

FINAL BILL REPORT

SB 5096

C 31 L 03
Synopsis as Enacted

Brief Description: Allowing members of the teachers' retirement system plan 1 to use extended school years for calculation of their earnable compensation.

Sponsors: Senators Regala, Winsley, Carlson, Spanel, Jacobsen, Fraser, B. Sheldon, Kohl-Welles and Rasmussen; by request of Joint Committee on Pension Policy.

Senate Committee on Ways & Means
House Committee on Appropriations

Background: The retirement benefit paid to members of the Teachers' Retirement System (TRS) Plan 1 is calculated by multiplying their years of service by 1 percent of their average earnable compensation in their two highest-paid consecutive fiscal years. Some teachers work in schools that operate on alternative calendars running into July. Members retiring at the end of one of these extended school years may receive a reduced benefit relative to what they would receive if working on a regular school calendar because their last weeks of employment occur after the end of the fiscal year. Their average earnable compensation in this case would be reduced by the difference between their compensation in July of the year that they retire and the July two years prior.

Summary: Members of TRS Plan 1 are allowed to use their two highest-paid consecutive school years rather than their two highest paid fiscal years for the purpose of determining their average final compensation.

Votes on Final Passage:

Senate	49	0
House	95	0

Effective: July 27, 2003