

FINAL BILL REPORT

HB 1048

C 317 L 01

Synopsis as Enacted

Brief Description: Increasing the number of hours that teachers' retirement system plan retirees may work in an eligible position to eight hundred forty without a reduction in their retirement benefits.

Sponsors: By Representatives Lambert, Doumit, Cox, Mulliken, H. Sommers, Clements, Talcott, Pearson, Alexander, Conway, Kagi, Ruderman, Hunt, McIntire, Hurst, Haigh, Kenney, Edmonds, Keiser and Simpson; by request of Joint Committee on Pension Policy.

House Committee on Appropriations
Senate Committee on Ways & Means

Background:

The Teachers' Retirement System (TRS) Plan 1 includes teachers and school administrators first hired prior to October 1, 1977. In general, TRS retirees could work no more than 75 days (525 hours) each school year in a public educational institution without a reduction in retirement benefits.

The Legislature has gradually expanded the amount that TRS Plan 1 retirees can work in certain settings without a reduction in their benefits. In a school district that has passed a resolution declaring a shortage of substitute teachers, a TRS Plan 1 retiree can work an additional 315 hours, for a total of 840 hours or about 120 days, as a substitute teacher. Only persons who substitute on a day-to-day basis are eligible for this extended period of employment. Persons who sign contracts for a school year are still limited to the 525-hour cap. A resolution declaring a shortage of substitutes is valid only for the school year in which it is adopted, and a copy of the resolution, with a list of retirees who have been hired, must be provided to the Department of Retirement Systems (DRS).

In a school district that has passed a resolution declaring an inability to find a replacement administrator to fill a vacancy, a TRS Plan 1 retiree may serve as a substitute administrator for an additional 105 hours, for a total of 630 hours or about 90 days. In 1999 the limit was also amended to provide that a retired principal working for a school district with a shortage of principals may work an additional 315 hours as a substitute principal. The ability to work these additional hours without a reduction in retirement benefits is available only to TRS Plan 1 retirees who work as substitute teachers, substitute principals, or substitute administrators, and only in those school districts that have passed the required resolution.

Summary:

All TRS Plan 1 retirees are permitted to work up to 840 hours per school year in any public education institution without a reduction in their retirement benefits. The DRS must provide the state actuary with data on TRS Plan 1 post-retirement employment for the Joint Committee on Pension Policy.

Votes on Final Passage:

House 94 0

Senate 48 0

Effective: July 22, 2001