

# FINAL BILL REPORT

## HB 1213

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Synopsis as Enacted

**Brief Description:** Correcting statutes pertaining to the public employees' and school employees' retirement systems.

**Sponsors:** By Representatives Delvin, Conway, H. Sommers, Lambert, Doumit and Hurst; by request of Joint Committee on Pension Policy.

**House Committee on Appropriations**  
**Senate Committee on Ways & Means**

### **Background:**

Legislation to create a new School Employees Retirement System (SERS) Plans 2 and 3 was enacted in 1998, with an effective date of September 2000. In the 2000 session, changes were made to SERS Plans 2 and 3. In that session, the Legislature also created a new Public Employees Retirement System (PERS) Plan 3 with an effective date of March 2002.

After the 2000 session, the Office of the State Actuary, the Department of Retirement Systems, and the State Investment Board (SIB) identified certain technical drafting problems in the new SERS Plan 3 and PERS Plan 3 acts.

### **Summary:**

Various statutes dealing with SERS and PERS are amended to correct drafting errors and omissions. Changes are as follows:

- (1) Inconsistencies are corrected that were created by the passage of two amendments in 2000 that set SERS Plan 2 employee contribution rates using different benchmarks. The correction makes employee contribution rates for SERS equal to the SERS employer rate in Plans 2 and 3;
- (2) The omission of PERS is corrected in the section dealing with the declaration of monthly unit values by the SIB for Plan 3 members;
- (3) A disability definition is removed that is used in the PERS Plan 1 definition section but is not used in SERS;
- (4) The statute that limits the ability of a person to join a second state retirement plan

after retiring from another state or city retirement system is amended to apply to SERS;  
and

(5) An obsolete provision dealing with PERS membership is decodified.

**Votes on Final Passage:**

House 98 0

Senate 48 0

**Effective:** July 22, 2001

March 1, 2002 (Sections 1 and 2)