



STATE OF WASHINGTON  
DEPARTMENT OF RETIREMENT SYSTEMS

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May 8, 2014

The Honorable Timm Ormsby  
Washington State Representative  
Chair, Select Committee on Pension Policy

The Honorable Barbara Bailey  
Washington State Senator  
Vice Chair, Select Committee on Pension Policy  
PO Box 40914  
Olympia, WA 98504-0914

Dear Representative Ormsby and Senator Bailey:

As you know, the Select Committee on Pension Policy (SCPP) has recommended bills to the Legislature for the last two interim periods that would fix the retiree return to work issue in the PERS statute. This issue arose from a drafting oversight in ESHB 1981 of the 2011 Legislature. Unfortunately, the bills did not pass.

The Department delayed implementing the unintended consequences of the language change in 2011 while waiting for the Legislature to correct the issue. However, we now need to move forward in implementing the impacts of the law as written.

In order to do this, the Department will develop and communicate reporting requirements for public employers on what new information they will need to provide on a monthly basis, and give those employers sufficient time to make the necessary modifications to their payroll and retirement reporting systems. The Department will also need to modify its internal information systems. This implementation process will require resources for many public employers and the Department in order to comply.

It is our hope and request that the SCPP again recommend legislation to the 2015 Legislature to fix this issue. If the bill is passed, it is possible, given the timing, that session would end early enough that employers and the Department would save the resource expenditures necessary to implement the change. I thank you for your consideration of this issue. I will be at the May meeting of the SCPP if members have any questions.

Sincerely,

Marcie L. Frost  
Director

cc: Members of the SCPP

