

SENATE BILL REPORT

SB 5383

As of February 5, 2013

Title: An act relating to restrictions on collecting a pension in the public employees' retirement system for retirees returning to work.

Brief Description: Removing one of the restrictions on collecting a pension in the public employees' retirement system for retirees returning to work.

Sponsors: Senators Benton, Cleveland and Rivers.

Brief History:

Committee Activity: Ways & Means: 2/04/13.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Steve Jones (786-7440)

Background: Employees of most state agencies and local government agencies are members of the Public Employees' Retirement System (PERS).

A PERS retiree who returns to work with a PERS agency will receive a reduced retirement allowance if the retiree's employment exceeds 867 hours in a calendar year, which is approximately five months of full-time employment.

Under Plans 2 and 3 of PERS, a full retirement allowance is available to employees retiring at 65 years of age or older. Various early retirement options were expanded in 2008, with a reduced retirement allowance, for employees who are 55 years of age or older. However, employees choosing the expanded early retirement option are ineligible for the 867 hours of postretirement employment without a reduction in their retirement allowance.

Summary of Bill: A member of PERS Plan 2 who elects the 2008 early retirement option under the plan is eligible for up to 60 days of postretirement employment, without reduction in the member's retirement allowance, if the employment is with the elections division of a county auditor's office.

Appropriation: None.

Fiscal Note: Available.

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

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: This legislation addresses a very narrow situation that would allow a key retired employee to return to work in a county auditor's office to assist during an election cycle and help transition a new elections staff. This is not a significant expansion to the state's retire/rehire policies. This bill simply allows a county auditor to retain some election expertise for a limited period of time.

Persons Testifying: PRO: Senator Benton, prime sponsor.