

SENATE BILL REPORT

SB 6740

As Reported By Senate Committee On:
Ways & Means, February 8, 2000

Title: An act relating to service credit for a member of the Washington state patrol retirement system during paid leave of absence.

Brief Description: Providing service credit for certain members of the Washington state patrol retirement system.

Sponsors: Senators Fraser, Long, Hale, Kohl-Welles and Rasmussen; by request of Washington State Patrol.

Brief History:

Committee Activity: Ways & Means: 2/2/2000, 2/8/2000 [DPS].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6740 be substituted therefor, and the substitute bill do pass.

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

Staff: Pete Cutler (786-7454)

Background: Public employee collective bargaining agreements typically contain provisions authorizing certain employees to take a leave of absence to engage in bargaining and other labor relations activities. In some cases, while on leave, an employee may continue to receive a salary from his or her public employer where the employer is reimbursed by the employee union.

In 1993 legislation was enacted to provide that any member of the Teachers' Retirement System, the Public Employees Retirement System, or the Law Enforcement Officers and Fire Fighters Retirement System who receives compensation from a system employer while on an authorized leave of absence to serve as an elected official of a labor organization, and whose employer is reimbursed by the labor organization for compensation paid to the member while on the leave of absence, may be considered to be on paid leave for purposes of continuing to obtain service credit towards their pension benefit. The compensation reported under this provision may not exceed the salary paid to the highest paid job class that is covered under the collective bargaining agreement.

The Washington State Patrol Retirement System (WSPRS) currently has no statutory provision for earning service credit during any paid leave of absence. However, the Washington State Patrol has continued to report service credit on behalf of their employees who have taken leave to serve in an elected office for their union.

Summary of Substitute Bill: A WSPRS member who takes leave to serve as an elected official of a labor organization is considered to be on a paid leave of absence and is eligible to receive retirement service credit, as long as: (1) the leave is authorized by a collective bargaining agreement; (2) the agreement provides the employee with seniority rights during the leave; and (3) the employer is reimbursed by the labor organization for compensation paid to the employee during the leave. The compensation reported for such a member to the Department of Retirement Systems (DRS) cannot be greater than the salary paid to the highest paid job class covered by the collective bargaining agreement.

These provisions apply retroactively for any members who had compensation and hours reported under the above circumstances. The provisions also apply retroactively to November 23, 1987, for any members for whom compensation and hours would have been reported except for explicit instructions from DRS.

Substitute Bill Compared to Original Bill: A technical correction of a statutory reference is made.

Appropriation: None.

Fiscal Note: Requested on January 29, 2000.

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

Testimony For: None.

Testimony Against: None.

Testified: No one.