

CERTIFICATION OF ENROLLMENT
SECOND SUBSTITUTE SENATE BILL 5102

Chapter 117, Laws of 1999

56th Legislature
1999 Regular Session

FIRE INSURANCE PREMIUM TAX--DISTRIBUTION

EFFECTIVE DATE: 7/25/99

Passed by the Senate March 12, 1999
YEAS 46 NAYS 0

BRAD OWEN
President of the Senate

Passed by the House April 12, 1999
YEAS 89 NAYS 5

CLYDE BALLARD
Speaker of the
House of Representatives

FRANK CHOPP
Speaker of the
House of Representatives

Approved April 28, 1999

GARY LOCKE
Governor of the State of Washington

CERTIFICATE

I, Tony M. Cook, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE SENATE BILL 5102** as passed by the Senate and the House of Representatives on the dates hereon set forth.

TONY M. COOK
Secretary

FILED

April 28, 1999 - 4:08 p.m.

Secretary of State
State of Washington

SECOND SUBSTITUTE SENATE BILL 5102

Passed Legislature - 1999 Regular Session

State of Washington

56th Legislature

1999 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Haugen, Snyder, Winsley, Goings, Gardner, T. Sheldon, Bauer, Rasmussen, Hale, McCaslin, Sellar, Swecker, Patterson, Morton, Prentice, Oke, Kohl-Welles and Costa)

Read first time 03/05/99.

1 AN ACT Relating to distribution of the fire insurance premium tax
2 to contribute toward the funding of fire fighting training and
3 volunteer fire fighter pensions; and amending RCW 43.43.934, 43.43.944,
4 41.16.050, 41.24.170, 41.24.160, and 41.24.172.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 43.43.934 and 1998 c 245 s 65 are each amended to read
7 as follows:

8 Except for matters relating to the statutory duties of the chief of
9 the Washington state patrol that are to be carried out through the
10 director of fire protection, the board shall have the responsibility of
11 developing a comprehensive state policy regarding fire protection
12 services. In carrying out its duties, the board shall:

13 (1)(a) Adopt a state fire training and education master plan that
14 allows to the maximum feasible extent for negotiated agreements: (i)
15 With the state board for community and technical colleges to provide
16 academic, vocational, and field training programs for the fire service
17 and (ii) with the higher education coordinating board and the state
18 colleges and universities to provide instructional programs requiring
19 advanced training, especially in command and management skills;

1 (b) Adopt minimum standards for each level of responsibility among
2 personnel with fire suppression, prevention, inspection, and
3 investigation responsibilities that assure continuing assessment of
4 skills and are flexible enough to meet emerging technologies. With
5 particular respect to training for fire investigations, the master plan
6 shall encourage cross training in appropriate law enforcement skills.
7 To meet special local needs, fire agencies may adopt more stringent
8 requirements than those adopted by the state;

9 (c) Cooperate with the common schools, technical and community
10 colleges, institutions of higher education, and any department or
11 division of the state, or of any county or municipal corporation in
12 establishing and maintaining instruction in fire service training and
13 education in accordance with any act of congress and legislation
14 enacted by the legislature in pursuance thereof and in establishing,
15 building, and operating training and education facilities.

16 Industrial fire departments and private fire investigators may
17 participate in training and education programs under this chapter for
18 a reasonable fee established by rule;

19 (d) Develop and adopt a master plan for constructing, equipping,
20 maintaining, and operating necessary fire service training and
21 education facilities subject to the provisions of chapter 43.19 RCW;
22 ((and))

23 (e) Develop and adopt a master plan for the purchase, lease, or
24 other acquisition of real estate necessary for fire service training
25 and education facilities in a manner provided by law; and

26 (f) Develop and adopt a plan with a goal of providing training at
27 the level of fire fighter one, as defined by the board, to all fire
28 fighters in the state. The plan will include a reimbursement for fire
29 protection districts and city fire departments of not less than two
30 dollars for every hour of fire fighter one training. The Washington
31 state patrol shall not provide reimbursement for more than one hundred
32 fifty hours of fire fighter one training for each fire fighter trained.

