

FINAL BILL REPORT

HB 2124

C 132 L 26
Synopsis as Enacted

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.

House Committee on Appropriations
Senate Committee on Ways & Means

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).

These systems offer defined benefit pensions, which provide a monthly benefit based on an employee's salary and years of service. At retirement, an employee with a defined benefit pension who would receive a monthly benefit of less than \$50 may instead choose a one-time lump sum payment.

Summary:

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. This amount increases annually as determined by the Director of the DRS.

Votes on Final Passage:

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.

House 96 0

Senate 48 0

Effective: June 11, 2026