

SENATE BILL REPORT

SB 5487

As of January 16, 2018

Title: An act relating to expanding postretirement options for educators, allowing retired teachers to be employed as mentors.

Brief Description: Allowing retired teachers to be employed as mentors. **[Revised for 1st Substitute:** Allowing retired teachers and retired principals to be employed as mentors.]

Sponsors: Senators Zeiger, Rolfes, Chase, Keiser, Hunt, Saldaña and Wellman; by request of Superintendent of Public Instruction.

Brief History:

Committee Activity: Early Learning & K-12 Education: 2/09/17, 2/16/17 [DPS-WM].
Ways & Means: 1/16/18.

Brief Summary of First Substitute Bill

- Allows certain retired teachers that took early retirement to return to work as a mentor or an advisor for up to 867 hours per year without a suspension of their pension benefit.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Majority Report: That Substitute Senate Bill No. 5487 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Fain, Vice Chair; Rolfes, Vice Chair; Zeiger, Ranking Member; Mullet, Rivers and Warnick.

Staff: Alia Kennedy (786-7405)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Amanda Cecil (786-7460)

Background: The normal retirement age for members of Plans 2 and 3 of the Teachers Retirement System (TRS) is age 65. TRS Plan 2 members with 20 years of service and TRS Plan 3 members with 10 years of service can retire as early as age 55. Benefits paid to

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persons who retire early from TRS Plans 2 or 3 with less than 30 years of service are calculated using early retirement factors that provide a full actuarial reduction based on the number of years between the retirement age and age 65. For example, there is a 27 percent reduction of benefits for retirement at age 62, and a 41 percent reduction of benefits for retirement at age 60.

Two early retirement factor options are available to TRS Plan 2 and 3 members who retire with 30 or more years of service. One of the options was created in 2000 and reduces benefits by 3 percent for each year in the period between the retirement age and age 65. For example, there is a 9 percent reduction of benefits for retirement at age 62, and a 15 percent reduction of benefits for retirement at age 60. The other option that provides smaller benefit reductions was implemented in 2008 as a replacement for gain-sharing benefits. Under the 2008 early retirement factors, TRS Plan 2 and 3 members with 30 years of service may retire at age 62 with no reduction of benefits, and at age 60 with a 5 percent reduction.

State law does not prohibit persons who retire from TRS Plans 2 or 3 from returning to work, but it does limit when a retiree may work and continue receiving pension benefits. In general, benefits are suspended when a TRS retiree works more than 867 hours in a year in a position included in TRS or another state retirement plan. However, benefits are suspended immediately if a TRS Plan 2 or 3 retiree who retired using the 2008 early retirement factors returns to work in any kind of position with a state retirement plan prior to age 65. This includes returning to work as a substitute teacher.

Legislation passed in 2016 allows retired teachers who retired under an early retirement option to return to work exclusively as substitute teachers for up to 867 hours per school year without suspension of their retirement benefits until August 1, 2020. School districts must compensate substitute teachers at a rate that is at least 85 percent of the full daily amount allocated by the state for substitute teacher compensation.

Summary of Bill (First Substitute): In addition to returning to work as a substitute teacher, a retired teacher or a retired principal who retired under an early retirement option may be employed as a mentor to teachers or an adviser to students in teacher preparation programs for up to 867 hours per school year without suspension of pension benefits. School districts must compensate teacher mentors and student advisers at a rate that is at least 85 percent of the full daily amount allocated by the state for substitute teacher compensation.

A mentor is defined for purposes of post-retirement employment as an educator who has achieved appropriate training in assisting, coaching, and advising beginning teachers or student teaching residents as defined by the Office of the Superintendent of Public Instruction, such as a National Board Certification or other specialized training.

EFFECT OF CHANGES MADE BY EARLY LEARNING & K-12 EDUCATION COMMITTEE (First Substitute):

- Allows retired principals to return to work as teacher mentors or advisers to students in teacher preparation programs.

Appropriation: None.

Fiscal Note: 2017 Fiscal note available. Updated fiscal note requested on January 6, 2018.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony on Original Bill (Early Learning & K-12 Education): *Testimony from 2017 Regular Session. The committee recommended a different version of the bill than what was heard.* PRO: Allowing retired teachers to serve as mentors would mean that school districts are far less likely to pull teachers out of the classroom in order to serve in a mentoring role. One concern is that retired teachers serving as mentors may not be up-to-date on professional development, but that is a decision that should be left to the school districts. Smaller school districts have a problem finding mentors.

Persons Testifying (Early Learning & K-12 Education): PRO: Jerry Bender, Association of Washington School Principals; Sue Anderson, Office of Superintendent of Public Instruction.

Persons Signed In To Testify But Not Testifying (Early Learning & K-12 Education): No one.