

SENATE BILL REPORT

SB 5277

As Reported By Senate Committee On:
Ways & Means, February 10, 1997

Title: An act relating to public employees' retirement system plan I members who separate from service without withdrawing their contributions from the retirement system.

Brief Description: Separating from public employees retirement system plan I.

Sponsors: Senators Winsley, Fraser, Prince, Long, Franklin, Loveland, Oke, Roach, Hochstatter, Swecker, Bauer and Patterson; by request of Joint Committee on Pension Policy.

Brief History:

Committee Activity: Ways & Means: 2/5/97, 2/6/97, 2/10/98 [DPS].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5277 be substituted therefor, and the substitute bill do pass.

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

Staff: Debrah Kime (786-7454)

Background: Inactive Public Employees Retirement System (PERS) Plan I members with at least five years of service have the choice of a reduced benefit between the ages of 60 and 64, or an unreduced benefit at age 65.

Active PERS I members can receive an unreduced benefit at any age after 30 years of service, at the age of 55 after 25 years of service, or at age 60 after five years of service.

Summary of Substitute Bill: PERS I members who separate from service after January 1, 1998, and after age 50 with at least 20 years of service, and leave their contributions in the system, can retire with an unreduced benefit at age 60.

Substitute Bill Compared to Original Bill: The substitute changes the separation from service date from January 1, 1997, to January 1, 1998.

Appropriation: None.

Fiscal Note: Requested on January 21, 1997.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The bill is beneficial to employers and employees. It affords flexibility to some employees.

Testimony Against: None.

Testified: Devone Smith, WFSE (pro); Lynn McKinnon, WPEA (pro).