

SENATE BILL REPORT

SB 5590

AS REPORTED BY COMMITTEE ON LABOR & COMMERCE, FEBRUARY 26, 1993

Brief Description: Providing service credit for periods of paid leave.

SPONSORS: Senators Moore, Newhouse, Talmadge, Spanel, West, Roach, Prentice, Prince, Vognild and Bauer

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: That Substitute Senate Bill No. 5590 be substituted therefor, and the substitute bill do pass.

Signed by Senators Moore, Chairman; Amondson, Cantu, Fraser, McAuliffe, Newhouse, Pelz, Prince, and Sutherland.

Staff: Jonathan Seib (786-7427)

Hearing Dates: February 19, 1993; February 26, 1993

BACKGROUND:

Public employee collective bargaining agreements typically contain provisions authorizing certain employees to take leave to engage in bargaining and other labor relations activities. While on leave, some may continue to receive their salary from their public employer. The employer, however, is reimbursed in full by the union.

Those taking such leave have also continued to receive service credit for the particular public retirement system of which they are a member. There is some question, however, as to whether this is authorized.

SUMMARY:

Public employees who take leave to serve as an elected official of a labor organization are considered to be on a paid leave and eligible to continue to receive retirement system service credit if: (1) the leave is authorized by a collective bargaining agreement; (2) that bargaining agreement provides that the member retains seniority rights with the employer during the leave; and (3) the employer is reimbursed by the labor organization for the compensation paid to the member during the leave.

These provisions are incorporated into plans I and II of the Public Employees' Retirement System (PERS), the Law Enforcement Officer and Fire Fighters' Retirement System (LEOFF), and the Teachers' Retirement System (TRS).

For PERS I and II, the compensation earnable reported for a member under the act may not be greater than the salary paid

to the highest paid job class covered by the collective bargaining agreement.

For LEOFF I and II, the basic salary reported for a member under the act may not be greater than the salary paid to the highest paid job class covered by the collective bargaining agreement.

For TRS I and II, the earnable compensation allowable for calculation of the member's average final compensation under the act may not be greater than the salary the member would have been paid for the position occupied immediately prior to taking leave, as established in the district's collective bargaining agreement for nonsupervisory certificated employees.

The PERS and LEOFF provisions of the act apply retroactively. The TRS provisions of the act apply prospectively only.

EFFECT OF PROPOSED SUBSTITUTE:

Technical changes are made.

For TRS I and II, the earnable compensation reported for a member under the act may not be greater than the salary paid to the highest paid job class covered by the collective bargaining agreement.

The provisions of the bill are made retroactive to all retirement systems.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

The bill clarifies a gray area in the law to allow rank and file employees to participate in labor relations activities. The uniformity it provides is a good idea, and might save the state administrative costs.

TESTIMONY AGAINST: None

TESTIFIED: David Westberg, Operating Engineers (pro); Karen Davis, Washington Education Association (pro)