

# SENATE BILL REPORT

## SB 6247

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As Passed Senate, February 13, 2024

**Title:** An act relating to public employees' retirement system plan 2 service credit for officers of labor organizations.

**Brief Description:** Concerning public employees' retirement system plan 2 service credit for officers of labor organizations.

**Sponsors:** Senators Hunt, Randall, Kuderer, Nobles, Saldaña, Valdez and Wilson, C..

**Brief History:**

**Committee Activity:** Ways & Means: 2/03/24, 2/05/24 [DP, DNP, w/oRec].

**Floor Activity:** Passed Senate: 2/13/24, 49-0.

**Brief Summary of Bill**

- Provides that a member of the public employees' retirement system plan 2 on an unpaid leave of absence to serve as an elected official of a labor organization may receive service credit for the duration of the leave.

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass.

Signed by Senators Robinson, Chair; Mullet, Vice Chair, Capital; Nguyen, Vice Chair, Operating; Billig, Conway, Dhingra, Hasegawa, Hunt, Keiser, Pedersen, Randall, Saldaña, Van De Wege and Wellman.

**Minority Report:** Do not pass.

Signed by Senators Wilson, L., Ranking Member, Operating; Schoesler, Ranking Member, Capital; Rivers, Assistant Ranking Member, Capital; Boehnke, Braun, Muzzall and Wagoner.

**Minority Report:** That it be referred without recommendation.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

Signed by Senators Gildon, Assistant Ranking Member, Operating; Warnick, Assistant Ranking Member, Capital; Torres.

**Staff:** Amanda Cecil (786-7460)

**Background:** Public employee collective bargaining agreements typically contain provisions authorizing certain employees to take a leave of absence to engage in bargaining and other labor relations activities. In some cases, while on leave, an employee may continue to receive a salary from their public employer where the employer is reimbursed by the employee union.

A member of the Public Employees Retirement System (PERS), the Teachers' Retirement System, the Law Enforcement Officers and Fire Fighters Retirement System, or the Washington State Patrol Retirement System who receives compensation from a system employer while on an authorized leave of absence to serve as an elected official of a labor organization, and whose employer is reimbursed by the labor organization for compensation paid to the member while on the leave of absence, may be considered to be on paid leave for purposes of continuing to obtain service credit towards their pension benefit. The compensation reported under this provision may not exceed the salary paid to the highest paid job class that is covered under the collective bargaining agreement.

**Summary of Bill:** A member of PERS plan 2 that is on an authorized unpaid leave of absence to serve as an elected official of a labor organization may receive service credit for the duration of the leave if the member, or labor organization on the member's behalf, makes both the employer and employee monthly contributions for the period of the authorized unpaid leave of absence.

**Appropriation:** None.

**Fiscal Note:** Available.

**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:** PRO: This bill saves the state time and money by creating a more efficient process by not requiring the agency pay the employee and be reimbursed by the union. This supports maritime union members by allowing members to earn pension credit while on an unpaid leave of absence.

**Persons Testifying:** PRO: Senator Sam Hunt, Prime Sponsor; Peter Hart, Secretary-Treasurer, Inland Boatman's Union of the Pacific; Eric Winge, Marine Engineers Beneficial Association.

**Persons Signed In To Testify But Not Testifying:** No one.