

SENATE BILL REPORT

SSB 5218

As Passed Senate, March 12, 1997

Title: An act relating to restrictions on postretirement employment.

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).

Brief History:

Committee Activity: Ways & Means: 2/5/97, 2/6/97 [DPS].
Passed Senate, 3/12/97, 47-0.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5218 be substituted therefor, and the substitute bill do pass.

Signed by Senators West, Chair; Deccio, Vice Chair; Strannigan, Vice Chair; Bauer, Brown, Fraser, Hochstatter, Kohl, Long, McDonald, Roach, Rossi, Schow, Sheldon, Spanel, Swecker, Thibaudeau, Winsley and Zarelli.

Staff: Debrah Kime (786-7454)

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 of Bill: 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 by a TRS retiree during that month and for every eight hours worked by a PERS member during that month. 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.

Appropriation: None.

Fiscal Note: Requested on January 20, 1997.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: None.

Testimony Against: None.

Testified: No one.

House Amendment(s): Numerous technical and clarifying changes are made. The emergency clause is deleted.