33 (2) In addition to its responsibilities for fire service training,
34 the board shall:

35 (a) Adopt a state fire protection master plan;

36 (b) Monitor fire protection in the state and develop objectives and
37 priorities to improve fire protection for the state's citizens
38 including: (i) The comprehensiveness of state and local inspections
39 required by law for fire and life safety; (ii) the level of skills and

1 training of inspectors, as well as needs for additional training; and
2 (iii) the efforts of local, regional, and state inspection agencies to
3 improve coordination and reduce duplication among inspection efforts;

4 (c) Establish and promote state arson control programs and ensure
5 development of local arson control programs;

6 (d) Provide representation for local fire protection services to
7 the governor in state-level fire protection planning matters such as,
8 but not limited to, hazardous materials control;

9 (e) Recommend to the director of community, trade, and economic
10 development rules on minimum information requirements of automatic
11 location identification for the purposes of enhanced 911 emergency
12 service;

13 (f) Seek and solicit grants, gifts, bequests, devises, and matching
14 funds for use in furthering the objectives and duties of the board, and
15 establish procedures for administering them;

16 (g) Promote mutual aid and disaster planning for fire services in
17 this state;

18 (h) Assure the dissemination of information concerning the amount
19 of fire damage including that damage caused by arson, and its causes
20 and prevention; and

21 (i) Implement any legislation enacted by the legislature to meet
22 the requirements of any acts of congress that apply to this section.

23 (3) In carrying out its statutory duties, the board shall give
24 particular consideration to the appropriate roles to be played by the
25 state and by local jurisdictions with fire protection responsibilities.
26 Any determinations on the division of responsibility shall be made in
27 consultation with local fire officials and their representatives.

28 To the extent possible, the board shall encourage development of
29 regional units along compatible geographic, population, economic, and
30 fire risk dimensions. Such regional units may serve to: (a) Reinforce
31 coordination among state and local activities in fire service training,
32 reporting, inspections, and investigations; (b) identify areas of
33 special need, particularly in smaller jurisdictions with inadequate
34 resources; (c) assist the state in its oversight responsibilities; (d)
35 identify funding needs and options at both the state and local levels;
36 and (e) provide models for building local capacity in fire protection
37 programs.

1 **Sec. 2.** RCW 43.43.944 and 1995 c 369 s 21 are each amended to read
2 as follows:

3 (1) The fire service training account is hereby established in the
4 state treasury. The ((Washington state patrol shall deposit in the
5 account)) fund shall consist of:

6 (a) All fees received by the Washington state patrol for fire
7 service training;

8 (b) All grants and bequests accepted by the Washington state patrol
9 under RCW 43.43.940; and

10 (c) Twenty percent of all moneys received by the state on fire
11 insurance premiums.

12 (2) Moneys in the account may be appropriated only for fire service
13 training.

14 **Sec. 3.** RCW 41.16.050 and 1994 c 273 s 23 are each amended to read
15 as follows:

16 There is hereby created and established in the treasury of each
17 municipality a fund which shall be known and designated as the
18 firemen's pension fund, which shall consist of: (1) All bequests,
19 fees, gifts, emoluments, or donations given or paid thereto; (2)
20 ~~((forty-five))~~ twenty-five percent of all moneys received by the state
21 from taxes on fire insurance premiums; (3) taxes paid pursuant to the
22 provisions of RCW 41.16.060; (4) interest on the investments of the
23 fund; and (5) contributions by fire fighters as provided for herein.
24 The moneys received from the tax on fire insurance premiums under the
25 provisions of this chapter shall be distributed in the proportion that
26 the number of paid fire fighters in the city, town, or fire protection
27 district bears to the total number of paid fire fighters throughout the
28 state to be ascertained in the following manner: The secretary of the
29 firemen's pension board of each city, town, and fire protection
30 district now or hereafter coming under the provisions of this chapter
31 shall within thirty days after June 7, 1961, and on or before the
32 fifteenth day of January thereafter, certify to the state treasurer the
33 number of paid fire fighters in the fire department in such city, town,
34 or fire protection district. For any city or town annexed by a fire
35 protection district at any time before, on, or after June 9, 1994, the
36 city or town shall continue to certify to the state treasurer the
37 number of paid fire fighters in the city or town fire department
38 immediately before annexation until all obligations against the

1 firemen's pension fund in the city or town have been satisfied. For
2 the purposes of the calculation in this section, the state treasurer
3 shall subtract the number certified by the annexed city or town from
4 the number of paid fire fighters certified by an annexing fire
5 protection district. The state treasurer shall on or before the first
6 day of June of each year deliver to the treasurer of each city, town,
7 and fire protection district coming under the provisions of this
8 chapter his or her warrant, payable to each city, town, or fire
9 protection district for the amount due such city, town or fire
10 protection district ascertained as herein provided and the treasurer of
11 each such city, town, or fire protection district shall place the
12 amount thereof to the credit of the firemen's pension fund of such
13 city, town, or fire protection district.

14 **Sec. 4.** RCW 41.24.170 and 1995 c 11 s 7 are each amended to read
15 as follows:

16 Except as provided in RCW 41.24.410, whenever any participant has
17 been a member and served honorably for a period of ten years or more as
18 an active member in any capacity, of any regularly organized volunteer
19 fire department or law enforcement agency of any municipality in this
20 state, and which municipality and participant are enrolled under the
21 retirement provisions, and the participant has reached the age of
22 sixty-five years, the board of trustees shall order and direct that he
23 or she be retired and be paid a monthly pension as provided in this
24 section.

