

# HOUSE BILL REPORT

## HB 1595

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As Reported By House Committee On:  
Appropriations

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

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

**Sponsors:** Representatives Bray, Ballard, Peery, Ludwig, Locke, Finkbeiner and J. Kohl.

**Brief History:**

Reported by House Committee on:  
Appropriations, March 1, 1993, DPS.

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### 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 Substitute 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.

**Substitute Bill Compared to Original Bill:** The maximum annual compensation for an elected official wishing to retire while staying in office is \$15,000 annually, adjusted for inflation, rather than the salary received by the speaker of the House.

**Fiscal Note:** Available.

**Effective Date of Substitute Bill:** 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).