

SENATE BILL REPORT

SHB 2191

As of February 19, 1996

Title: An act relating to admitting fire fighters for institutions of higher education into the law enforcement officers' and fire fighters' retirement system.

Brief Description: Creating a retirement option for certain fire fighters.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Cooke, Ogden, Carlson, Sehlin, H. Sommers, Dickerson, Conway and Kessler; by request of Joint Committee on Pension Policy).

Brief History:

Committee Activity: Ways & Means: 2/20/96.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Denise Graham (786-7715)

Background: Membership in the Law Enforcement Officers' and Fire Fighters' Retirement System Plan I (LEOFF II) consists of law enforcement officers and fire fighters. A fire fighter must be employed by a city, town, county or district to be a member of LEOFF II. A law enforcement officer, to be a member of LEOFF II, must be employed by a city, town, county, district or general authority law enforcement agency to enforce criminal laws of the state. General authority law enforcement agencies include law enforcement departments at the state's four-year higher education institutions and the ports of Seattle and Pasco.

Fire fighters employed by Washington State University are members of the Public Employees' Retirement System (PERS), some with membership in Plan I, some in Plan II. No other four-year public universities currently employ fire fighters.

Normal retirement in LEOFF II is at age 55; normal retirement in PERS II is at age 65. Of the total contribution cost for LEOFF II, the employee pays 50 percent, the employer pays 30 percent, and the state pays 20 percent. The exception to this is for general authority peace officers at the state's colleges and ports where the employer and employee each pay 50 percent.

Summary of Bill: The definition of "employer" is amended to include an institution of higher education that has a fully operational fire department on January 1, 1996.

Current members of PERS who are fire fighters at such institutions of higher education have one year to make an irrevocable decision to:

- (a) Transfer to LEOFF II retroactively. The employee must pay the difference between the employee contributions made to PERS and those contributions that would have been required had the person been a member of LEOFF II, plus interest. The payments must

be completed by December 31, 1998, or by retirement, whichever comes first. The employer must pay whatever amount is necessary to insure the LEOFF II contribution rate does not increase due to the transfer; or

(b) Transfer to LEOFF II prospectively, retaining past service credit in PERS; or

(c) Stay in PERS.

For those who choose to become members of LEOFF II, the employer pays 50 percent of the costs and the employee pays 50 percent of the costs.

Appropriation: None.

Fiscal Note: Available.

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