
Appropriations Committee

HB 1929

Brief Description: Authorizing the inclusion of qualified trades people at public utility districts in the Washington public safety employees' retirement system.

Sponsors: Representatives Ormsby, Haler, Sells, Seaquist and Pollet.

Brief Summary of Bill

- Adds Public Utility Districts (PUDs) that provide electrical services to the list of employers eligible for participation in the Public Safety Employees Retirement System (PSERS).
- Provides that beginning January 1, 2014, individuals are eligible for PSERS if they are newly employed by PUDs providing electrical services as qualified trades persons with the primary responsibility to maintain electrical lines and transformers, or provide direct support at a worksite for those members such as ground workers, journey level tree climbers, and equipment operators.
- Current PUD employees in positions made eligible for PSERS may choose to remain in the Public Employees' Retirement System Plan 2 or Plan 3, or transfer to PSERS for periods of future service.

Hearing Date: 2/26/13

Staff: David Pringle (786-7310).

Background:

The Public Safety Employees' Retirement System (PSERS) was created in 2004 and opened to members on July 1, 2006. The PSERS provides retirement benefits for state and local government employees who work in positions with law enforcement duties but are not eligible for membership in the Law Enforcement Officers' and Fire Fighters' Retirement System. Members of the PSERS with at least 20 years of service will be eligible for full retirement benefits from age 60, five years earlier than the regular retirement age in Public Employees'

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Retirement System Plans 2 and 3. Members of PSERS with 20 years of service may also early retire beginning at age 53 with a 3 percent reduction in benefits per year of early retirement.

Membership in the PSERS is restricted by an individual's employer and by specific job criteria. The PSERS employers are defined as the Department of Corrections, the Department of Natural Resources, the Parks and Recreation Commission, the Gambling Commission, the State Patrol, the Liquor Control Board, county corrections departments and the corrections departments of municipalities not classified as First Class cities, and employers employing statewide elective officials.

Public Utility Districts (PUDs) were created to provide water and electricity, and to conserve water and power resources. Currently, there are 28 PUDs, 23 of which provide electricity services. The powers of a PUD are executed by a board of three or five elected commissioners.

Summary of Bill:

Public Utility Districts (PUDs) that provide electrical services are added to the list of employers eligible for participation in the PSERS. Beginning January 1, 2014, new employees of PUDs providing electrical services are included in PSERS if they are employed as qualified trades persons with the primary responsibility to maintain electrical lines and transformers, or as employers who provide direct support at a worksite for those members, such as ground workers, journey level tree climbers, and equipment operators.

Members of the Public Employees' Retirement System (PERS) Plan 2 or Plan 3 made newly eligible for PSERS by the bill may choose between remaining in PERS or transferring to PSERS for periods of future service. The choice to transfer to PSERS must be made during an election period between January 1, 2014 and March 1, 2014. Membership in PSERS for transferring PERS members is prospective, and past service credit remains in PERS, making a members' eventual retirement calculated under the dual membership rules.

Appropriation: None.

Fiscal Note: Requested on February 22, 2013.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.