SENATE BILL REPORT SB 6653

As Passed Senate, February 19, 2008

Title: An act relating to allowing department of fish and wildlife enforcement officers to transfer service credit.

Brief Description: Allowing department of fish and wildlife enforcement officers to transfer service credit.

Sponsors: Senators Murray, Holmquist, Schoesler, Roach and Rasmussen; by request of Select Committee on Pension Policy and LEOFF Plan 2 Retirement Board.

Brief History:

Committee Activity: Ways & Means: 2/05/08, 2/06/08, 2/12/08 [DP].

Passed Senate: 2/19/08, 49-0.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Pridemore, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Carrell, 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' Retirement System (LEOFF) provides retirement benefits to full-time general authority law enforcement officers and firefighters throughout Washington. To be eligible for LEOFF as a law enforcement officer, an employee must: 1) work for a governmental entity that meets the definition of a general authority law enforcement agency; 2) be a general authority law enforcement officer; and 3) meet the training or other requirements of his or her job. All employees first employed in LEOFF-eligible positions since 1977 have been enrolled in LEOFF Plan 2, which allows for an unreduced retirement allowance at age 53. LEOFF 2 permits early retirement beginning at age 50 for members with 20 years of service with a 3 percent per year reduction to their retirement allowance.

The Department of Fish and Wildlife (DFW) was changed from a limited authority law enforcement agency to a general authority law enforcement agency by the 2002 Legislature. This permits the agency to commission officers to enforce all the traffic and criminal laws of the state, much like Washington State Patrol troopers, in addition to the special enforcement powers granted to the DFW enforcement officers in the state Wildlife Code.

Senate Bill Report - 1 - SB 6653

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.

While DFW enforcement officers met all the requirements of LEOFF membership, they were specifically excluded from LEOFF membership until the enactment of HB 1205 in 2003 (C 388 L 03), which made new DFW eligible for enrollment in LEOFF Plan 2. HB 1205 also authorized to transfer current DFW enforcement officers belonging to the Public Employees' Retirement System (PERS) Plan 2 or Plan 3 to LEOFF Plan 2 on a prospective basis only. Enforcement officers transferred to from PERS to LEOFF became dual members of PERS 2/3 and LEOFF 2. A dual member is eligible two receive a retirement benefit from both of the plans that they belong to and may combine service credit earned in all portability covered systems for the purpose of qualifying for benefits. A dual member may also use his or her highest base salary to calculate the benefits from both systems.

All employees first employed in PERS-eligible positions since 1977 have been enrolled in PERS Plan 2 or Plan 3, which allows for an unreduced retirement allowance at age 65. PERS 1, in contrast, permits members to retire at any age after 30 years of service, at age 55 with 25 years of service, and at age 60 with five years of service.

Summary of Bill: Members of LEOFF Plan 2 may transfer prior service credit to PERS Plan 2 service credit earned as enforcement officers of the DFW. A member choosing to transfer service credit from PERS to LEOFF must pay an amount equal to the difference between the retirement system contributions that the member made in PERS Plan 2 and the contributions that the member would have paid in LEOFF Plan 2, plus interest, by June 30, 2013. The Department of Retirement Systems must transfer the service credit from PERS to LEOFF on June 30, 2013, along with the associated member and employer contributions and interest.

No later than June 30, 2014, the DFW must contribute to the LEOFF Plan 2 Retirement Fund an amount sufficient to ensure that contribution rates in LEOFF Plan 2 do not increase as a result of the service credit transfers authorized by this act.

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: PRO: DFW enforcement officers perform all of the duties that other kinds of law enforcement officers do, and yet they are the only LEOFF members that haven't been able to transfer their past service credit from PERS into LEOFF. This means that these employees will have to work well past the standard LEOFF retirement age in order to avoid a reduction in benefits. It is unsafe for employees to remain in these dangerous and physically demanding positions so long. This bill will improve the fairness of the retirement system statutes by treating DFW enforcement officers like the professional law enforcement officers that they are. The department is willing to support the cost of transferring these employees' service credit into LEOFF.

Persons Testifying: PRO: Bruce Bjork, Washington DFW; Duane Makoviney, Mike Ryherd, International Brotherhood of Teamsters; Isabel Van Vladricken, Washington Federation of State Employees.