

SENATE BILL REPORT

SB 6242

AS OF JANUARY 29, 1992

Brief Description: Prohibiting the department of retirement systems from recovering certain pension overpayments.

SPONSORS: Senators Nelson, Rasmussen, Johnson and von Reichbauer

SENATE COMMITTEE ON WAYS & MEANS

Staff: Denise Graham (786-7715)

Hearing Dates:

BACKGROUND:

Current law requires the Department of Retirement Systems (DRS) to correct overpayments of retirement benefits by either reducing future payments or accepting a lump sum payment from the member.

DRS recently discovered an error in the calculation of Teachers' Retirement System and Public Employees' Retirement System Plan I cost-of-living adjustments. The error has resulted in overpayments to 7,700 retirees totaling \$175,000 during the period from July 1, 1990 to January 1992.

SUMMARY:

DRS is directed not to recover any overpayments of retirement benefits made between July 1, 1990, and February 1, 1992.

Appropriation: none

Revenue: none

Fiscal Note: requested January 29, 1992