

# SENATE BILL REPORT

## HB 1048

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As Reported By Senate Committee On:  
Ways & Means, April 2, 2001

**Title:** An act relating to 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.

**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.

**Brief History:**

**Committee Activity:** Ways & Means: 4/2/01 [DP].

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass.

Signed by Senators Brown, Chair; Constantine, Vice Chair; Fairley, Vice Chair; Fraser, Hewitt, Honeyford, Kline, Kohl-Welles, Long, Parlette, Rasmussen, Regala, Rossi, Sheahan, B. Sheldon, Snyder, Spanel, Winsley and Zarelli.

**Staff:** Pete Cutler (786-7454)

**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 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 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 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 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 of Bill:** All TRS 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. DRS must provide the State Actuary with data on to TRS Plan 1 post-retirement employment for the Joint Committee on Pension Policy.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** None.

**Testimony Against:** None.

**Testified:** No one.