

FINAL BILL REPORT

SSB 5218

C 254 L 97
Synopsis as Enacted

Brief Description: Placing restrictions on postretirement employment.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Fraser, Winsley, Long, Bauer, Franklin, Roach and Loveland; by request of Joint Committee on Pension Policy).

Senate Committee on Ways & Means
House Committee on Appropriations

Background: An active member in the Public Employees Retirement System (PERS) Plan I and II, Teachers Retirement System (TRS) Plan I, II, and III, and Law Enforcement Officers and Fire Fighters Retirement System Plan II may retire and subsequently return to work.

Summary: Separation from service— is defined as the date the member's employer reports to the Department of Retirement Systems that the person has terminated all employment.

If a retiree enters employment with an employer sooner than one calendar month after his or her accrual date, the retiree's monthly retirement allowance is reduced by 5« percent for every seven hours worked in the month for a maximum of 140 hours per month for TRS and for every eight hours worked in a month for a maximum of 160 hours per month for PERS. The reduction is applied each month until the retiree remains absent from employment with an employer for one full calendar month.

The definition of an employee is clarified.

For the PERS system, these changes apply retroactively to any person who retired under the early retirement windows enacted in 1992 and 1993, and to all cases of overpayment identified by the Department of Retirement Systems after June 1, 1996.

Votes on Final Passage:

Senate	47	0	
House	98	0	(House amended)
Senate	47	0	(Senate concurred)

Effective: July 27, 1997