25 Whenever a participant has been a member, and served honorably for
26 a period of twenty-five years or more as an active member in any
27 capacity, of any regularly organized volunteer fire department or law
28 enforcement agency of any municipality in this state, and he or she has
29 reached the age of sixty-five years, and the annual retirement fee has
30 been paid for a period of twenty-five years, the board of trustees
31 shall order and direct that he or she be retired and such participant
32 be paid a monthly pension of two hundred (~~(twenty-five)~~) eighty dollars
33 from the fund for the balance of that participant's life.

34 Whenever any participant has been a member, and served honorably
35 for a period of twenty-five years or more as an active member in any
36 capacity, of any regularly organized volunteer fire department or law
37 enforcement agency of any municipality in this state, and the
38 participant has reached the age of sixty-five years, and the annual

1 retirement fee has been paid for a period of less than twenty-five
2 years, the board of trustees shall order and direct that he or she be
3 retired and that such participant shall receive a minimum monthly
4 pension of (~~twenty-five~~) thirty dollars increased by the sum of
5 (~~eight~~) ten dollars each month for each year the annual fee has been
6 paid, but not to exceed the maximum monthly pension provided in this
7 section, for the balance of the participant's life.

8 No pension provided in this section may become payable before the
9 sixty-fifth birthday of the participant, nor for any service less than
10 twenty-five years: PROVIDED, HOWEVER, That:

11 (1) Any participant, (~~upon completion of~~) who is older than
12 fifty-nine years of age, less than sixty-five years of age, and has
13 completed twenty-five (~~years'~~) years or more of service (~~and~~
14 attainment of age sixty,) may irrevocably elect(~~(,)~~) a reduced monthly
15 pension in lieu of the pension (~~to which~~) that participant would be
16 entitled to under this section at age sixty-five(~~(, to)~~). The
17 participant who elects this option shall receive the reduced pension
18 for the balance of his or her life (~~a monthly pension equal to sixty~~
19 percent of such pension.

20 (2) Any participant, ~~upon completion of twenty-five years' service~~
21 ~~and attainment of age sixty two, may irrevocably elect, in lieu of the~~
22 ~~pension to which that participant would be entitled under this section~~
23 ~~at age sixty five, to receive for the balance of his or her life a~~
24 ~~monthly pension equal to seventy-five percent of such pension.~~

25 (3) Any participant, ~~upon completion of less than twenty five years~~
26 ~~of service shall receive the applicable reduced pension provided in~~
27 ~~this subsection, according to the age at which that participant elects~~
28 ~~to begin to receive the pension. If receipt of the benefits begins at~~
29 ~~age sixty five the participant shall receive one hundred percent of the~~
30 ~~reduced benefit; at age sixty two the participant shall receive~~
31 ~~seventy five percent of the reduced benefit; and at age sixty the~~
32 ~~participant shall receive sixty percent of the reduced benefit)). The~~
33 reduced monthly pension is calculated as a percentage of the pension
34 the participant would be entitled to at age sixty-five. The percentage
35 used in the calculation is based upon the age of the participant at the
36 time of retirement as follows:

37	<u>Age 60</u>	<u>Sixty percent</u>
38	<u>Age 61</u>	<u>Sixty-eight percent</u>
39	<u>Age 62</u>	<u>Seventy-six percent</u>

1 Age 63 Eighty-four percent

2 Age 64 Ninety-two percent

3 (2) If a participant is age sixty-five or older but has less than
4 twenty-five years of service, the participant is entitled to a reduced
5 benefit. The reduced benefit shall be computed as follows:

6 (a) Upon completion of ten years, but less than fifteen years of
7 service, a monthly pension equal to (~~(fifteen)~~) twenty percent of such
8 pension as the participant would have been entitled to receive at age
9 sixty-five after twenty-five years of service;

10 (b) Upon completion of fifteen years, but less than twenty years
11 of service, a monthly pension equal to thirty-five percent of such
12 pension as the participant would have been entitled to receive at age
13 sixty-five after twenty-five years of service; and

14 (c) Upon completion of twenty years, but less than twenty-five
15 years of service, a monthly pension equal to (~~(sixty)~~) seventy-five
16 percent of such pension as the participant would have been entitled to
17 receive at age sixty-five after twenty-five years of service.

18 (3) If a participant with less than twenty-five years of service
19 elects to retire after turning age sixty but before turning age sixty-
20 five, the participant's retirement allowance is subject:

21 (a) First to the reduction under subsection (2) of this section
22 based upon the participant's years of service; and

23 (b) Second to the reduction under subsection (1) of this section
24 based upon the participant's age.

