

HOUSE BILL REPORT

SB 6247

As Reported by House Committee On:
Appropriations

Title: An act relating to public employees' retirement system plan 2 service credit for officers of labor organizations.

Brief Description: Concerning public employees' retirement system plan 2 service credit for officers of labor organizations.

Sponsors: Senators Hunt, Randall, Kuderer, Nobles, Saldaña, Valdez and Wilson, C..

Brief History:

Committee Activity:

Appropriations: 2/22/24, 2/26/24 [DP].

Brief Summary of Bill

- Provides that a member of the Public Employees' Retirement System Plan 2 on an unpaid leave of absence to serve as an elected official of a labor organization may receive up to two years of service credit for all such leave.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 20 members: Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Berg, Callan, Chopp, Davis, Fitzgibbon, Lekanoff, Pollet, Riccelli, Rude, Ryu, Senn, Simmons, Slatter, Springer, Stonier and Tharinger.

Minority Report: Do not pass. Signed by 2 members: Representatives Couture, Assistant Ranking Minority Member; Sandlin.

Minority Report: Without recommendation. Signed by 7 members: Representatives Corry, Ranking Minority Member; Chambers, Assistant Ranking Minority Member;

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Connors, Assistant Ranking Minority Member; Harris, Schmick, Stokesbary and Wilcox.

Staff: David Pringle (786-7310).

Background:

Public employee collective bargaining agreements typically contain provisions authorizing certain employees to take a leave of absence to engage in bargaining and other labor relations activities. In some cases, while on leave, an employee may continue to receive a salary from their public employer where the employer is reimbursed by the employee union.

A member of the Public Employees' Retirement System (PERS), the Teachers' Retirement System, the Law Enforcement Officers' and Fire Fighters' Retirement System, or the Washington State Patrol Retirement System who receives compensation from a system employer while on an authorized leave of absence to serve as an elected official of a labor organization, and whose employer is reimbursed by the labor organization for compensation paid to the member while on the leave of absence, may be considered to be on paid leave for purposes of continuing to obtain service credit towards their pension benefit.

The compensation reported under this provision may not exceed the salary paid to the highest paid job class that is covered under the collective bargaining agreement.

Summary of Bill:

A member of PERS Plan 2 that is on an authorized unpaid leave of absence to serve as an elected official of a labor organization may receive up to two years of service credit during the member's career if the member, or labor organization on the member's behalf, makes both the employer and employee monthly contributions for the period of the authorized unpaid leave of absence.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Employees of Washington State Ferries who serve as officers of labor

organizations would appreciate these changes to unpaid leave of absence provisions. Having to freeze pension accruals during these periods of leave really harms these employees and is a disincentive to these important activities on behalf of fellow employees.

(Opposed) None.

Persons Testifying: Dan Twohig, International Organization of Masters, Mates and Pilots.

Persons Signed In To Testify But Not Testifying: None.