

HOUSE BILL REPORT

HB 1021

As Reported By House Committee On:
Appropriations

Title: An act relating to membership in the public employees' retirement system for the chief administrative officer of a public utility district or a county.

Brief Description: Providing membership in the public employees' retirement system for the chief administrative officer of a public utility district or a county.

Sponsors: Representatives Ogden, Carlson, Conway, H. Sommers, D. Sommers, Alexander, Wolfe, Bush, DeBolt and Kenney; by request of Joint Committee on Pension Policy.

Brief History:

Committee Activity:

Appropriations: 2/9/99, 2/11/99 [DP].

Brief Summary of Bill

- Allows the chief administrative officers of public utility districts and counties to opt out of membership in the Public Employees' Retirement System.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 31 members: Representatives Huff, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Alexander, Republican Vice Chair; Doumit, Democratic Vice Chair; D. Schmidt, Republican Vice Chair; Barlean; Benson; Boldt; Carlson; Clements; Cody; Crouse; Gombosky; Grant; Kagi; Keiser; Kenney; Kessler; Lambert; Linville; Lisk; Mastin; McMorris; Mulliken; Parlette; Regala; Rockefeller; Ruderman; Sullivan; Tokuda and Wensman.

Staff: Denise Graham (786-7137).

Background:

Most full-time public employees employed by an employer under the Public Employees' Retirement System (PERS) are required to be members of PERS.

Exemptions from membership are provided in a limited number of cases. Optional membership is allowed for elected officials, gubernatorial appointments, and city managers.

Summary of Bill:

Membership in PERS is optional for chief administrative officers of public utility districts (PUD) and chief administrative officers of counties. Such employees have the option of applying for membership in PERS within thirty days of appointment to such positions. Employees who opt for membership after the 30 days may become members by paying the actuarial value of the service from the date of their appointment to the date of acceptance of membership.

Employees serving in such positions as of the effective date of this act have until December 31, 1999, to notify the director of the Department of Retirement Systems of their desire to withdraw from membership in PERS. A member who withdraws from membership receives a refund of the member's accumulated contributions.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: The flexibility this bill provides would make it easier to recruit nation-wide for the position of chief administrative officer of PUDs and counties. The lack of portability in retirement makes it difficult to attract candidates from other states.

Testimony Against: None.

Testified: Bill Vogler, Washington State Association of Counties; and Lew McMurrin, Washington PUD Association.