

1 **ESSB 6167 - H AMD 365 WITHDRAWN 6/21/01**

2 By Representative Conway

3 On page 19, after line 6, insert the following:

4 "Sec. 19. RCW 41.31.020 and 1998 c 340 ú 2 are each amended to
5 read as follows:

6 (1) The gain-sharing increase amount shall be the amount of
7 increase, rounded to the nearest cent, that can be fully funded in
8 actuarial present value by the amount of extraordinary investment
9 gains, if any. Effective July 1, 2002, the actuarial calculation for
10 the computation of the increase amount shall be based on the economic
11 assumptions included in section six of this act. The amount of
12 extraordinary investment gains shall be calculated as follows:

13 (a) (~~One-half of the~~) The sum of the value of the net assets
14 held in trust for pension benefits in the teachers' retirement system
15 plan 1 fund and the public employees' retirement system plan 1 fund at
16 the close of the previous state fiscal year;

17 (b) Multiplied by the amount which the compound average of
18 investment returns on those assets over the previous four state fiscal
19 years exceeds ten percent.

20 (2) The gain-sharing increase amount for July 1998, as provided
21 for in RCW 41.31.010, is ten cents. "

22 Renumber the sections consecutively and correct any internal
23 references accordingly.

« END «

EFFECT: Changes the "gain sharing" provisions for the Teachers' Retirement System plan 1 (TRS 1) and the Public Employees Retirement System plan 1 (PERS 1) to provide that 100% of extraordinary gains will be used for increasing the TRS 1 and PERS 1 uniform COLA.