

SENATE BILL REPORT

SB 5091

As Passed Senate, March 16, 2003

Title: An act relating to public employees', teachers', and school employees' retirement systems plan 3 member contribution rates.

Brief Description: Making optional plan 3 member contributions.

Sponsors: Senators Carlson, Fraser, Shin and Spanel; by request of Joint Committee on Pension Policy.

Brief History:

Committee Activity: Ways & Means: 1/28/03, 2/3/03 [DP].

Passed Senate: 3/16/03, 48-0.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Rossi, Chair; Hewitt, Vice Chair; Zarelli, Vice Chair; Brown, Doumit, Fairley, Fraser, Hale, Honeyford, Johnson, Parlette, Poulsen, Regala, Sheahan, B. Sheldon and Winsley.

Staff: Erik Sund (786-7454)

Background: Members of Plan 3 of the Public Employees' Retirement System, Teachers' Retirement System, and School Employees' Retirement System designate one of a number of contribution rate options for the defined contribution portion of their plan when they first become members. Thereafter, they may only change their contribution rate option if and when they change employers.

Summary of Bill: A transfer window is established in January of every year during which Plan 3 members may change their contribution rate option. Several new rate options are also provided.

Appropriation: None.

Fiscal Note: Requested on January 24, 2003.

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

Testimony For: This bill will provide additional flexibility to plan members dealing with changing financial situations.

Testimony Against: None.

Testified: Lynn Maier, Washington Public Employees Association; Dave Nelsen, Department of Retirement Systems; Doug Nelson, Public School Employees of Washington State; Bob Maier, Washington Education Association; John Kvamme, Washington Association of School Administrators and Association of Washington School Principals.