

HOUSE BILL REPORT

SHB 2196

As Passed House:

March 6, 2009

Title: An act relating to including service credit transferred from the law enforcement officers' and firefighters' retirement system plan 1 in the determination of eligibility for military service credit.

Brief Description: Including service credit transferred from the law enforcement officers' and firefighters' retirement system plan 1 in the determination of eligibility for military service credit.

Sponsors: House Committee on Ways & Means (originally sponsored by Representatives Ericks and Ormsby).

Brief History:

Committee Activity:

Ways & Means: 2/24/09, 2/27/09 [DPS].

Floor Activity

Passed House: 3/6/09, 96-0.

Brief Summary of Substitute Bill

- Permits service credit transferred from the Law Enforcement Officers' and Firefighters' Retirement System Plan 1 to the Public Employees' Retirement System Plan 1 between July 1, 1997, and July 1, 1998, to apply to a member's eligibility for non-interruptive military service credit.

HOUSE COMMITTEE ON WAYS & MEANS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 22 members: Representatives Linville, Chair; Ericks, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Chandler, Cody, Conway, Darneille, Haigh, Hinkle, Hunt, Hunter, Kagi, Kenney, Kessler, Pettigrew, Priest, Ross, Schmick, Seaquist and Sullivan.

Staff: David Pringle (786-7310)

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.

Background:

The Law Enforcement Officers' and Firefighters' Retirement System, Plan 1 (LEOFF Plan 1) provides retirement and disability benefits to law enforcement officers and firefighters who entered eligible employment between 1969 and 1977. Since 1977 eligible law enforcement officers and firefighters have entered LEOFF Plan 2. The Public Employees' Retirement System (PERS) provides retirement benefits for most regularly compensated employees in ongoing positions who work for most public employers in Washington, except for employees covered by one of the other state or first class cities' retirement plans. Since 1977 eligible PERS members have to enter PERS Plans 2 and 3. The Washington State Patrol Retirement System (WSPRS) provides retirement and disability benefits to fully commissioned officers of the Washington State Patrol. The WSPRS Plan 1 was closed to new members on December 31, 2002.

Only two plans in the Washington retirement systems allow for the inclusion of up to five years of prior, or non-interruptive, military service when determining a member's total service credit for calculating their retirement allowance — PERS Plan 1 and WSPRS Plan 1. Members of PERS Plan 1 and WSPRS Plan 1 must have at least 25 years of member service before the prior military service can be included. No other of the remaining plans, including LEOFF Plan 1, allow for the inclusion of prior military service. All systems and plans allow for the inclusion of up to five years of interruptive military service, as long as the member makes the necessary member contributions.

Service credit that has been transferred from LEOFF Plan 1 does not apply to the eligibility requirements for inclusion of prior military service in either PERS Plan 1 or WSPRS Plan 1.

Summary of Substitute Bill:

Members that transferred service credit from LEOFF Plan 1 to PERS Plan 1 between July 1, 1997, and July 1, 1998, are permitted to include the years of transferred service in meeting the 25 years of member service requirement to qualify for up to five years of prior, or non-interruptive, military service credit.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This is intended to impact one person that worked on both the Green River killer task force and the Ted Bundy task force. He worked for about 25 years for the Office of the Attorney General, transferring there from a LEOFF Plan 1 position with a local government. He had earned 31 total years of service when he retired, and was told by the Department of Retirement Systems (Department) that he would receive military service credit for his service

before joining the LEOFF Plan 1. It turned out that the Department was mistaken and the military service credit had to be withdrawn.

(Opposed) None.

Persons Testifying: Representative Ericks, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.