

HOUSE BILL ANALYSIS

SB 6037

Title: An act relating to rescinding a retirement allowance agreement.

Brief Description: Rescinding a retirement allowance agreement.

Sponsors: Senators Shin and Prentice.

Background: Upon retirement, a member of the Public Employees Retirement System, Plan 1 (PERS 1) may choose a joint and survivor retirement allowance option. The joint and survivor option provides a reduced allowance to the retiree and, upon the death of the retiree, a continuing allowance to the beneficiary of the survivor option. The survivor option and beneficiary are selected at retirement and neither may be changed thereafter.

Summary: If the beneficiary of a PERS 1 joint and survivor option violates a restraining order issued on behalf of the PERS 1 retiree, the retiree may rescind the beneficiary's entitlement to the joint and survivor option. The retiree must first obtain permission of a court, and must forward a certified copy of the court order to the Department of Retirement Systems. The retiree's benefit will not increase by result of the rescission and the retiree may not select another beneficiary. The change applies to all current and future PERS 1 retirees.

Appropriation: None.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Fiscal Note: Available.