

ESSB 6896 - H AMD 1184
By Representative Bailey

FAILED 3/7/2006

1 Beginning on page 1, line 7, strike all of section 1.

2 On page 2, beginning on line 6, strike all of section 2.

3 On page 2, line 34, after "September 1, 2006, a" strike "1.29"
4 and insert "2.07"

5 On page 3, line 4, after "September 1, 2006, a" strike "0.87"
6 and insert "2.25"

7 On page 3, line 9, after "January 1, 2007, a" strike "1.77" and
8 insert "2.25"

9 On page 3, beginning on line 20, strike all of subsection (6)
10 and insert the following:

11 "(6) Upon completion of the 2005 actuarial valuation, the
12 pension funding council and the state actuary shall review the
13 contribution rates for the plan 1 unfunded accrued liability for
14 fiscal year 2008 and fiscal year 2009 and the pension funding
15 council shall adopt contribution rates to complete a three-year
16 phase-in schedule for the unfunded liability in the teachers'
17 retirement system plan 1, and a four-year phase-in schedule for the
18 unfunded liability in the public employees' retirement system plan
19 1, adjusted for any material changes in benefits or actuarial
20 assumptions, methods, and experience. The expected present value
21 of the projected contributions during the three and four-year
22 phase-in periods shall be the same as the expected present value of
23 the projected contributions that would have been collected for the
24 unfunded liabilities using the rates originally recommended by the
25 pension funding council for payment during the 2003-05, and 2005-07

1 fiscal biennia, as well as the projected contributions for the
2 unfunded liabilities for the 2007-09 biennium."

3 On page 3, beginning on line 32, strike all of section 4 and
4 insert the following:

5 "NEW SECTION. **Sec. 4.** (1) The sum of \$102,800,000 is
6 appropriated for the fiscal year ending June 30, 2007, from the
7 general fund and the sum of \$59,800,000 is appropriated from the
8 special retirement contribution increase revolving account for the
9 purposes of paying increased employer contribution rate costs for
10 payment of the additional rates created in section 1 of this act.

11 (2) To facilitate the transfer of moneys from dedicated funds
12 and accounts, the state treasurer shall transfer sufficient moneys
13 from each dedicated fund or account, including local funds of state
14 agencies and institutions of higher education, to the special
15 retirement contribution increase revolving account in accordance
16 with schedules provided by the office of financial management."

17 Renumber the remaining sections consecutively, and correct any
18 internal references accordingly.

EFFECT: Deletes the creation of the pension funding
stabilization account and appropriation of \$350.0 million
general fund-state to the account, increases the contribution
rates in the phase-in section of the bill to reflect a 3-year
phase-in of unfunded liability rates for TRS, and a 4-year
phase-in of unfunded liability rates for PERS, that incorporate
the both the unfunded liability payments not made during the
2003-05 and 2005-07 biennium, and those projected by the state
actuary for the 2007-09 biennium. The pension funding council
will adopt rates to continue the phase-in of these rates for
the 2007-09 biennium.

The sum of \$102.8 million general fund-state and \$59.8 million
of other funds are appropriated for payment of the increased
contribution rates required in the bill for fiscal year 2007.