to 243.540, of any civil action, suit or proceeding against a state officer or employe, shall be paid by the agency by which the state officer or employe was employed at the time the event complained of occurred.

(2) If after final adjudication it is found that the officer or employe acted in bad faith or with malice and was not acting in the course of his official duties or employment, the officer or employe shall reimburse the agency for any amount paid out by it under the provisions of subsection (1) of this section, and such amount shall constitute a debt due the State of Oregon, and may be collected together with interests, costs and disbursements by appropriate judicial proceedings.

[1955 c.368 §4]

243.550 to 243.600 [Reserved for expansion]

243.610 Public body providing for defense of public officer or employe. Any county, city, town, district, board or other public body may, at its own expense, provide a defense for the defendant in any civil action,

suit or proceeding brought against any officer or employe thereof in his official or individual capacity on account of:

(1) Any action taken, work done or omission in his official capacity or in the course of his employment.

(2) Any injuries to persons or property resulting from the dangerous or defective condition of any public property.

(3) The dangerous or defective condition of any public property alleged to be the result of the negligence or carelessness of the officer or employe.

(4) The negligence or carelessness of the officer or employe occurring in the course of his official duties or employment.
[1955 c.382 §1]

243.620 Payment of expense of defense.

(1) In providing said defense, the county, city, town, district, board or other public body may, but is not obliged to, pay all expenses involved therein, or any part thereof, including court costs, disbursements, compensation of attorneys and the amount of any judgment. This subsection shall not be construed to deprive the county, city, town, district, board or other public body of its governmental immunity.

(2) If, after final adjudication, it is found, after appropriate judicial proceeding, that the officer or employe acted in bad faith or with malice or was not acting in the course of his official duties or employment, the officer or employe shall reimburse the county, city, town, district, board or other public body for any amount paid out by it under the provisions of ORS 243.610 and 243.620, and such amount shall constitute a debt due such county, city, town, district, board or other public body, and may be collected, together with interest, costs and disbursements.

[1955 c.382 §2; 1961 c.507 §1]

243.630 to 243.700 [Reserved for expansion]

COLLECTIVE BARGAINING

243.710 Definitions for ORS 243.710 to 243.760. As used in ORS 243.710 to 243.760, unless the context requires otherwise:

(1) "Employment relations" includes, but is not limited to, matters concerning wages, salaries, hours, vacations, sick leave, holiday pay and grievance procedures.

(2) "Labor organization" means any or-

ganization which includes public employes and which has as one of its primary purposes representing such employes in their employment relations with the public employer.

(3) "Public employe" means an employe of a public employer.

(4) "Public employer" means the state, county or city or any political subdivision or agency thereof.
[1963 c.579 §2]

243.720 Purpose. It is the purpose of ORS 243.710 to 243.760 to promote the improvement of the relationship between public employers and their employes by providing a uniform basis for recognizing the right of public employes to join labor organizations of their own choosing and to be represented by such organizations in matters concerning their employment relations with public employers.

[1963 c.579 §1]

243.730 Right of public employes to join labor organizations. (1) Public employes have the right to form, join and participate in the activities of labor organizations of their own choosing for the purpose of representation and collective bargaining with their public employer on matters concerning employment relations.

(2) Public employers shall not interfere with, intimidate, restrain, coerce or discriminate against public employes because of their exercise of rights under subsection (1) of this section.

[1963 c.579 §3]

243.740 Right of public employer to enter into collective bargaining agreement. Public employers shall have the right to enter into collective bargaining agreements with labor organizations on matters concerning employment relations.

[1963 c.579 §4]

243.750 Use of State Conciliation Service. In the event that the public employer and the labor organization cannot agree on terms for collective bargaining, the State Conciliation Service established under ORS 662.415 may be called upon to aid in arriving at an agreement and the public employer and the labor organization may meet for mediation purposes with the person designated by the Labor Conciliator.

[1963 c.579 §5]

243.760 Striking or recognizing picket line prohibited. No public employe shall strike or recognize a picket line of a labor organization while in the performance of his official duties.

[1963 c.579 §6]

243.770 Application of ORS 243.710 to 243.750 to teachers. ORS 243.710 to 243.750 shall not apply to certificated public school personnel.

