CERTIFICATION OF ENROLLMENT

HOUSE BILL 1709

Chapter 143, Laws of 2017

65th Legislature 2017 Regular Session

RETIREMENT SYSTEM SERVICE CREDIT--CERTAIN EMPLOYEES--PERS TO PSERS TRANSFER

EFFECTIVE DATE: 7/23/2017

Passed by the House March 1, 2017 Yeas 98 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 12, 2017 Yeas 49 Nays 0

CYRUS HABIB

Approved April 27, 2017 10:54 AM

President of the Senate

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1709** as passed by House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

April 27, 2017

JAY INSLEE

Governor of the State of Washington

Secretary of State State of Washington

HOUSE BILL 1709

Passed Legislature - 2017 Regular Session

State of Washington 65th Legislature 2017 Regular Session

By Representatives Chandler, Ormsby, and Stanford; by request of Select Committee on Pension Policy

Read first time 01/26/17. Referred to Committee on Appropriations.

- AN ACT Relating to transferring public employees' retirement system service credit to the public safety employees' retirement system due to differing definitions of full-time; adding a new
- 4 section to chapter 41.37 RCW; and creating a new section.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** Since the establishment of the public
- 7 safety employees' retirement system in 2006, some employees have been
- 8 reported by employers as members of that retirement system even
- 9 though they did not work what is normally considered full-time for
- the purposes of determining plan membership under RCW 41.37.010(19)
- 11 due to written employment agreements that defined full-time
- 12 differently. As a result, some employees who believed they were in
- 13 the public safety employees' retirement system have been, or will be,
- 14 moved into the public employees' retirement system that has different
- 15 plan provisions and, generally, a later retirement date. The
- 16 legislature intends that section 2 of this act only applies to those
- 17 employees who believed they were in the public safety employees'
- 18 retirement system and have been, or will be, moved into the public
- 19 employees' retirement system, as described in this section.

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NEW SECTION. Sec. 2. A new section is added to chapter 41.37
RCW to read as follows:

- (1) An employee may elect to have their public employees' retirement system service credit transferred to the public safety employees' retirement system if:
- (a) They worked under a written employment contract prior to January 1, 2017, that defined full-time as less than one hundred sixty hours per month;
- 9 (b) Other than the full-time requirement under RCW 41.37.010(19), 10 have met all membership requirements for the public safety employees' 11 retirement system under RCW 41.37.010(19);
 - (c) Their employer incorrectly reported the employee's service in the public safety employees' retirement system instead of the public employees' retirement system; and
 - (d) All contributions required for past periods of service established under this subsection are paid to the department, as follows:
 - (i) A member who elects to transfer service credit under this subsection shall pay, for the applicable period of service, the difference between the contributions the employee paid to the public employees' retirement system and the contributions that would have been paid by the employee had the employee been a member of the public safety employees' retirement system.
 - (ii) Employer contributions shall be paid by the employer and calculated by the department equal to the difference between the contributions the employer paid to the public employees' retirement system and the contributions that would have been paid by the employer had the employee been a member of the public safety employees' retirement system.
 - (2) This section applies retroactively to July 1, 2006.
 - (3) All employees who elect to have their public employees' retirement system service credit transferred to the public safety employees' retirement system under this section shall continue to have their service credit reported in the public safety employees' retirement system so long as:
 - (a) They remain with their current employer in an otherwise public safety employees' retirement system eligible position; and
- 38 (b) Continue to work under a written employment contract that 39 defines full-time as less than one hundred sixty hours per month, but 40 at least one hundred forty hours per month.

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