

Appropriations

HB 1044

Brief Description: *Converting the number of months into hours that teachers' retirement system, public employees' retirement system, and school employees' retirement system retirees may work without a reduction in their retirement allowance.*

Sponsors: *Representatives Conway, Lambert, H. Sommers, Talcott, Doumit, Pearson, Alexander, Kagi, McIntire, Hurst, Hatfield, Haigh, Kenney, Edmonds, Keiser and Simpson.*

Brief Summary of Bill

For PERS, SERS, and TRS 2/3 retirees, converts from five months to 867 hours the amount of time the retiree may work without a reduction in retirement allowance.

Hearing Date: *1/23/01.*

Staff: *Andrea Hardy (786-7349).*

Background:

Persons who retire from the Public Employees Retirement System (PERS Plans 1 and 2), the School Employees Retirement System (SERS Plans 2 and 3), and plan 2 or plan 3 of the Teachers' Retirement System (TRS Plans 2 and 3) are limited in how much they can work after retirement without having a reduction in their retirement allowance.

A retiree who has taken a break from employment for at least one calendar month may return to work in a position covered by the same retirement system for up to five months in a calendar year. The Department of Retirement Systems has interpreted the limitation in a manner that counts any calendar month in which a retiree works for even one hour as one

full month against the five-month limit. There are approximately 867 working hours in five calendar months.

Summary of Bill:

Persons who retire from PERS Plans 1 and 2, SERS Plans 2 and 3, and TRS Plans 2 and 3 may work up to 867 hours in a calendar year, in a position that is included in PERS, SERS, TRS, or the Law Enforcement Officers and Fire Fighters Retirement System (LEOFF), without affecting their retirement allowances.

Effective Date: *The bill takes effect on January 1, 2002.*

Appropriation: *None.*

Fiscal Note: *Requested on January 19, 2001.*