

***Appropriations***

***HB 1213***

***Brief Description:*** *Correcting statutes pertaining to the public employees' and school employees' retirement systems.*

***Sponsors:*** *Representatives Delvin, Conway, H. Sommers, Lambert, Doumit and Hurst.*

***Brief Summary of Bill***

- *Technical corrections are made to School Employees Retirement System (SERS) provisions, funding, and defined contribution chapters. Also amends ability of State Investment Board (SIB) to declare monthly values for individual account funds held for SERS plan 3, Teachers Retirement System (TRS) plan 3, and Public Employees Retirement System (PERS) plan 3 members.*

***Hearing Date:*** *2/1/01*

***Staff:*** *Andrea Hardy (786-7349).*

***Background:***

*Legislation to create a new School Employees Retirement System (SERS), Plans 2 and 3 was enacted in 1998, with an effective date of September 2000. In the 2000 session, changes were made to SERS 2 and SERS 3. In that session, the Legislature also created a new Public Employees Retirement System (PERS), Plan 3, with an effective date of March 2002.*

*After the 2000 session the Office of the State Actuary, the Department of Retirement Systems, and the State Investment Board (SIB) identified certain technical drafting problems in the new SERS and PERS 3 bills.*

**Summary of Bill:**

*Various statutes dealing with SERS and PERS are amended to correct drafting errors and omissions. Changes are as follows:*

*(1) Corrects inconsistencies created by the passage of two amendments in 2000 that set in statute SERS Plan 2 employee contribution rates using different benchmarks. The correction sets employee contribution rates for SERS equal to the SERS employer rate in plans 2 and 3.*

*(2) Corrects the inadvertent omission of PERS in the section dealing with the declaration of monthly unit values by the SIB for Plan 3 members.*

*(3) Removes a disability definition that is used in the PERS Plan 1 definitions section but is not used in SERS.*

*(4) Amends a statute that limits the ability of a person to join a second state retirement plan after retiring from another state or city retirement system to apply to SERS.*

*(5) Decodifies an obsolete provision dealing with PERS membership.*

**Effective Date:** *Ninety days after adjournment of session in which bill is passed, except for sections 1 and 2, which take effect March 1, 2002.*

**Appropriation:** *None.*

**Fiscal Note:** *Available.*