

SSB 6161 - H AMD 939

By Representative Anderson

NOT ADOPTED 4/25/2009

1 On page 1, beginning on line 7, strike all of section 1 and insert
2 the following:

3
4 "Sec. 1. RCW 41.45.010 and 2005 c 370 s 4 are each amended to
5 read as follows:

6 It is the intent of the legislature to provide a dependable and
7 systematic process for funding the benefits provided to members and
8 retirees of the public employees' retirement system, chapter 41.40
9 RCW; the teachers' retirement system, chapter 41.32 RCW; the law
10 enforcement officers' and firefighters' retirement systems, chapter
11 41.26 RCW; the school employees' retirement system, chapter 41.35 RCW;
12 the public safety employees' retirement system, chapter 41.37 RCW; and
13 the Washington state patrol retirement system, chapter 43.43 RCW.

14 ~~((The legislature finds that the funding status of the state
15 retirement systems has improved dramatically since 1989. Because of
16 the big reduction in unfunded pension liabilities, it is now prudent
17 to adjust the long term economic assumptions that are used in the
18 actuarial studies conducted by the state actuary. The legislature
19 finds that it is reasonable to increase the salary growth assumption
20 in light of Initiative Measure No. 732, to increase the investment
21 return assumption in light of the asset allocation policies and
22 historical returns of the state investment board, and to reestablish
23 June 30, 2024, as the target date to achieve full funding of all
24 liabilities in the public employees' retirement system plan 1, the
25 teachers' retirement system plan 1, and the law enforcement officers'
26 and firefighters' retirement system plan 1.))~~

27

1 The funding process established by this chapter is intended to
2 achieve the following goals:

3 (1) To fully fund the public employees' retirement system plans 2
4 and 3, the teachers' retirement system plans 2 and 3, the school
5 employees' retirement system plans 2 and 3, the public safety
6 employees' retirement system plan 2, and the law enforcement officers'
7 and firefighters' retirement system plan 2 as provided by law;

8 (2) To fully amortize the total costs of the public employees'
9 retirement system plan 1, the teachers' retirement system plan 1, and
10 the law enforcement officers' and firefighters' retirement system plan
11 1, not later than June 30, (~~2024~~)2020;

12 (3) To establish long-term employer contribution rates which will
13 remain a relatively predictable proportion of the future state
14 budgets; and

15 (4) To fund, to the extent feasible, benefit increases for plan 1
16 members and all benefits for plan 2 and 3 members over the working
17 lives of those members so that the cost of those benefits are paid by
18 the taxpayers who receive the benefit of those members' service."
19

20 On page 4, beginning on line 5, strike all of sections 3 through 8
21

22 Renumber the remaining sections consecutively and correct the
23 title.
24

25

EFFECT: Removes provisions relating to changes in long-term economic and demographic assumptions and changes to the method of amortizing the unfunded actuarial accrued liability (UAAL) in the Public Employees' Retirement System and the Teachers' Retirement System, and changes the date by which the UAAL shall be fully amortized from June 30, 2024, to June 30, 2020.

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