

HOUSE BILL REPORT

HB 2124

As Passed House:

February 16, 2026

Title: An act relating to the threshold for payment of a lump sum retirement allowance in lieu of a monthly benefit.

Brief Description: Concerning the threshold for payment of a lump sum retirement allowance in lieu of a monthly benefit.

Sponsors: Representatives Couture, Fitzgibbon, Chase, Zahn, Wylie, Thomas, Gregerson, Ormsby, Griffey, Graham and Bernbaum; by request of Department of Retirement Systems.

Brief History:

Committee Activity:

Appropriations: 1/15/26, 1/22/26 [DP].

Floor Activity:

Passed House: 2/16/26, 96-0.

Brief Summary of Bill

- Increases the minimum monthly pension from the Washington State Retirement Systems that the Department of Retirement Systems may convert to a lump sum from \$50 to \$250 increased annually.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 30 members: Representatives Ormsby, Chair; Gregerson, Vice Chair; Macri, Vice Chair; Couture, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Penner, Assistant Ranking Minority Member; Schmick, Assistant Ranking Minority Member; Berg, Bergquist, Burnett, Callan, Corry, Cortes, Doglio, Dye, Fitzgibbon, Keaton, Leavitt, Lekanoff, Manjarrez, Marshall, Peterson, Pollet, Rude, Ryu, Springer, Stonier, Street, Thai and Valdez.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Staff: David Pringle (786-7310).

Background:

The Department of Retirement Systems (DRS) administers the retirement systems and plans of the Washington State Retirement Systems, providing services to about 560,000 state and local government employees and retirees. Among the largest traditional pension systems are the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), the School Employees' Retirement System (SERS), the Law Enforcement Officers' and Firefighters' Retirement System (LEOFF), and the Public Safety Employees' Retirement System (PSERS).

Summary of Bill:

The minimum monthly benefit from PERS, TRS, SERS, PSERS, and LEOFF that the DRS may convert to a lump-sum benefit and pay all at once is increased from \$50 to \$250 increased annually as determined by the Director of the DRS.

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) None.

(Opposed) None.

(Other) This bill is an attempt to reduce complexity in administering the state retirement plans, and also have the lump-sum provisions in the Plans 2 match the provisions in the Plans 3.

Persons Testifying: Seth Miller, Department of Retirement Systems.

Persons Signed In To Testify But Not Testifying: None.