

# SENATE BILL REPORT

## SB 5432

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As Passed Senate, March 5, 1999

**Title:** An act relating to authorizing deductions from retirement allowances for charitable purposes.

**Brief Description:** Authorizing charitable deductions from retirement allowances.

**Sponsors:** Senators Fraser, Winsley, Fairley, Hale, Long, Heavey, Franklin, Rasmussen, Prentice, Costa, Jacobsen, Bauer and Kohl-Welles.

**Brief History:**

**Committee Activity:** Ways & Means: 2/15/99, 2/17/99 [DP].  
Passed Senate, 3/5/99, 45-0.

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass.

Signed by Senators Loveland, Chair; Bauer, Vice Chair; Brown, Vice Chair; Fairley, Fraser, Kline, Kohl-Welles, Long, McDonald, Rasmussen, Roach, Rossi, B. Sheldon, Snyder, Spanel, West and Wojahn.

**Staff:** Pete Cutler (786-7454)

**Background:** Under current law, state employees may arrange through the annual state Combined Fund Drive to have payments deducted from their pay for contributions to various charitable organizations. Under current law, the retirement allowances paid by the Public Employees Retirement System (PERS) may not be assigned by the retiree, except pursuant to certain specific statutory exceptions. This general restriction prevents PERS retirees from being able to authorize automatic deductions to charitable organizations.

**Summary of Bill:** A PERS retiree or beneficiary is permitted to authorize deductions for charitable purposes on the same terms as employees who participate in the state Combined Fund Drive.

**Appropriation:** None.

**Fiscal Note:** Requested on February 5, 1999.

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

**Testimony For:** State employees would like to have the opportunity to continue their participation in the Combined Fund Drive. Many charitable organizations would benefit if retirees could continue with automatic deductions.

**Testimony Against:** None.

**Testified:** PRO: Joe Beck, Retired Public Employees Council of Washington; Chris Loftus, United Way of Washington.