

ESHB 1057 - S COMM AMD
By Committee on Ways & Means

NOT CONSIDERED 05/17/2023

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that beneficiaries
4 receiving a monthly benefit from the public employees' retirement
5 system plan 1 and the teachers' retirement system plan 1 have
6 experienced a loss of purchasing power due to rising inflation.
7 Certain beneficiaries do not receive annual increases; providing a
8 one-time cost-of-living adjustment helps address beneficiaries' loss
9 of purchasing power. An ongoing cost-of-living adjustment would
10 provide additional protection against further loss of purchasing
11 power, however this policy may not be affordable until required
12 employer contribution rates towards the unfunded accrued actuarial
13 liability are reduced or no longer required.

14 NEW SECTION. **Sec. 2.** During the 2023-2025 fiscal biennium, the
15 select committee on pension policy will study and recommend an
16 ongoing cost-of-living adjustment for beneficiaries of the public
17 employees' retirement system plan 1 and the teachers' retirement
18 system plan 1. Any recommendation must consider employer contribution
19 rate stability and coordinate the effective date of an ongoing cost-
20 of-living adjustment with the reduction or elimination of the
21 unfunded accrued actuarial liability.

22 **Sec. 3.** RCW 41.32.4992 and 2022 c 52 s 1 are each amended to
23 read as follows:

24 (1) Beneficiaries who are receiving a monthly benefit from the
25 teachers' retirement system plan 1 on July 1, 2017, shall receive,
26 effective July 1, 2018, an increase to their monthly benefit of one
27 and one-half percent multiplied by the beneficiaries' monthly
28 benefit, not to exceed (~~sixty-two dollars and fifty cents~~) \$62.50.

29 (2) Beneficiaries who are receiving a monthly benefit from the
30 teachers' retirement system plan 1 on July 1, 2019, shall receive,

1 effective July 1, 2020, an increase to their monthly benefit of three
2 percent multiplied by the beneficiaries' monthly benefit, not to
3 exceed (~~sixty-two dollars and fifty cents~~) \$62.50.

4 (3) Beneficiaries who are receiving a monthly benefit from the
5 teachers' retirement system plan 1 on July 1, 2021, shall receive,
6 effective July 1, 2022, an increase to their monthly benefit of three
7 percent multiplied by the beneficiaries' monthly benefit, not to
8 exceed (~~one hundred ten dollars and zero cents~~) \$110.00.

9 (4) Beneficiaries who are receiving a monthly benefit from the
10 teachers' retirement system plan 1 on July 1, 2022, shall receive,
11 effective July 1, 2023, an increase to their monthly benefit of three
12 percent multiplied by the beneficiaries' monthly benefit, not to
13 exceed \$110.00.

14 (5) This section does not apply to those receiving benefits
15 pursuant to RCW 41.32.489 or 41.32.540.

16 **Sec. 4.** RCW 41.40.1987 and 2022 c 52 s 2 are each amended to
17 read as follows:

18 (1) Beneficiaries who are receiving a monthly benefit from the
19 public employees' retirement system plan 1 on July 1, 2017, shall
20 receive, effective July 1, 2018, an increase to their monthly benefit
21 of one and one-half percent multiplied by the beneficiaries' monthly
22 benefit, not to exceed (~~sixty-two dollars and fifty cents~~) \$62.50.

23 (2) Beneficiaries who are receiving a monthly benefit from the
24 public employees' retirement system plan 1 on July 1, 2019, shall
25 receive, effective July 1, 2020, an increase to their monthly benefit
26 of three percent multiplied by the beneficiaries' monthly benefit,
27 not to exceed (~~sixty-two dollars and fifty cents~~) \$62.50.

28 (3) Beneficiaries who are receiving a monthly benefit from the
29 public employees' retirement system plan 1 on July 1, 2021, shall
30 receive, effective July 1, 2022, an increase to their monthly benefit
31 of three percent multiplied by the beneficiaries' monthly benefit,
32 not to exceed (~~one hundred ten dollars and zero cents~~) \$110.00.

33 (4) Beneficiaries who are receiving a monthly benefit from the
34 public employees' retirement system plan 1 on July 1, 2022, shall
35 receive, effective July 1, 2023, an increase to their monthly benefit
36 of three percent multiplied by the beneficiaries' monthly benefit,
37 not to exceed \$110.00.

38 (5) This section does not apply to those receiving benefits
39 pursuant to RCW 41.40.1984.

1 NEW SECTION. **Sec. 5.** This act is necessary for the immediate
2 preservation of the public peace, health, or safety, or support of
3 the state government and its existing public institutions, and takes
4 effect July 1, 2023."

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5 On page 1, line 3 of the title, after "plan 1;" strike the
6 remainder of the title and insert "amending RCW 41.32.4992 and
7 41.40.1987; creating new sections; providing an effective date; and
8 declaring an emergency."

EFFECT: Removes provisions delaying the imposition of increased rates to cover the added cost to begin in the 2027-2029 biennium.

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