SENATE BILL REPORT SHB 1679

As Reported By Senate Committee On: Ways & Means, March 30, 2007

- **Title:** An act relating to membership on the law enforcement officers' and firefighters' retirement system plan 2 board.
- **Brief Description:** Determining membership on the law enforcement officers' and firefighters' retirement system plan 2 board.
- **Sponsors:** House Committee on Appropriations (originally sponsored by Representatives Ericks, Hinkle, Conway, Buri, McDonald, Hurst, Haigh and Simpson; by request of LEOFF Plan 2 Retirement Board).

Brief History: Passed House: 2/26/07, 94-0. **Committee Activity:** Ways & Means: 3/15/07, 3/30/07 [DPA].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass as amended.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Pridemore, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Carrell, Fairley, Hatfield, Hewitt, Hobbs, Honeyford, Keiser, Kohl-Welles, Oemig, Parlette, Rasmussen, Regala, Roach, Rockefeller, Schoesler and Tom.

Staff: Erik Sund (786-7454)

Background: The Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board (LEOFF 2 Board) was created by the passage of Initiative 790 in 2002. The LEOFF 2 Board is the board of trustees for the Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 (LEOFF 2), and has the authority to administer LEOFF 2, as well as choose the economic assumptions and set the contribution rates for LEOFF 2 employees, employers, and the state.

The LEOFF 2 Board is composed of 11 members, including three members representing law enforcement officers, three members representing fire fighters, three members representing employers, one member of the Senate, and one member of the House of Representatives.

The member representatives are appointed by the Governor to six-year terms (initially staggered) from a list provided by a recognized statewide council of law enforcement or fire fighter labor associations. Beginning January 1, 2007, when vacancies are filled in the law

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enforcement officer and fire fighter positions on the LEOFF 2 Board, at least one of each of the three positions must be filled by a retired member of LEOFF 2.

The three employer representatives are appointed by the Governor to four-year terms (not staggered), and all of these initial terms are scheduled to expire in 2007. The Senate member on the LEOFF 2 Board is appointed by the Governor based on the recommendation of the Majority Leader of the Senate to a four-year term, and the House of Representatives member is appointed by the Governor based on the recommendation of the House of Representatives to a four-year term.

Summary of Substitute Bill: The requirement that one of the law enforcement officers and one of the fire fighter positions on the LEOFF 2 Board be filled by a retired member for appointments made for vacancies after January 1, 2007, is removed. One LEOFF 2 Board member from each of the member groups may be either an active or retired member.

The terms of the initial three employer LEOFF 2 Board members are changed from four years to four, five, and six years. Subsequent employer board member appointments are for four years.

The terms of the initial legislative members of the LEOFF 2 Board are changed to five years and six months. Subsequent legislative board member appointments are for two-year terms beginning on January 1 of odd-numbered years.

EFFECT OF CHANGES MADE BY RECOMMENDED AMENDMENT(S) AS PASSED COMMITTEE (Ways & Means): After January 1, 2008, one member of the LEOFF 2 Board must be a retired participant of LEOFF Plan 2.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: None.

Persons Testifying: No one.