

# FINAL BILL REPORT

## SHB 2191

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Synopsis as Enacted

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

**Sponsors:** By 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).

**House Committee on Appropriations**  
**Senate Committee on Ways & Means**

**Background:** Membership in the Law Enforcement Officers and Fire Fighters Retirement System Plan II (LEOFF II) consists of law enforcement officers and firefighters. A firefighter must be employed by a city, town, county, or district to be a member of LEOFF II. To be a member of LEOFF II, a law enforcement officer must be employed by a city, town, county, district, or general authority law enforcement agency. The LEOFF II plan, including the original definition of membership, was established in October 1977. In 1993, the Legislature modified the definition of "law enforcement officer" to include police employed by four-year higher education institutions and the ports of Seattle and Pasco.

Firefighters employed by Washington State University (WSU) are members of the Public Employees Retirement System (PERS), some with membership in Plan I, some in Plan II. No other four-year public university currently employs firefighters. Washington State University firefighters complete the same training as other firefighters and have equivalent job duties.

Normal retirement in LEOFF II is at age 55; normal retirement in PERS II is at age 65. Most firefighters employed by state and local agencies are members of the LEOFF retirement system.

Contributions to LEOFF are made as a percentage of the basic salary of the member. For employer and state contributions to LEOFF II, there are two different contribution frameworks. First, for all law enforcement officers and firefighters, other than higher education police and port police, the employer pays 30 percent and the state pays 20 percent. Second, for higher education police and port police, the employer pays 50 percent. Under both frameworks, the employee pays the remaining 50 percent of the total.

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

New firefighters hired after the effective date of the act would be members of LEOFF II.

Current WSU firefighters who are members of PERS have three choices regarding their retirement benefits. First, they may remain members of PERS. Second, they may maintain their past PERS membership and make the irrevocable choice to join LEOFF II prospectively only. In this case, the members may use portability and combine service credit from PERS and LEOFF for purposes of determining eligibility for a retirement benefit. Third, the members may make the irrevocable choice to join LEOFF II prospectively and transfer their past PERS service credit to LEOFF II. Past PERS service credit will be transferred after a member pays the difference between the employee contributions actually made to PERS and the employee contributions that would have been made to LEOFF II had the member been a member of LEOFF II, plus interest as determined by the Director of the Department of Retirement Services. The payments must be completed by December 31, 1998, or by retirement, whichever comes first.

When such a member joins LEOFF II, the employer must pay the difference between the employer contributions paid to PERS and the combined state and employer contributions which would have been payable to LEOFF II for that period of service. The employer must also pay the amount necessary to ensure there will be no additional benefit cost to LEOFF II.

An employee choosing to transfer into LEOFF II must inform the Department of Retirement Systems no later than January 1, 1997.

As do employers of higher education and port police, the employer will pay 50 percent of the total contribution rate for members who transfer to LEOFF II.

**Votes on Final Passage:**

House	97	0
Senate	45	1

**Effective:** June 6, 1996