

HOUSE BILL REPORT

SHB 2608

As Passed House:
February 11, 2000

Title: An act relating to the employee attendance incentive program.

Brief Description: Establishing eligibility for the employee attendance incentive program.

Sponsors: By House Committee on Appropriations (originally sponsored by Representatives Alexander, Carlson, H. Sommers, Doumit, Delvin, Lambert, Conway, Schoesler, Pflug, Talcott, Clements, Bush and Eickmeyer; by request of Joint Committee on Pension Policy).

Brief History:

Committee Activity:

Appropriations: 1/25/00, 2/7/00 [DPS].

Floor Activity:

Passed House: 2/11/00, 96-0.

Brief Summary of Substitute Bill

- Extends eligibility for receiving remuneration for unused sick leave to school district employees who are at least age 55 when they separate from employment and who meet the following service credit requirements: members of the Public Employees' Retirement System (PERS) Plan 2, the School Employees' Retirement System (SERS) Plan 2 and Teachers' Retirement System (TRS) Plan 2 must have at least 15 years of service; members of SERS Plan 3 and TRS Plan 3 must have at least 10 years of service credit.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 32 members: Representatives Huff, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Barlean, Republican Vice Chair; Doumit, Democratic Vice Chair; D. Schmidt, Republican Vice Chair; Alexander; Benson; Boldt; Clements; Cody; Crouse; Gombosky; Grant; Kagi; Keiser; Kenney; Kessler;

Lambert; Linville; Lisk; Mastin; McIntire; McMorris; Mulliken; Parlette; Regala; Rockefeller; Ruderman; Sullivan; Sump; Tokuda and Wensman.

Staff: Denise Graham (786-7137).

Background:

School districts may establish, through the collective bargaining process, an attendance incentive program for certificated and classified employees. Although program implementation is optional, certain statutory provisions must be met if such a program is established. Eligible employees may receive one day's compensation for each four full days of sick leave accrued in the previous year in excess of 60 days. Upon separation from employment due to retirement or death, an employee may also receive one day's compensation for each four full days of accrued sick leave. In lieu of remuneration for unused sick leave, a school district may provide eligible employees a benefit plan that provides reimbursement for retirees' medical expenses on a pre-tax basis.

Certificated school district employees are members of the Teachers' Retirement System (TRS) Plans 1, 2 and 3. Classified school district employees are members of the Public Employees' Retirement System (PERS) Plans 1 and 2. Beginning September 1, 2000, school district classified employees will be members of PERS Plan 1 and the newly created School Employees' Retirement System (SERS) Plans 2 and 3. Plans 1 and 2 are defined benefit plans. Plan 3 is both a defined benefit and defined contribution plan designed to provide employees greater flexibility to determine retirement age, make career changes, and leave the workforce before retirement.

Summary of Bill:

Eligibility to receive remuneration for unused sick leave is extended to employees who separate from school district employment and who are at least age 55 and have the following years of retirement system service credit: members of PERS Plan 2, SERS Plan 2 and TRS Plan 2 must have at least 15 years of service; members of SERS Plan 3 and TRS Plan 3 must have at least 10 years of service credit.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: Under current law, there is little incentive not to use sick leave when approaching separation from employment; this bill would provide that incentive. The provisions of this bill are consistent with the policy of the Plan 3 systems, which is to allow employees more freedom to leave employment or change careers before retirement age.

Testimony Against: None.

Testified: Doug Nelson, Public School Employees; Bob Maier, Washington Education Association; Mike Foster, Yelm School Counselor; John Kvamme, Association of Washington School Principals; David Westberg, Stationary Eng.; and Lynn McKinnon, Washington Public Employees Association.