

HOUSE BILL REPORT

SHB 1595

As Passed House
March 9, 1993

Title: An act relating to retirement benefits for elected officials.

Brief Description: Concerning elected officials as members of the public employee retirement system.

Sponsors: By House Committee on Appropriations (originally sponsored by Representatives Bray, Ballard, Peery, Ludwig, Locke, Finkbeiner and J. Kohl.)

Brief History:

Reported by House Committee on:
Appropriations, March 1, 1993, DPS;
Passed House, March 9, 1993, 98-0.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 27 members: Representatives Locke, Chair; Valle, Vice Chair; Silver, Ranking Minority Member; Carlson, Assistant Ranking Minority Member; Appelwick; Ballasiotes; Basich; Cooke; Dellwo; Dorn; Dunshee; G. Fisher; Jacobsen; Lemmon; Leonard; Linville; Morton; Peery; Rust; Sehlin; Sheahan; Sommers; Stevens; Talcott; Wang; Wineberry; and Wolfe.

Staff: Barbara McLain (786-7153).

Background: Elected officials have the option of applying for membership in the Public Employees' Retirement System (PERS) during their term of office. Some elected officials in PERS can retire and begin to receive a pension while remaining as an elected official. The member signs a statement agreeing to forgo any claim for service credit in PERS for future periods of time as an elected official.

However, the ability for PERS members to retire but continue serving in an elective office applies only to elected officials of towns or cities, and only to those whose compensation as an elected official is less than \$10,000 a year.

Summary of Bill: The ability for members of the Public Employees' Retirement System (PERS) who are in an elective office to retire but continue serving in the elective office is extended to any elected official, not just those from towns or cities. This ability is limited to those whose compensation as elected officials at the time of their retirement is less than \$15,000 annually -- rather than \$10,000 -- an amount that will be adjusted annually for inflation by the director of the Department of Retirement Systems.

Fiscal Note: Available.

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

Testimony For: The ability to retire should not be limited simply to PERS members who are elected to town or city office. This would allow someone to retire and continue to serve as an effective public official. This bill was introduced a few years ago by the Joint Committee on Pension Policy.

Testimony Against: None.

Witnesses: Representative Lane Bray (for); Dave Arbaugh, Washington Public Utility District Association (for); and Bob Graves, Benton County Public Utility District Commissioner (for).