
HOUSE BILL 2956

State of Washington

66th Legislature

2020 Regular Session

By Representatives Stokesbary and Fitzgibbon

1 AN ACT Relating to providing funding for the unfunded liabilities
2 in the teachers' retirement system and the public employees'
3 retirement system plans 1; adding a new section to chapter 82.04 RCW;
4 creating a new section; making an appropriation; and providing an
5 effective date.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.04
8 RCW to read as follows:

9 (1) At least one month prior to the end of each quarter,
10 beginning September 1, 2020, the department must calculate:

11 (a) The proceeds of the tax imposed pursuant to RCW 82.04.260(11)
12 generated for the most recently completed quarter;

13 (b) The estimated amount of the proceeds the tax imposed pursuant
14 to RCW 82.04.260(11) would have generated during the most recently
15 completed quarter, if the rate of tax imposed pursuant to RCW
16 82.04.260(11) was 0.2904 percent for all taxable activities under
17 that section; and

18 (c) The net difference in proceeds of the taxes collected in (a)
19 of this subsection and the estimated amount of proceeds calculated in
20 (b) of this subsection.

1 (2) By the last day of each quarter, beginning September 30,
2 2020, the department must notify the state treasurer of the
3 calculations under subsection (1) of this section. The state
4 treasurer shall transfer into the pension funding stabilization
5 account the amount determined under subsection (1)(c) of this section
6 by the beginning of the quarter immediately following.

7 (3) For the purposes of this section, the following dates are the
8 beginning of a quarter: January 1st, April 1st, July 1st, and October
9 1st.

10 NEW SECTION. **Sec. 2.** (1) The sum of one hundred thirty-four
11 million dollars is appropriated for the fiscal biennium ending June
12 30, 2021, from the pension funding stabilization account for transfer
13 by the state treasurer under this section. On each of July 1, 2020,
14 October 1, 2020, January 1, 2021, and April 1, 2021, the amount
15 transferred into the pension funding stabilization account pursuant
16 to section 1(2) of this act must be transferred into the teachers'
17 retirement system plan 1 fund. The total of the quarterly transfers
18 into the teachers' retirement system plan 1 fund are limited to the
19 amount appropriated by this section.

20 (2) It is the intent of the legislature to continue to
21 appropriate and transfer quarterly from the pension funding
22 stabilization account until the unfunded liability in the teachers'
23 retirement system plan 1 fund is fully paid. At such time as the
24 teachers' retirement system plan 1 fund no longer has an unfunded
25 liability, the funds transferred to the pension funding stabilization
26 account under section 1 of this act will be appropriated and
27 transferred quarterly to the public employees' retirement system plan
28 1 fund until that plan no longer has an unfunded liability.

29 NEW SECTION. **Sec. 3.** If chapter . . . (House Bill No. 2945),
30 Laws of 2020 is not enacted by July 1, 2020, this act is null and
31 void.

32 NEW SECTION. **Sec. 4.** This act takes effect July 1, 2020.

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