

HB 1036: PERS Survivor Benefits

Bill Provisions

This bill provides an optional, post-retirement survivor benefit to eligible spouses in the Public Employees' Retirement System (PERS). The bill provides a four month window for an eligible surviving spouse to designate themselves as a survivor beneficiary for purposes of receiving a joint and 50 percent survivor annuity from the plan. The window is open between September 1, 2015, and December 31, 2015.

The following criteria must be met for a surviving spouse to be eligible for this benefit:

- ❖ The surviving spouse was a registered domestic partner of the member prior to December 1, 2008.
- ❖ The surviving spouse was married to the member prior to January 1, 2013.
- ❖ The surviving spouse was the member's designated beneficiary.
- ❖ The member died prior to January 1, 2014.
- ❖ The member's retirement allowance is not subject to a property division obligation.
- ❖ The benefit is not payable until the surviving spouse repays any accumulated member contributions received from the plan.

Cost Summary

This bill would have a cost because it provides additional lifetime benefits to survivors who do not qualify for those benefits under current law.

The Department of Retirement Systems has identified one surviving spouse who would be eligible for this benefit. If additional survivors could benefit from the provisions in this bill, the actual cost would be greater than this estimate.

Budget Impacts			
<i>(Dollars in Millions)</i>	2015-2017	2017-2019	25-Year
General Fund-State	\$0.0	\$0.0	\$0.1
Local Government	\$0.0	\$0.0	\$0.1
Total Employer	\$0.0	\$0.1	\$0.3

Note: Totals may not agree due to rounding. We use long-term assumptions to produce our short-term budget impacts. Therefore, our short-term budget impacts will likely vary from estimates produced from other short-term budget models.

Legislative Action

This bill passed the House floor (65 yeas; 32 nays), but received no action in the Senate during the 2015 Legislative Session.

Committee Activity

The SCPP considered this bill at the December meeting and voted to endorse this bill and a similar bill, House Bill (HB) 2298, for the 2016 Legislative Session.¹

Recommendation to the 2016 Legislature

Enact HB 1036 and HB 2298, both of which provide an optional, post-retirement survivor benefit to eligible spouses in PERS.

Staff Contact

Lauren Rafanelli
Associate Policy Analyst
360.786.6145
lauren.rafanelli@leg.wa.gov

O:\SCPP\2015\Recommendations\HB.1036-2015.Final.Summary.docx

¹HB 1036 and HB 2298 are identical except the dates of the temporary survivor designation window have been updated in HB 2298.