25 **Sec. 5.** RCW 41.24.160 and 1998 c 151 s 1 are each amended to read
26 as follows:

27 (1) Whenever a fire fighter, or a reserve officer provided a
28 benefit under this section, dies as the result of injuries received, or
29 sickness contracted in consequence or as the result of the performance
30 of his or her duties, the board of trustees shall order and direct the
31 payment of the sum of one hundred fifty-two thousand dollars to his
32 widow or her widower, or if there is no widow or widower, then to his
33 or her dependent child or children, or if there is no dependent child
34 or children, then to his or her dependent parents or either of them, or
35 if there are no dependent parents or parent, then the death benefit
36 shall be paid to the member's estate, and the sum of one thousand two
37 hundred seventy-five dollars per month to his widow or her widower
38 during his or her life together with the additional monthly sum of one

1 hundred ten dollars for each child of the member, unemancipated or
2 under eighteen years of age, dependent upon the member for support at
3 the time of his or her death, to a maximum total of two thousand five
4 hundred fifty dollars per month.

5 (2) If the widow or widower does not have legal custody of one or
6 more dependent children of the deceased fire fighter or if, after the
7 death of the fire fighter, legal custody of such child or children
8 passes from the widow or widower to another person, any payment on
9 account of such child or children not in the legal custody of the widow
10 or widower shall be made to the person or persons having legal custody
11 of such child or children. Such payments on account of such child or
12 children shall be subtracted from the amount to which such widow or
13 widower would have been entitled had such widow or widower had legal
14 custody of all the children and the widow or widower shall receive the
15 remainder after such payments on account of such child or children have
16 been subtracted. If there is no widow or widower, or the widow or
17 widower dies while there are children, unemancipated or under eighteen
18 years of age, then the amount of eight hundred twenty-five dollars per
19 month shall be paid for the youngest or only child together with an
20 additional seventy dollars per month for each additional of such
21 children to a maximum of one thousand six hundred fifty dollars per
22 month until they become emancipated or reach the age of eighteen years;
23 and if there are no widow or widower, child, or children entitled
24 thereto, then to his or her parents or either of them the sum of eight
25 hundred twenty-five dollars per month for life, if it is proved to the
26 satisfaction of the board that the parents, or either of them, were
27 dependent on the deceased for their support at the time of his or her
28 death. In any instance in subsections (1) and (2) of this section, if
29 the widow or widower, child or children, or the parents, or either of
30 them, marries while receiving such pension the person so marrying shall
31 thereafter receive no further pension from the fund.

32 (3) In the case provided for in this section, the monthly payment
33 provided may be converted in whole or in part into a lump sum payment,
34 not in any case to exceed twelve thousand dollars, equal or
35 proportionate, as the case may be, to the actuarial equivalent of the
36 monthly payment in which event the monthly payments shall cease in
37 whole or in part accordingly or proportionately. Such conversion may
38 be made either upon written application to the state board and shall
39 rest in the discretion of the state board; or the state board is

1 authorized to make, and authority is hereby given it to make, on its
2 own motion, lump sum payments, equal or proportionate, as the case may
3 be, to the value of the annuity then remaining in full satisfaction of
4 claims due to dependents. Within the rule aforesaid the amount and
5 value of the lump sum payment may be agreed upon between the applicant
6 and the state board. Any person receiving a monthly payment under this
7 section on June 29, 1961, may elect, within two years, to convert such
8 payments into a lump sum payment as provided in this section.

9 **Sec. 6.** RCW 41.24.172 and 1995 c 11 s 9 are each amended to read
10 as follows:

11 Before beginning to receive the pension provided for in RCW
12 41.24.170, the participant shall elect, in a writing filed with the
13 state board, to have the pension paid under either option 1 or 2, with
14 option 2 calculated so as to be actuarially equivalent to option 1.

15 (1) Option 1. A participant electing this option shall receive a
16 monthly pension payable throughout the participant's life. However, if
17 the participant dies before the total pension paid to the participant
18 equals the amount paid into the fund, then the balance shall be paid to
19 the participant's surviving spouse, or if there be no surviving spouse,
20 then to the participant's legal representatives.

21 (2) Option 2. A participant electing this option shall receive a
22 reduced monthly pension, which upon the participant's death shall be
23 continued throughout the life of and paid to the participant's
24 surviving spouse named in the written election filed with the state
25 board, however, in the event that the surviving spouse dies before the
26 participant, the participant's monthly retirement allowance shall
27 increase, effective the first day of the following month, to the
28 monthly amount that would have been received had the participant
29 elected option 1.

Passed the Senate March 12, 1999.

Passed the House April 12, 1999.

Approved by the Governor April 28, 1999.

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