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## Appropriations Committee

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### HB 2895

**Brief Description:** Allowing port employees to join more than one retirement plan subject to a labor agreement.

**Sponsors:** Representatives Kessler, Chase and Ogden.

<p style="text-align: center;"><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>· Permits port employees to belong to both the state pension system and employer sponsored deferred compensation or supplemental pension programs.</li></ul>
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**Hearing Date:** 2/6/02

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

**Background:**

Before 1999, Public Employees' Retirement System (PERS) employers were prohibited from providing additional retirement plans (such as employer sponsored 401K plans) to their employees. This excluded from PERS membership employees who were covered either by another state pension plan or by an independent employer-sponsored defined contribution plan.

Legislation enacted in 1999 authorized PERS employers to offer an employer-sponsored defined contribution plans qualified under Section 401 of the Internal Revenue Code. This legislation failed to amend a section affecting port employees, however, so the prohibition on participation in employer-sponsored defined contribution plans still applies to port employees.

**Summary of Bill:**

Port employees who join supplemental pension programs or deferred compensation programs as part of a negotiated labor agreement may also join PERS.

**Appropriation:** None.

**Fiscal Note:** Requested on February 4, 2002.

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