[1965 c.390 §5]

243.780 Selection and certification of bargaining representative for classified employes; rules of procedure; enforcement. (1) Any board or commission which, pursuant to state law, administers a civil service system for public employes, shall establish, by rule, procedures for the selection and certification of the collective bargaining representative of the classified employes under such system.

(2) The rules shall include, but not be limited to, provisions for the designation of the bargaining unit, to an election process for employe selection of the bargaining representative and to the specification of practices which will be prohibited as improper influences on that election process.

(3) Any board or commission which issues rules pursuant to this section may apply to and obtain from a circuit court of this state, court process in enforcement of such rules and against any practice found to be in violation of such rules.

[1965 c.543 §§2, 3, 4]

TAX-SHELTERED ANNUITIES FOR EDUCATIONAL EMPLOYES

243.810 Definitions for ORS 243.810 to 243.830. As used in ORS 243.810 to 243.830, unless the context requires otherwise:

(1) "Educational institution" means an educational institution that normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on.

(2) "Employer" means the State Board of Higher Education, any other state agency or a school district, employing an individual who performs services for an educational institution.

[1965 c.606 §1]

243.820 Agreement for payment of annuity premium. (1) In order to obtain the advantages of section 403(b) of title 26, United States Code, or any equivalent provision of federal law, an employer subject to ORS 243.810 to 243.830 may agree with an individual employed by it, who performs services for an educational institution, that:

(a) The employe's salary will be reduced monthly by a stated amount, or the employe will forego monthly a salary increase of a stated amount; and

(b) The employer will contribute monthly an amount equal to the stated amount determined under paragraph (a) of this subsection for such month, as premiums for an annuity contract for such employe. The amount contributed by the employer shall not exceed the stated amount.

(2) Notwithstanding any other provision of law, pursuant to an agreement under subsection (1) of this section, the stated amounts shall be forwarded by the employer as annuity premiums to the company or association with which it has entered into an annuity contract for the benefit of such employe.

[1965 c.606 §2]

243.830 Effect of agreement on retirement contributions and benefits. An agreement executed pursuant to ORS 243.820 by an employe who is subject to ORS 237.001 to 237.315, 239.002 to 239.263 or a similar retirement program for public employes, in no way affects the contributions to be made or the benefits to be provided for such employe under ORS 237.001 to 237.315, 239.002 to 239.263 or other program. Reduction of salary or foregoing a salary increase by a stated amount under ORS 243.820 shall not be deemed a reduction in salary for the purpose of such contributions and benefits.

[1965 c.606 §3]

243.840 to 243.900 [Reserved for expansion]

HIGHER EDUCATION SUPPLEMENTAL RETIREMENT BENEFITS

243.910 Definitions for ORS 243.910 to 243.940. As used in ORS 243.910 to 243.940:

(1) "Board" means the State Board of Higher Education.

(2) "Employes" means the persons appointed or employed by or under the authority of the board who hold academic rank as determined by the board.

(3) "System" means the Public Employees' Retirement System established by ORS 237.005.

[1965 c.297 §1]

243.920 Assisting employes to obtain supplemental benefits; employe contribution.

(1) The board may, in its discretion, assist its employes who are members of the system and who elect to be so assisted by filing an election as provided in ORS 243.940, in the purchase of retirement benefits supplementing the benefits to which those employes are entitled under the system. For this purpose the board and its employes may enter into contracts with one or more life insurance or annuity companies.

(2) The board shall require each of its employes who elects to be assisted under subsection (1) of this section to contribute toward the purchase of the supplementary retirement benefits a percentage of the annual salary of the employe in excess of \$4,800 equal to the percentage rate applicable to contributions made by the employe under the system. Those employe contributions shall be made through payroll deductions. The amounts deducted from payrolls as employe contributions shall be paid promptly by the board to the life insurance or annuity company in accordance with the terms of the applicable contract.

