

Select Committee on Pension Policy

REGULAR COMMITTEE MEETING APPROVED MINUTES

November 21, 2006

The Select Committee on Pension Policy met in House Hearing Room A, Olympia, Washington on November 21, 2006.

Committee members attending:

Elaine Banks	Corky Mattingly
Representative Conway	Glenn Olson
Representative Crouse	Senator Pridemore
Randy Davis	Senator Schoesler
Representative Fromhold	J. Pat Thompson
Robert Keller	David Westberg

Senator Pridemore, Chair, called the meeting to order at 10:07 a.m.

(1) Plan 1 Funding Method Subgroup

Chair Pridemore advised the members that the Plan 1 Funding Method Subgroup agreed not to move forward at this time on the issue.

(2) 2005 Preliminary Valuation Report

Matthew Smith, State Actuary, reported on the "2005 Preliminary Valuation Report." Discussion followed.

(3) Approval of Minutes

It was moved to approve the October 17, 2006 Full Committee Draft Minutes. Seconded.

MOTION CARRIED

Chair Pridemore introduced and welcomed Randy Davis, the newly appointed Select Committee on Pension Policy member.

(4) \$150,000 Death Benefit

Darren Painter, Research Analyst, reported on "\$150,000 Death Benefit." Discussion followed.

It was moved that the \$150,000 Death Benefit bill draft Z-0267.2/07 be submitted to the Legislature. Seconded.

MOTION CARRIED

*Elaine M. Banks
TRS Retirees

Representative Barbara Bailey

Lois Clement
PERS Retirees

Representative Steve Conway

Representative Larry Crouse

Randy Davis
TRS Actives

Senator Karen Fraser

*Representative Bill Fromhold,
Vice-Chair

Robert Keller
PERS Actives

*Sandra J. Matheson, Director
Department of Retirement Systems

Corky Mattingly
PERS Employers

Doug Miller
PERS Employers

Victor Moore, Director
Office of Financial Management

*Glenn Olson
PERS Employers

*Senator Craig Pridemore,
Chair

Senator Mark Schoesler

*J. Pat Thompson
PERS Actives

David Westberg
SERS Actives

Senate Position Vacant

Vacant
TRS and SERS Employers

* Executive Committee

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(5) Service Credit Purchase Due to Injury

Robert Baker, Senior Research Analyst, reported on "Service Credit Purchase Due to Injury." Discussion followed.

It was moved that the Service Credit Purchase Due to Injury bill draft Z-0244.4/07 be submitted to the Legislature. Seconded.

MOTION CARRIED

(6) Post-Retirement Employment

Laura Harper, Senior Research Analyst, Legal, reported on "Post-Retirement Employment." Discussion followed.

It was moved that the legislature's amended version of last year's SCPP bill, including a 1900 hour cumulative lifetime limit for TRS 1, (Z-0059.1/07) be submitted to the legislature.

MOTION CARRIED

(7) 07-09 OSA Budget Amendment

Matthew Smith, State Actuary, reported on the "07-09 OSA Budget Amendment."

It was moved to approve the "07-09 OSA Budget Amendment."
Seconded.

MOTION CARRIED

(8) PSERS Membership Report

Darren Painter, Research Analyst, reported on "PSERS Membership Report." Discussion followed.

The following person testified:

Mike Ryherd, Teamsters

(9) Gain-Sharing

Robert Baker, Senior Research Analyst, reported on "Gain-Sharing." Discussion followed.

The following people testified:

Dave Scott, Washington Education Association

Leslie Main, Washington State School Retirees' Association

Mike Ryherd, Teamsters

*John Kvamme, Washington Association of School
Administrators/Association of Washington School Principals
Cassandra de la Rosa, Retired Public Employees Council
Tom Lopp, Public School Employees of Washington*

*It was moved to prospectively eliminate gain-sharing for new hires hired after
July 1, 2007 and provide choice of plan 2 or 3. Current members would continue
to receive gain-sharing benefits and future new hires would have a choice of plan
2 or 3. Seconded. Discussion followed.*

*It was moved to amend the current proposal adding a prospective rule of 90 with
an age 60 minimum. Seconded. Discussion followed.*

AMENDMENT PASSED

*It was moved to forward the amended proposal to the December full committee
meeting. Seconded.*

MOTION CARRIED

The meeting adjourned at 12:15 p.m.