
SENATE BILL 5569

State of Washington

62nd Legislature

2011 Regular Session

By Senator Honeyford

Read first time 01/31/11. Referred to Committee on Higher Education & Workforce Development.

1 AN ACT Relating to postretirement employment at institutions of
2 higher education; amending RCW 41.32.570; and declaring an emergency.

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

4 **Sec. 1.** RCW 41.32.570 and 2007 c 50 s 3 are each amended to read
5 as follows:

6 (1)(a) If a retiree enters employment with an employer sooner than
7 one calendar month after his or her accrual date, the retiree's monthly
8 retirement allowance will be reduced by five and one-half percent for
9 every seven hours worked during that month. This reduction will be
10 applied each month until the retiree remains absent from employment
11 with an employer for one full calendar month.

12 (b) The benefit reduction provided in (a) of this subsection will
13 accrue for a maximum of one hundred forty hours per month. Any monthly
14 benefit reduction over one hundred percent will be applied to the
15 benefit the retiree is eligible to receive in subsequent months.

16 (2) Except under subsection (3) of this section, any retired
17 teacher or retired administrator who enters service ~~((in))~~ with either
18 a state institution of higher education, as defined in RCW 28B.10.016,
19 in an instructional capacity or any public ~~((educational institution))~~

1 school or educational service district in Washington state at least one
2 calendar month after his or her accrual date shall cease to receive
3 pension payments while engaged in such service, after the retiree has
4 rendered service for more than eight hundred sixty-seven hours in a
5 school year.

6 (3) Any retired teacher or retired administrator who enters service
7 (~~in~~) with either a state institution of higher education, as defined
8 in RCW 28B.10.016, in an instructional capacity or any public
9 (~~educational institution~~) school or educational service district in
10 Washington state one and one-half calendar months or more after his or
11 her accrual date and:

12 (a) Is hired pursuant to a written policy into a position for which
13 the school board has documented a justifiable need to hire a retiree
14 into the position;

15 (b) Is hired through the established process for the position with
16 the approval of the school board or other highest decision-making
17 authority of the prospective employer;

18 (c) Whose employer retains records of the procedures followed and
19 the decisions made in hiring the retired teacher or retired
20 administrator and provides those records in the event of an audit; and

21 (d) The employee has not already rendered a cumulative total of
22 more than one thousand nine hundred hours of service while in receipt
23 of pension payments beyond an annual threshold of eight hundred sixty-
24 seven hours;

25 shall cease to receive pension payments while engaged in that service
26 after the retiree has rendered service for more than one thousand five
27 hundred hours in a school year. The one thousand nine hundred hour
28 cumulative total limitation under this section applies prospectively
29 after July 22, 2007.

30 (4) When a retired teacher or administrator renders service beyond
31 eight hundred sixty-seven hours, the department shall collect from the
32 employer the applicable employer retirement contributions for the
33 entire duration of the member's employment during that fiscal year.

34 (5) The department shall collect and provide the state actuary with
35 information relevant to the use of this section for the select
36 committee on pension policy.

37 (6) The legislature reserves the right to amend or repeal this

1 section in the future and no member or beneficiary has a contractual
2 right to be employed for more than five hundred twenty-five hours per
3 year without a reduction of his or her pension.

4 NEW SECTION. **Sec. 2.** This act is necessary for the immediate
5 preservation of the public peace, health, or safety, or support of the
6 state government and its existing public institutions, and takes effect
7 immediately.

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