

FINAL BILL REPORT

SSB 5359

C 278 L 91

SYNOPSIS AS ENACTED

Brief Description: Allowing the transfer of certain retirement credits from out-of-state teacher retirement plans.

SPONSORS: Senate Committee on Ways & Means (originally sponsored by Senators Craswell, Conner, Rinehart, Gaspard, Murray, Bailey and Bauer).

SENATE COMMITTEE ON WAYS & MEANS

HOUSE COMMITTEE ON APPROPRIATIONS

BACKGROUND:

Neither Plan I nor Plan II of the Teachers' Retirement System (TRS) allows service credit for credit earned as a teacher in out-of-state retirement systems prior to becoming a teacher in this state.

TRS Plan I members may retire at any age once they have 30 years of service credit, at age 55 if they have 25 years of service credit, or at age 60 if they have five years of service credit. Upon retiring, Plan I members may withdraw all retirement contributions they have made.

TRS Plan II members may retire at age 55 if they have 20 years of service, or at age 65 if they have five years of service. Plan II members who retire before age 65, however, have their benefit actuarially reduced.

SUMMARY:

Service in an out-of-state teachers' public school retirement system may be used in determining the age at which a member of the Teachers' Retirement System may retire. The benefit a member receives will be actuarially reduced to take into account the difference between the age the member would have been able to retire and the actual retirement age.

Any teacher may purchase additional benefits by making a contribution to an annuity fund. The contribution shall be actuarially converted into a monthly benefit at the time of retirement. The member must pay all administrative and clerical costs.

VOTES ON FINAL PASSAGE:

Senate	49	0
House	92	5

EFFECTIVE: May 20, 1991