

SENATE BILL REPORT

HB 2333

As Reported By Senate Committee On:
Ways & Means, February 21, 1996

Title: An act relating to judicial retirement.

Brief Description: Revising provisions relating to judicial retirement.

Sponsors: Representatives Delvin, Appelwick and Costa; by request of Administrator for the Courts.

Brief History:

Committee Activity: Ways & Means: 2/20/96, 2/21/96 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Rinehart, Chair; Loveland, Vice Chair; Bauer, Cantu, Fraser, Hochstatter, Johnson, Kohl, Moyer, Roach, Sheldon, Snyder, Spanel, Strannigan and Winsley.

Staff: Denise Graham (786-7715)

Background: The Judicial Retirement Account Plan (JRA) was established in 1988 for appointed and elected judges who are members of the Public Employees' Retirement System (PERS) Plan II through their service as judges. JRA is a defined contribution plan which provides a supplemental retirement benefit to its members. Contributions to JRA are split evenly between the employee and the employer.

Unlike the other public retirement systems, which are administered by the Department of Retirement Systems (DRS), JRA is administered by the office of the Administrator for the Courts.

When a member of JRA dies the balance of accumulated employee contributions is refunded to a designated beneficiary who must have an insurable interest in the member's life. An "insurable interest" requires a close blood or legal relationship or a lawful and substantial economic interest.

In 1995, legislation was passed that eliminated the "insurable interest" criteria for the retirement systems administered by DRS. Because JRA is administered by the office of the Administrator for the Courts rather than by DRS, this change did not apply to JRA.

Summary of Bill: A member of the Judicial Retirement Account Plan may designate a person or persons, a trust, an organization, or the member's estate to receive a refund of the member's contributions upon the death of the member. Beneficiaries designated to receive contribution refunds need not have an "insurable interest" in the member's life.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: None.

Testimony Against: None.

Testified: No one.