<u>SSB 5659</u> - S AMD **116** By Senator Bailey

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ADOPTED 03/07/2017

- Beginning on page 11, line 17, strike all of section 3 and insert the following:
 - "NEW SECTION. Sec. 3. (1) A member who provided emergency medical services on behalf of a public hospital district or public corporation established under RCW 35.21.730 to provide emergency medical services as defined in RCW 18.73.030(10) may establish credit for such service rendered on or after July 24, 2005. Upon receipt of a written request the department of retirement systems must notify the member of the cost to establish credit for all or part of such service.
- 11 (a) A member has one year from July 1, 2017, to elect to
 12 establish credit in plan 2 under this section. Such election must be
 13 filed in writing with the department of retirement systems by June
 14 30, 2018. The elected period must be in contiguous monthly increments
 15 beginning with the oldest service.
 - (i) To establish service under this section, except as provided in section 4 of this act, the member must pay the employee contributions he or she would have paid if he or she had been participating in the retirement system at the time of the service:
 - (A) No later than five years from the effective date of the election made under this section; and
 - (B) Prior to retirement.
- 23 (ii) Upon full payment of employee contributions for the elected 24 period of service the department of retirement systems must:
 - (A) Credit the member with the service; and
- (B) Bill the employer for the employer contributions it would have paid if such member had been participating in the retirement system at the time of such service. The amount billed to the employer by the department of retirement systems must be reduced by the amount of any employer contributions to an employee's retirement account prior to December 1, 2011.

1 (iii) The employer shall pay the required amount prior to July 1, 2 2028.

- (b)(i) A member of the public employees' retirement system who is eligible for membership in plan 2 under this act may:
- (A) Make an election in writing to the department of retirement systems by July 1, 2017, to remain a member of the public employees' retirement system and not participate in the law enforcement officers' and firefighters' retirement system plan 2;
- (B) Leave any service credit earned as a member of the public employees' retirement system in the public employees' retirement system, and have service rendered on or after July 1, 2017, as an emergency medical technician in the law enforcement officers' and firefighters' retirement system plan 2, becoming a dual member under the provisions of chapter 41.54 RCW; or
- (C) Within one year from July 1, 2017, to elect to transfer service credit previously earned as an emergency medical technician for a public hospital district or public corporation established under RCW 35.21.730 to provide emergency medical services as defined in RCW 18.73.030(10) to the law enforcement officers' and firefighters' retirement system plan 2 as defined in RCW 41.26.030. Such election must be filed in writing with the department of retirement systems by June 30, 2018.
- (I) A member who elects to transfer service credit under this subsection shall pay, for the applicable period of service, the difference between the contributions the employee paid to the public employees' retirement system plan and the contributions that would have been paid by the employee had the employee been a member of the law enforcement officers' and firefighters' retirement system plan 2, plus interest on this difference as determined by the director.
- (II) The payment under (a) of this subsection must be made no later than five years from the effective date of the election and must be made prior to retirement, except as provided under section 4 of this act.
- (2) Upon transfer or establishment of service credit, contributions, and interest under this section, the employee is permanently excluded from membership in the public employees' retirement system for all service transfers related to their time served as an emergency medical technician for a public hospital district or public corporation established under RCW 35.21.730 to

provide emergency medical services as defined in RCW 18.73.030(10) under the public employees' retirement system.

(3) A public hospital district or public corporation established under RCW 35.21.730 to provide emergency medical services as defined in RCW 18.73.030(10) shall provide the department of retirement systems with a list of former employees who were employed as emergency medical technicians on or after July 24, 2005, and who are eligible to establish credit for service under this section. The list must include a former employee's name, last known address, and period of employment. The department of retirement systems must notify former employees of the process and cost to establish credit for service under this section."

<u>EFFECT:</u> Extends the time the employer has to pay into the LEOFF fund from 5 to 10 years. Removes the section that seeks clarity from the IRS about the use of private retirement dollars to meet LEOFF obligations. Allows employers to pay the difference between what they have already contributed to an EMTs private retirement funds and what would have been owed to the LEOFF fund retroactively.

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