HOUSE BILL REPORT HB 1417

As Reported by House Committee On:

Appropriations

Title: An act relating to Washington state patrol survivor benefits.

Brief Description: Providing reimbursement for certain Washington state patrol survivor benefits.

Sponsors: Representatives Lovick, Roach, Simpson, Hurst, O'Brien, Eddy, Ericks, Eickmeyer, Kelley, VanDeWege, Pedersen, Sells, Hankins, B. Sullivan, Dickerson, Rodne, Springer, Appleton, Rolfes, Hudgins, Pettigrew, Williams, Kessler, Green, Ormsby, P. Sullivan and Santos.

Brief History:

Committee Activity:

Appropriations: 1/29/07, 1/31/07 [DPS].

Brief Summary of Substitute Bill

- Adds surviving spouses and dependent children of members of the Washington State Patrol retirement system (WSPRS) killed in the line of duty to the definition of emergency service personnel whose survivors may enroll in Public Employees' Benefits Board (PEBB) health insurance plans.
- Provides survivors of the WSPRS members killed in the line of duty reimbursement from the WSPRS fund for the cost of PEBB member premium payments.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 34 members: Representatives Sommers, Chair; Dunshee, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Haler, Assistant Ranking Minority Member; Anderson, Buri, Chandler, Cody, Conway, Darneille, Dunn, Ericks, Fromhold, Grant, Haigh, Hinkle, Hunt, Hunter, Kagi, Kenney, Kessler, Kretz,

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Linville, McDermott, McDonald, McIntire, Morrell, Pettigrew, Priest, Schual-Berke, Seaquist, P. Sullivan and Walsh.

Staff: David Pringle (786-7310).

Background:

Retired or disabled employees of the state, school districts, and participating political subdivisions may purchase health care benefits from the Public Employees' Benefits Board (PEBB), administered by the Health Care Authority (HCA). This coverage is purchased at full cost based on the risk pool that the participants belong to, and includes administrative costs for each participant. Participants eligible for Medicare are placed in one risk pool, and all other retired or disabled participants are placed in a risk pool along with active employees. Groups are charged based on their per capita costs incurred by the risk pool they belong to, minus an explicit subsidy in the case of Medicare-eligible participants.

The 2001 Legislature enacted Engrossed Substitute House Bill 1371, which enabled surviving spouses of emergency service personnel killed in the line of duty on or after January 1, 1998, to purchase health care benefits from the PEBB. "Emergency service personnel" for this purpose includes fire fighter and law enforcement members of the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) and the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension System. The cost of the insurance is paid by the surviving spouses and dependent children.

The 2006 Legislature enacted Senate Bill 6723, which reimburses survivors of all LEOFF 2 members killed in the course of employment for the cost of participating in a PEBB health insurance plan as a benefit from the LEOFF 2 retirement fund. The LEOFF 2 members are not offered a contractual right to reimbursement for the survivor health care insurance costs, and the Legislature reserved the right to amend or repeal the 2006 act for future reimbursements.

Summary of Substitute Bill:

The definition of emergency service personnel for purposes of eligibility to enroll in PEBB health benefit plans is expanded to include surviving spouses and dependent children of members of the Washington State Patrol Retirement System (WSPRS) killed in the line of duty.

Reimbursement for survivor and dependent health benefit premium payments is added to the death benefits provided to survivors of members of the WSPRS killed in the line of duty. Reimbursement of premium payments is not provided to survivors as a contractual right.

Substitute Bill Compared to Original Bill:

The substitute bill provides that the reimbursement of PEBB premiums from the WSPRS fund is not a contractual right, and the Legislature may amend or repeal the provisions for future

distributions. The substitute also deletes an erroneous amendment to the definition of retired employee.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed, except for section 2, relating to changing the definition of "emergency service personnel," which takes effect immediately.

Staff Summary of Public Testimony:

(In support) This was brought to my attention at the memorial ceremony for a State Trooper who was killed in the line of duty recently. It troubled me that the family of a member would not be taken care of in this way. Last year, this coverage was provided for members of the Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2, but not State Patrol members. The cost of purchasing these benefits on our own has been very great - more than double what the family was paying prior to the death of the member of the family. My husband was killed in the line of duty. I'm working with the 1099 Foundation. We are asking for parity with LEOFF 2 spouses and families. Please support the bill. The bill requires a small amount of money, but means so very much to these survivors.

(Opposed) None.

Persons Testifying: Representative Lovick, prime sponsor; Steve Sutton, Washington State Patrol Lieutenants' Association; Gayle Frink-Schulz; and Billie Saunders.

Persons Signed In To Testify But Not Testifying: None.