
SUBSTITUTE SENATE BILL 5357

State of Washington

69th Legislature

2025 Regular Session

By Senate Ways & Means (originally sponsored by Senators Conway and Nobles; by request of Office of Financial Management)

READ FIRST TIME 02/28/25.

1 AN ACT Relating to actuarial funding of pension systems; adding a
2 new section to chapter 41.45 RCW; providing an effective date; and
3 declaring an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 41.45
6 RCW to read as follows:

7 The legislature hereby revises the normal cost contribution rates
8 adopted by the pension funding council at its July 17, 2024, meeting
9 for the 2025-2027 fiscal biennium to reflect updated projections
10 regarding the funded status of each pension plan and the fact that
11 contribution rates are expected to decline over the next six years.
12 This change allows the legislature to responsibly leverage the well-
13 funded status of Washington's pension systems to alleviate fiscal
14 pressure, while ensuring the stability and long-term sustainability
15 of the pension funds.

16 (1) Beginning July 1, 2025, and ending June 30, 2027, the
17 required normal cost employer and plan 2 member contribution rates
18 for the public employees' retirement system shall be 5.50 percent.

19 (2) Beginning September 1, 2025, and ending August 31, 2027, the
20 required normal cost employer and plan 2 member contribution rates
21 for the teachers' retirement system shall be 7.75 percent.

1 (3) Beginning September 1, 2025, and ending August 31, 2027, the
2 required normal cost employer and plan 2 member contribution rates
3 for the school employees' retirement system shall be 6.75 percent.

4 (4) Beginning July 1, 2025, and ending June 30, 2027, the
5 required normal cost employer contribution rate for the Washington
6 state patrol retirement system shall be 14.50 percent and the plan 2
7 member contribution rate shall be 8.75 percent.

8 NEW SECTION. **Sec. 2.** This act is necessary for the immediate
9 preservation of the public peace, health, or safety, or support of
10 the state government and its existing public institutions, and takes
11 effect July 1, 2025.

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