

FINAL BILL REPORT

SHB 1973

Synopsis as Enacted

C 86 L 93

Brief Description: Allowing people to take early retirement who filed late applications.

By House Committee on Appropriations (originally sponsored by Representatives Quall, Linville, Locke, Sheldon, L. Johnson, Cothorn, Basich, Kessler, Holm and J. Kohl).

House Committee on Appropriations
Senate Committee on Ways & Means

Background: In 1992, the Legislature created a temporary opportunity for members of Plan I of the Teachers' and Public Employees' Retirement Systems (TRS and PERS I) to retire five years earlier than the law would ordinarily allow.

Members could retire by notifying their employer and submitting an application to the Department of Retirement Systems no later than June 15, 1992. The members had to retire by August 31, 1992.

The early retirement law also contained provisions limiting the reemployment of early retirees, either through personal service contracts or on a temporary or project status. School districts were given the option of phasing over a three-year period the payment of accumulated sick leave to early retirees.

Some members misunderstood or received miscommunication about the deadlines for early retirement. They submitted applications before the August 31 deadline, but after the June 15 deadline, and were denied eligibility for early retirement on that basis.

Summary: Members of Plan I of the Teachers' or Public Employees' Retirement System who meet the following criteria may retire by submitting a written application to the Department of Retirement Systems by July 1, 1993:

- (1) The member was otherwise eligible (based on age and years of service) to retire under the 1992 early retirement law;

- (2) The member submitted an application to retire before August 31, 1992; and
- (3) The member was denied early retirement eligibility because the department received the application after the June 15, 1992, deadline established in the 1992 early retirement law.

Retirement for these members can take effect retroactively to September 1, 1992, for anyone who left employment before that date and did not subsequently work in an eligible position. For anyone leaving employment after September 1, 1992, the retirement takes effect on the first day of the month following their separation from service, but no later than September 1, 1993.

Provisions of the 1992 early retirement law limiting reemployment of early retirees on personal service contracts or on a temporary or project status are amended to include any retirements under this act. The school district option to pay accumulated sick leave for early retirees over a three-year period also applies to retirements under this act.

Votes on Final Passage:

House	98	0
Senate	47	0

Effective: April 21, 1993