

SENATE BILL REPORT

SB 5114

As of January 23, 2025

Title: An act relating to paying state retirement benefits until the end of the month in which the retiree or beneficiary dies.

Brief Description: Paying state retirement benefits until the end of the month in which the retiree or beneficiary dies.

Sponsors: Senators Boehnke, Chapman, Christian, Conway, Dhingra, Dozier, Hasegawa, Krishnadasan, Liias, Nobles, Riccelli, Robinson and Valdez; by request of Select Committee on Pension Policy.

Brief History:

Committee Activity: Ways & Means: 1/23/25.

Brief Summary of Bill

- Provides a full month of public pension benefits paid in the month that a retiree dies.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Amanda Cecil (786-7460)

Background: The Department of Retirement Systems (DRS) is responsible for administering retirement benefits for retirees of the state's various public pension systems. Benefits are paid monthly to retirees and survivors. DRS has a longstanding administrative practice of paying benefits through a retiree's date of death. If DRS is not notified of the death before the cut-off for processing the payment, the estate will receive a payment for the full month. In these cases, DRS sends an invoice to the estate for repayment of any benefits paid beyond the date of death. For example, if a retiree or survivor dies on day 25 of a 30-day month, they receive pro-rated benefits for only those 25 days. If they have already received a check for the full month, DRS will seek repayment of the remaining five days.

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.

Summary of Bill: When a retiree or beneficiary dies, DRS must pay benefits until the end of the month in which death occurred. When a retiree has selected a survivor benefit that will begin on the first day of the following month. This change applies prospectively beginning on January 1, 2026.

Appropriation: None.

Fiscal Note: Available.

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

Effective Date: The bill takes effect on January 1, 2026.

Staff Summary of Public Testimony: PRO: We support this bill because it pays benefits through the end of the month of death of the beneficiary and survivors are not harmed by clawbacks from Department of Retirement Systems.

Persons Testifying: PRO: Eileen Perfrement, Washington State School Retirees' Association; Nancy Heley, Retired Public Employees Council of Washington; Michael Duchemin, Retired Firefighters of Washington.

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