

1 **ESSB 6167 - H AMD 375 WITHDRAWN 6/21/01**

2 By Representatives H. Sommers and Sehlin

3 On page 4, strike all material on lines 32 and 33 and insert the  
4 following:

5 "~~((11))~~ (12) "Work group" means the pension funding work group  
6 created in RCW 41.45.120."

7 On page 4, line 34, strike "(12)" and insert "~~((12))~~(13)"

8 On page 4, line 37, strike "(13)" and insert "~~((13))~~(14)"

9 On page 5, strike all material on lines 33 and 34 and insert the  
10 following:

11 "~~((11))~~ (12) "Work group" means the pension funding work group  
12 created in RCW 41.45.120."

13 On page 5, line 35, strike "(12)" and insert "~~((12))~~(13)"

14 On page 5, line 38, strike "(13)" and insert "~~((13))~~(14)"

15 On page 18, beginning on line 14, strike all of section 18 and  
16 insert the following:

17 "**Sec. 18.** RCW 41.45.100 and 1998 c 283 s 2 are each amended to  
18 read as follows:

19 (1) The pension funding council is hereby created. The council  
20 consists of the:

21 (a) Director of the department of retirement systems;

22 (b) Director of the office of financial management;

23 (c) Chair and ranking minority member of the house of  
24 representatives appropriations committee; and

25 (d) Chair and ranking minority member of the senate ways and means  
26 committee.

27 The council may select officers as the members deem necessary.

28 (2) The pension funding council shall adopt changes to economic  
29 assumptions and contribution rates by an affirmative vote of at least  
30 four members. The council shall conduct an open public meeting on any

1 proposed changes to contribution rates or long-term economic  
2 assumptions.

3 (3) The council may retain independent actuarial advice, to be  
4 retained with the assistance of the department, and paid by the  
5 department from the fund established in RCW 41.50.110.

6 (4) Regular meetings of the pension funding council are subject to  
7 the provisions of chapter 42.30 RCW.

8 **Sec. 19.** RCW 41.45.120 and 1998 c 283 s 4 are each amended to  
9 read as follows:

10 (1) A pension funding work group is hereby created. The work  
11 group shall consist of one staff member selected by the executive head  
12 or chairperson of each of the following agencies or committees:

13 (a) Department of retirement systems;

14 (b) Office of financial management;

15 (c) ~~(State investment board;~~

16 ~~(d))~~ Ways and means committee of the senate; and

17 ~~((e))~~ (d) Appropriations committee of the house of  
18 representatives ~~(; and~~

19 ~~(f) Economic and revenue forecast council))~~.

20 (2) The state actuary shall make available to the work group  
21 information related to economic assumptions and contribution rates.

22 (3) The pension funding work group shall provide support to the  
23 pension funding council. Meetings of the pension funding work group  
24 may be called by any member of the group for the purpose of assisting  
25 the pension funding council, reviewing actuarial valuations of the  
26 state retirement systems, reviewing economic assumptions, or for any  
27 other purpose which may assist the pension funding council.

28 (4) Recommendations from both affected employee and employer  
29 groups will be actively sought during the work group process. ~~((The~~  
30 ~~work group shall conduct an open public meeting on these~~  
31 ~~recommendations.))~~

32 NEW SECTION. **Sec. 20.** The following section is added to chapter  
33 41.04 RCW, but, because of the temporary nature of this provision,  
34 shall not be codified:

35 The 2001 contribution rate changes for Public Employees'  
36 Retirement System and the Law Enforcement Officers' and Fire Fighters'

1 retirement System pursuant to this act shall not be subject to the  
2 requirements of RCW 41.40.650 and RCW 41.26.450."

3 Renumber the sections consecutively and correct internal  
4 references accordingly.

5 Correct the title.

**EFFECT:** The underlying bill eliminated the pension funding workgroup (workgroup), which provides staff support to the pension funding council(PFC). The amendment restores the workgroup. The amendment retains the underlying bill's authorization for the PFC to contract for outside actuarial advice, but moves the authorization to the section that creates the PFC. The amendment changes the membership of the work group to eliminate representation of the economic and revenue forecast council and the state investment board.

The amendment removes the requirement that the workgroup have a public hearing on employee recommendations. The amendment retains the requirement that the PFC conduct an open public meeting on any proposed changes to contribution rates or long-term economic assumptions, but moves this requirement to a different section of the bill. Because the bill takes effect July 1, 2001, the amendment waives the requirement that the DRS provide 30 days' notice of rate changes.