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HOUSE BILL 2323

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State of Washington

65th Legislature

2018 Regular Session

By Representatives Dolan, Appleton, Muri, Stonier, Stambaugh, Cody, Goodman, Fey, Bergquist, Santos, Johnson, Slatter, Tharinger, Fitzgibbon, Pellicciotti, Valdez, Haler, Kilduff, McDonald, Chapman, Sells, Blake, Reeves, Macri, Kloba, Jinkins, Ortiz-Self, Condotta, Pollet, Doglio, Young, and Stanford

Prefiled 12/22/17. Read first time 01/08/18. Referred to Committee on Appropriations.

1 AN ACT Relating to cost-of-living adjustments for teachers'  
2 retirement system plan 1 and public employees' retirement system plan  
3 1 retirees; adding a new section to chapter 41.32 RCW; adding a new  
4 section to chapter 41.40 RCW; and creating a new section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The teachers' retirement system plan 1 and  
7 the public employees' retirement system plan 1 are the only two state  
8 retirement benefit plans that do not provide regular cost-of-living  
9 adjustments for retirees' pensions. Members of these plans have not  
10 received a cost-of-living adjustment since 2010. Those who have been  
11 retired more than ten years have lost, on average, twenty-five  
12 percent of their purchasing power. The legislature intends to provide  
13 a three percent increase for plan 1 retirees in 2018 to maintain the  
14 current purchasing power of members' benefits and to avoid further  
15 diminishing the value of those benefits.

16 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.32  
17 RCW under the subchapter heading "PLAN 1" to read as follows:

18 (1) Beneficiaries who are receiving a monthly benefit from the  
19 teachers' retirement system plan 1 on January 1, 2018, shall have a

1 permanent increase of three percent added to his or her monthly  
2 benefit on July 1, 2018.

3 (2) Where the retirement allowance payable was adjusted at the  
4 time benefit payments to the beneficiary commenced, the three percent  
5 increase provided in this section shall be adjusted in a manner  
6 consistent with that adjustment.

7 NEW SECTION. **Sec. 3.** A new section is added to chapter 41.40  
8 RCW under the subchapter heading "PLAN 1" to read as follows:

9 (1) Beneficiaries who are receiving a monthly benefit from the  
10 public employees' retirement system plan 1 on January 1, 2018, shall  
11 have a permanent increase of three percent added to his or her  
12 monthly benefit on July 1, 2018.

13 (2) Where the retirement allowance payable was adjusted at the  
14 time benefit payments to the beneficiary commenced, the three percent  
15 increase provided in this section shall be adjusted in a manner  
16 consistent with that adjustment.

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