H-5154.1

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**HOUSE BILL 2956**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**State of Washington 66th Legislature 2020 Regular Session**

**By** Representatives Stokesbary, Fitzgibbon, Boehnke, and Walsh

AN ACT Relating to providing funding for the unfunded liabilities in the teachers' retirement system and the public employees' retirement system plans 1; adding a new section to chapter 82.04 RCW; creating a new section; making an appropriation; and providing an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  A new section is added to chapter 82.04 RCW to read as follows:

(1) At least one month prior to the end of each quarter, beginning September 1, 2020, the department must calculate:

(a) The proceeds of the tax imposed pursuant to RCW 82.04.260(11) generated for the most recently completed quarter;

(b) The estimated amount of the proceeds the tax imposed pursuant to RCW 82.04.260(11) would have generated during the most recently completed quarter, if the rate of tax imposed pursuant to RCW 82.04.260(11) was 0.2904 percent for all taxable activities under that section; and

(c) The net difference in proceeds of the taxes collected in (a) of this subsection and the estimated amount of proceeds calculated in (b) of this subsection.

(2) By the last day of each quarter, beginning September 30, 2020, the department must notify the state treasurer of the calculations under subsection (1) of this section. The state treasurer shall transfer into the pension funding stabilization account the amount determined under subsection (1)(c) of this section by the beginning of the quarter immediately following.

(3) For the purposes of this section, the following dates are the beginning of a quarter: January 1st, April 1st, July 1st, and October 1st.

NEW SECTION. **Sec.**  (1) The sum of one hundred thirty-four million dollars is appropriated for the fiscal biennium ending June 30, 2021, from the pension funding stabilization account for transfer by the state treasurer under this section. On each of July 1, 2020, October 1, 2020, January 1, 2021, and April 1, 2021, the amount transferred into the pension funding stabilization account pursuant to section 1(2) of this act must be transferred into the teachers' retirement system plan 1 fund. The total of the quarterly transfers into the teachers' retirement system plan 1 fund are limited to the amount appropriated by this section.

(2) It is the intent of the legislature to continue to appropriate and transfer quarterly from the pension funding stabilization account until the unfunded liability in the teachers' retirement system plan 1 fund is fully paid. At such time as the teachers' retirement system plan 1 fund no longer has an unfunded liability, the funds transferred to the pension funding stabilization account under section 1 of this act will be appropriated and transferred quarterly to the public employees' retirement system plan 1 fund until that plan no longer has an unfunded liability.

NEW SECTION. **Sec.**  If chapter . . . (House Bill No. 2945), Laws of 2020 is not enacted by July 1, 2020, this act is null and void.

NEW SECTION. **Sec.**  This act takes effect July 1, 2020.

**--- END ---**