
HOUSE BILL 2126

State of Washington 53rd Legislature 1993 Regular Session

By Representative Sommers; by request of Office of Financial Management

Read first time 04/07/93. Referred to Committee on Appropriations.

1 AN ACT Relating to retirement system contribution rates; amending
2 RCW 41.45.030, 41.45.040, 41.45.060, and 41.45.0601; adding a new
3 section to chapter 41.50 RCW; and declaring an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 41.45.030 and 1989 c 273 s 3 are each amended to read
6 as follows:

7 (1) ~~((The economic and revenue forecast council shall adopt the
8 economic assumptions used by the state actuary in conducting valuation
9 studies of the state retirement systems.~~

10 ~~(2))~~ Beginning September 1, 1989, and every six years thereafter,
11 the state actuary shall submit to the council information regarding the
12 experience and financial condition of each state retirement system.

13 (2) The council shall review the information submitted by the state
14 actuary and shall ~~((recommend any adjustments which may be needed to
15 the state or employer contribution rates contained in RCW 41.45.060 and
16 41.45.070 for the public employees' retirement system; the teachers'
17 retirement system; the law enforcement officers' and fire fighters'
18 retirement system; and the Washington state patrol retirement system))~~

1 adopt the economic assumptions used by the state actuary in conducting
2 valuation studies of the state retirement systems.

3 (3) The council may utilize information provided by the state
4 actuary and such other information as it may request.

5 **Sec. 2.** RCW 41.45.040 and 1989 c 273 s 4 are each amended to read
6 as follows:

7 (1) The adoption of the economic assumptions and the
8 ~~((recommendation of changes in employer and state))~~ contribution rates
9 as provided in RCW 41.45.060 shall be by affirmative vote of at least
10 five members of the council.

11 (2) The employer and state contribution rates ~~((recommended))~~
12 adopted by the council shall be the level percentages of pay which are
13 needed:

14 (a) To fully amortize the total costs of the public employees'
15 retirement system plan I, the teachers' retirement system plan I, the
16 law enforcement officers' and fire fighters' retirement system plan I,
17 and the unfunded liability of the Washington state patrol retirement
18 system not later than June 30, 2024; and

19 (b) To also continue to fully fund the public employees' retirement
20 system plan II, the teachers' retirement system plan II, and the law
21 enforcement officers' and fire fighters' retirement system plan II in
22 accordance with the provisions of RCW 41.40.650, 41.32.775, and
23 41.26.450, respectively.

24 **Sec. 3.** RCW 41.45.060 and 1992 c 239 s 2 are each amended to read
25 as follows:

26 ~~((Beginning July))~~ (1) For the period of September 1, 1993, through
27 August 31, 1995, the basic state contribution rate for the law
28 enforcement officers' and fire fighters' retirement system, and the
29 basic employer contribution rates for the public employees' retirement
30 system, the teachers' retirement system, and the Washington state
31 patrol retirement system shall be as ~~((follows:~~

32 (1) ~~7.47% for all members of the public employees' retirement~~
33 ~~system;~~

34 (2) ~~12.60% for all members of the teachers' retirement system;~~

35 (3) ~~16.44% for all members of the law enforcement officers' and~~
36 ~~fire fighters' retirement system; and~~

1 ~~(4) 15.53% for all members of the Washington state patrol~~
2 ~~retirement system))~~ determined in the 1991 valuations prepared by the
3 office of the state actuary.

4 (2) Not later than September 30, 1994, and every two years
5 thereafter:

6 (a) The council shall adopt the contributions to be used in the
7 ensuing biennial period for the systems specified in subsection (1) of
8 this section.

9 (b) The council shall immediately notify the directors of the
10 office of financial management and department of retirement systems of
11 the state and employer contribution rates adopted under (a) of this
12 subsection.

13 (c) The director of the department of retirement systems shall
14 collect those rates adopted by the council under this chapter.

15 **Sec. 4.** RCW 41.45.0601 and 1992 c 239 s 1 are each amended to read
16 as follows:

17 Beginning September 1, 1992, through ~~((June 30))~~ August 31, 1993,
18 the basic state contribution rate for the law enforcement officers' and
19 fire fighters' retirement system, and the basic employer contribution
20 rates for the public employees' retirement system, the teachers'
21 retirement system, and the Washington state patrol retirement system
22 shall be as follows:

23 (1) 7.27% for all members of the public employees' retirement
24 system;

25 (2) 12.08% for all members of the teachers' retirement system;

26 (3) 12.99% for all members of the law enforcement officers' and
27 fire fighters' retirement system; and

28 (4) 17.16% for all members of the Washington state patrol
29 retirement system.

30 NEW SECTION. **Sec. 5.** A new section is added to chapter 41.50 RCW
31 to read as follows:

32 The director shall inform all employers in writing as to the
33 employer rates adopted by the economic and revenue forecast council
34 upon the notification of the council as prescribed in RCW 41.45.060.

35 NEW SECTION. **Sec. 6.** This act is necessary for the immediate
36 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and shall take
2 effect immediately.

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