

# SENATE BILL REPORT

## SB 6156

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As Passed Senate, February 10, 1996

**Title:** An act relating to public employees' retirement system plan I members who separate from service without withdrawing their contributions from the retirement system.

**Brief Description:** Separating from PERS I without withdrawing contributions.

**Sponsors:** Senators Bauer, Long, Fraser, Winsley and Roach; by request of Joint Committee on Pension Policy.

**Brief History:**

**Committee Activity:** Ways & Means: 1/11/96, 1/23/96 [DP].  
Passed Senate, 2/10/96, 37-10.

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass.

Signed by Senators Rinehart, Chair; Loveland, Vice Chair; Bauer, Drew, Fraser, Hochstatter, Long, Moyer, Roach, Sheldon, Snyder, Spanel, Sutherland, West, Winsley and Wojahn.

**Staff:** Denise Graham (786-7715)

**Background:** A vested member of the Public Employees' Retirement System Plan I (PERS I) who separates from service before normal retirement age and who does not withdraw employee contributions cannot get a normal retirement benefit before age 65.

A vested member of the Teachers' Retirement System Plan I (TRS I) who separates before normal retirement age without withdrawing employee contributions can get a normal retirement benefit before age 65. For example, a members of TRS I with 25 years of service who leaves employment prior to age 55 without withdrawing employee contributions can receive a normal retirement benefit upon reaching age 55.

An active member of TRS I or PERS I may receive a normal retirement benefit with 30 years of service, or with 25 years of service at age 55 or with five years of service at age 60.

**Summary of Bill:** An inactive member of PERS I who separates from service before normal retirement age and who does not withdraw employee contributions may retire with 25 years of service at age 55 or with five years of service age 60.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** This is a good bill for the members of the Federation of State Employees.

**Testimony Against:** None.

**Testified:** Bev Hermanson, Washington Federation of State Employees.