[1965 c.297 §2 (1), (2)]

243.930 Board contributions; investment; purchase of benefits. (1) If an employe assisted under subsection (1) of ORS 243.920 has made contributions to the Public Employees' Retirement Fund during each of five calendar years as provided in ORS 237.001 to 237.315, the board shall contribute an amount toward the purchase of the supplemental retirement benefits equal to the contributions toward the purchase made by the employe on his annual salary in excess of \$4,800. The amounts of those contributions by the board shall be paid promptly by the board to the life insurance or annuity company in accordance with the terms of the applicable contract.

(2) If an employe assisted under subsection (1) of ORS 243.920 has not made contributions to the Public Employees' Retirement Fund during each of five calendar years as provided in ORS 237.001 to 237.315, the board shall contribute an amount toward

the purchase of the supplemental retirement benefits equal to that which it would contribute for current service under the system with respect to the annual salary in excess of \$4,800 of the employe if the employe contributed under the system on that part of his salary.

(3) The amounts of contributions by the board under subsection (2) of this section, at intervals designated by the Public Employees' Retirement Board, shall be paid into the Public Employees' Retirement Fund. The Public Employees' Retirement Board shall keep a separate account for those amounts and prorated earnings thereof, and for investment purposes the moneys in the separate account shall be commingled with those of the Public Employees' Retirement Fund and shall be invested in the same manner as moneys of the Public Employees' Retirement Fund are invested.

(4) When an employe, with respect to whose annual salary in excess of \$4,800 the board has contributed under subsection (2) of this section, has made contributions to the Public Employees' Retirement Fund during each of five calendar years as provided in ORS 237.001 to 237.315, an amount equal to the contributions made by the employe under subsection (2) of ORS 243.920 shall be paid promptly to the life insurance or annuity company out of the separate account referred to in subsection (3) of this section, which hereby is appropriated for that purpose, for the purchase of additional supplemental retirement benefits for the employe. If the moneys in the separate account are not sufficient for that purpose, the amount of the deficiency shall be paid promptly by the board to the life insurance or annuity company for that purchase.

(5) If an employe is separated from the service of the board before he has made contributions to the Public Employees' Retirement Fund during each of five calendar years as provided in ORS 237.001 to 237.315, the amounts of contributions by the board paid into the Public Employees' Retirement Fund under subsection (3) of this section and prorated earnings thereof shall remain in the separate account referred to in subsection (3) of this section for the purpose described in subsection (4) of this section, and the employe is not entitled to any part thereof or any benefit derived therefrom.

[1965 c.297 §2 (3), (4)]

243.940 Employee election; cancellation of election. (1) Employees may elect to be assisted by the board under subsection (1) of ORS 243.920, or may cancel that election, only as provided in this section.

(2) An employee who is a member of the system before the board commences to assist its employees under subsection (1) of ORS 243.920 may elect to be so assisted by the board not later than one month before that commencement.

(3) An employee who becomes a member of the system after the board commences to assist its employees under subsection (1) of ORS 243.920 may elect to be so assisted by the board not later than one month before he becomes a member of the system.

(4) An employee who is a member of the system and who has not filed an election under subsection (2) or (3) of this section,

or who has filed that election but thereafter canceled it, thereafter may elect to be assisted by the board under subsection (1) of ORS 243.920 only within the first 60 days of any calendar year commencing after the board commences to assist its employees under subsection (1) of ORS 243.920.

(5) An employee who has filed an election under subsection (2), (3) or (4) of this section may cancel that election only within the first 60 days of any calendar year commencing after the board commences to assist its employees under subsection (1) of ORS 243.920.

(6) An election or cancellation thereof under this section shall be filed in writing with the board. The board shall inform the Public Employees' Retirement Board in writing of all elections or cancellations so filed. [1965 c.297 §3]

CERTIFICATE OF LEGISLATIVE COUNSEL

Pursuant to ORS 173.170, I, Sam R. Haley, Legislative Counsel, do hereby certify that I have compared each section printed in this chapter with the original section in the enrolled bill, and that the sections in this chapter are correct copies of the enrolled sections, with the exception of the changes in form permitted by ORS 173.160 and other changes specifically authorized by law.
Done at Salem, Oregon,
on November 15, 1965.

Sam R. Haley
Legislative Counsel

CHAPTERS 244 AND 245

[Reserved for Expansion]

