

HOUSE BILL REPORT

HB 2776

As Reported By House Committee On:
Appropriations

Title: An act relating to exempting persons enrolled in state-approved apprenticeship programs from membership in the retirement system.

Brief Description: Exempting certain apprentices from the retirement system.

Sponsors: Representatives Sommers and Horn.

Brief History:

Reported by House Committee on:
Appropriations, February 3, 1994, DPA.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended. Signed by 25 members: Representatives Sommers, Chair; Valle, Vice Chair; Silver, Ranking Minority Member; Carlson, Assistant Ranking Minority Member; Appelwick; Ballasiotes; Basich; Cooke; Dellwo; Dorn; Dunshee; G. Fisher; Foreman; Jacobsen; Lemmon; Linville; H. Myers; Peery; Rust; Sehlin; Sheahan; Stevens; Talcott; Wang and Wolfe.

Staff: Jennifer Priddy (786-7118).

Background: All regularly-paid employees or officials of state, school district and local governments are members of a retirement system. RCW 41.40.023 lists specific exemptions of employees who may not become members of the Public Employees Retirement System (PERS). Currently, employees enrolled in the Washington State Apprenticeship and Training Council program are eligible to enroll in PERS, and they make retirement contributions. Most of these employees are also members of a union retirement plan and are making contributions. Most of these employees will work in the private sector with union membership after their apprenticeship is complete.

Summary of Amended Bill: This bill excludes employees enrolled in a state-approved apprenticeship program and employed by local governments from membership in PERS if the employee is a member of, and making contributions to, a

union-sponsored retirement plan. These employees will then be exempt from making PERS contributions.

Amended Bill Compared to Original Bill: Employees in an apprenticeship position will be excluded from PERS if they are also a member of a union-sponsored retirement plan.

Fiscal Note: Available.

Effective Date of Amended Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: Employees in an apprenticeship program are required to enroll in PERS even if they are also contributing to a union-sponsored retirement plan.

Testimony Against: None.

Witnesses: Bill Anderson (pro with amendment); and Ron Main (pro).