

SENATE BILL REPORT

SB 5094

As Reported By Senate Committee On:
Ways & Means, February 3, 2003

Title: An act relating to providing optional service credit for substitute service to members of the school employees' retirement system.

Brief Description: Providing optional service credit for substitute service to members of the school employees' retirement system.

Sponsors: Senators Carlson, Jacobsen, Spanel, Fraser, B. Sheldon and Rasmussen; by request of Joint Committee on Pension Policy.

Brief History:

Committee Activity: Ways & Means: 1/28/03, 2/3/03 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Rossi, Chair; Hewitt, Vice Chair; Zarelli, Vice Chair; Brown, Doumit, Fairley, Fraser, Hale, Honeyford, Johnson, Parlette, Poulsen, Regala, Sheahan, B. Sheldon and Winsley.

Staff: Erik Sund (786-7454)

Background: Substitute employees of school districts who work at least 70 hours per month for at least five months in each of two successive years are eligible for service credit in the School Employees' Retirement System (SERS). When an employee becomes eligible for credit in this manner, both the employee and the employer are billed retrospectively for the contributions that would have been made during that period. Contributions made in this way may be withdrawn at the time of the employee's termination if the employee chooses not to retain the service credit.

Summary of Bill: Substitute employees of school districts who become eligible for service credit in SERS may choose not to take the credit, in which case neither the employees nor the employer make contributions.

Appropriation: None.

Fiscal Note: Requested on January 24, 2003.

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

Testimony For: This bill would bring retirement service credit rules for substitute classified employees into line with those for substitute teachers, and would eliminate rules that are confusing and costly to administer.

Testimony Against: None.

Testified: PRO: Doug Nelson, Public School Employees of Washington State; Wanda Liner, Bremerton School District; John Kvamme, Washington Association of School Administrators and Association of Washington School Principals; Ray Tobiason, Alliance of Education Associations.