FINAL BILL REPORT
SHB 2786

C 230 L 18
Synopsis as Enacted

Brief Description: Concerning membership in the law enforcement officers' and firefighters' retirement system plan 2 for firefighters employed by the department of corrections or the department of social and health services and serving at a prison or civil commitment center located on an island.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Kilduff and Muri).

House Committee on Appropriations
Senate Committee on Ways & Means

Background:

The Law Enforcement Officers' and Firefighters' Retirement System (LEOFF) provides retirement and disability benefits to full-time, fully compensated general authority law enforcement officers and firefighters. Members of the plan first becoming eligible for the LEOFF on or after October 1, 1977 are members of the LEOFF Plan 2. The LEOFF Plan 2 provides for retirement benefits based on 2 percent of a member's average final salary per year of service credit and a normal retirement age of 53. Enhanced early retirement benefits are available to members with 20 or more years of service, and disability benefits are provided for members disabled, or catastrophically disabled, in the line of duty. Contributions are paid into the LEOFF Plan 2 by employees (50 percent of the total rate), employers (30 percent), and the state (20 percent). The total contribution rate for the LEOFF Plan 2 is 17.5 percent of pay.

Membership in the LEOFF Plan 2 requires that an individual be employed by a LEOFF employer, and as a firefighter, be employed on a full-time, fully compensated basis as a member of a fire department; be employed as a supervisory firefighter; or be employed as a full-time, fully compensated Emergency Medical Technician providing emergency medical services. The LEOFF employers are mostly local government entities such as cities, towns, counties, and fire districts. Among state government agencies, only general authority law enforcement agencies and four-year institutions of higher education with fully operational fire departments as of January 1, 1996 are LEOFF employers.

Individual employees that work for state agencies in positions that do not meet the employer or employee definitions for the LEOFF Plan 2 are generally members of the Public Employees' Retirement System Plans 2 or 3, or in limited circumstances the Public Safety Employees' Retirement System.

Summary:

The Department of Social and Health Services (DSHS) and the Department of Corrections (DOC) are added to the definition of "employer" for the LEOFF when employing firefighters serving at a prison or civil commitment center on an island. "Fire department" for purposes of the LEOFF includes a fire station operated by the DSHS or the DOC when employing firefighters in a prison or civil commitment center on an island. New employees in these positions will become members of the LEOFF Plan 2.

Members of the Public Employees' Retirement System (PERS) Plan 2 or Plan 3 made newly eligible for the LEOFF may choose between remaining in the PERS or transferring to the LEOFF for periods of future service. For members electing to transfer to LEOFF Plan 2, during a one-year period beginning on the effective date of the act, service credit earned in the PERS Plan 2 or Plan 3 as a DSHS or DOC firefighter before the effective date of the act may be transferred to the LEOFF Plan 2. The member must contribute the difference between employee contributions made to the PERS and the contributions that would have been made to the LEOFF Plan 2 for the period of service being transferred. Upon completion of payments (no later than five years from the decision to transfer), all of the member and employer contributions, plus the member's service credit, must be transferred from the PERS Plan 2 to the LEOFF Plan 2.

Votes on Final Passage:

House	94	4
Senate	49	0

Effective: June 7, 2018