

SSB 5829 - S AMD 1146

By Senator Mullet

ADOPTED 02/19/2020

1 Strike everything after the enacting clause and insert the
2 following:

3

4 "Sec. 1. RCW 41.24.030 and 2005 c 37 s 2 are each amended to
5 read as follows:

6 (1) The volunteer firefighters' and reserve officers' relief and
7 pension principal fund is created in the state treasury as a trust
8 fund for the benefit of the participants covered by this chapter
9 consisting of:

10 (a) All bequests, fees, gifts, emoluments, or donations given or
11 paid to the fund.

12 (b) An annual fee for each member of its fire department to be
13 paid by each municipal corporation for the purpose of affording
14 relief provided in this chapter for firefighters as follows:

15 (i) (~~Thirty~~) Fifty dollars for each volunteer or part-paid
16 member of its fire department;

17 (ii) A sum equal to one and one-half of one percent of the
18 annual salary attached to the rank of each full-paid member of its
19 fire department, prorated for 1970 on the basis of services prior to
20 March 1, 1970.

21 (c) An annual fee for each emergency worker of an emergency
22 medical service district paid by the district that is sufficient to
23 pay the full costs of covering the emergency worker under the relief
24 provisions of this chapter, including operating expenses. The state
25 board shall determine the amount of this fee based on the latest
26 actuarial valuation of the system.

27

1 (d) Where a municipal corporation has elected to make relief
2 provisions of this chapter available to its reserve officers, an
3 annual fee for each reserve officer paid by the municipal
4 corporation that is sufficient to pay the full costs of covering the
5 reserve officer under the relief provisions of this chapter,
6 including operating expenses. The state board shall determine the
7 amount of this fee based on the latest actuarial valuation of the
8 system.

9 (e) Where a municipal corporation has elected to make the
10 retirement pension provisions of this chapter available to members
11 of its fire department, an annual fee of (~~sixty~~) ninety dollars
12 for each of its firefighters electing to enroll, (~~thirty~~)
13 forty-five dollars of which shall be paid by the municipality and
14 (~~thirty~~) forty-five dollars of which shall be paid by the
15 firefighter. However, nothing in this section prohibits any
16 municipality from voluntarily paying the firefighters' fee for this
17 retirement pension coverage.

18 (f) Where an emergency medical service district has elected to
19 make the retirement pension provisions of this chapter available to
20 its emergency workers, for each emergency worker electing to enroll:
21 (i) An annual fee of (~~thirty~~) forty-five dollars shall be paid by
22 the emergency worker; and (ii) an annual fee paid by the emergency
23 medical service district that, together with the (~~thirty~~)
24 forty-five dollar fee per emergency worker, is sufficient to pay the
25 full costs of covering the emergency worker under the retirement
26 pension benefits provided under this chapter, including operating
27 expenses. The state board shall determine the amount of this fee
28 based on the latest actuarial valuation of the system. However,
29 nothing in this section prohibits any emergency medical service
30 district from voluntarily paying the emergency workers' fees for
31 this retirement pension coverage.

32 (g) Where a municipal corporation has elected to make the
33 retirement pension provisions of this chapter available to its
34 reserve officers, for each reserve officer electing to enroll: (i)

1 An annual fee of (~~thirty~~) forty-five dollars shall be paid by the
2 reserve officer; and (ii) an annual fee paid by the municipal
3 corporation that, together with the (~~thirty~~) forty-five dollar fee
4 per reserve officer, is sufficient to pay the full costs of covering
5 the reserve officer under the retirement pension benefits provided
6 under this chapter, including operating expenses. The state board
7 shall determine the amount of this fee based on the latest actuarial
8 valuation of the system. However, nothing in this section prohibits
9 any municipal corporation from voluntarily paying the reserve
10 officers' fees for this retirement pension coverage.

11 (h) Moneys transferred from the administrative fund, as provided
12 under subsection (4) of this section, which may only be used to pay
13 relief and retirement pensions for firefighters.

14 (i) Earnings from the investment of moneys in the principal fund.

15 (2) The state investment board, upon request of the state
16 treasurer shall have full power to invest, reinvest, manage,
17 contract, sell, or exchange investments acquired from that portion
18 of the amounts credited to the principal fund as is not, in the
19 judgment of the state board, required to meet current withdrawals.
20 Investments shall be made in the manner prescribed by RCW 43.84.150
21 and not otherwise.

22 All bonds, investments, or other obligations purchased by the
23 state investment board shall be placed in the custody of the state
24 treasurer, and he or she shall collect the principal thereof and
25 interest thereon when due.

26 The state investment board may sell any of the bonds,
27 investments, or obligations so acquired and the proceeds thereof
28 shall be paid to the state treasurer.

29 (3) The interest, earnings, and proceeds from the sale and
30 redemption of any investments held by the principal fund and
31 invested by the state investment board shall be credited to and form
32 a part of the principal fund, less the allocation to the state
33 investment board expense account pursuant to RCW 43.33A.160.

34

1 Subject to restrictions contained in this chapter, all amounts
2 credited to the principal fund shall be available for making the
3 benefit payments required by this chapter.

4 The state treasurer shall make an annual report showing the
5 condition of the fund.

6 (4) The volunteer firefighters' and reserve officers'
7 administrative fund is created in the state treasury. Moneys in the
8 fund, including unanticipated revenues under RCW 43.79.270, may be
9 spent only after appropriation, and may be used only for operating
10 expenses of the volunteer firefighters' and reserve officers' relief
11 and pension principal fund, the operating expenses of the volunteer
12 firefighters' and reserve officers' administrative fund, or for
13 transfer from the administrative fund to the principal fund.

14 (a) Forty percent of all moneys received by the state from taxes
15 on fire insurance premiums shall be paid into the state treasury and
16 credited to the administrative fund.

17 (b) The state board shall compute a percentage of the amounts
18 credited to the administrative fund to be paid into the principal
19 fund.

20 (c) For the purpose of providing amounts to be used to defray
21 the cost of administration of the principal and administrative
22 funds, the state board shall ascertain at the beginning of each
23 biennium and request from the legislature an appropriation from the
24 administrative fund sufficient to cover estimated expenses for the
25 biennium.

26

27 **Sec. 2.** RCW 41.24.170 and 2003 c 62 s 1 are each amended to
28 read as follows:

29 (1) Except as provided in RCW 41.24.410, whenever any
30 participant has been a member and served honorably for a period of
31 ten years or more as an active member in any capacity, of any
32 regularly organized fire department or law enforcement agency of any
33 municipality in this state, and which municipality has adopted
34 appropriate legislation allowing its firefighters or reserve

1 officers to enroll in the retirement pension provisions of this
2 chapter, and the participant has enrolled under the retirement
3 pension provisions and has reached the age of sixty-five years, the
4 board of trustees shall order and direct that he or she be retired
5 and be paid a monthly pension from the principal fund as provided in
6 this section.

7 (2)(a) Whenever a participant has been a member, and served
8 honorably for a period of twenty-five years or more as an active
9 member in any capacity, of any regularly organized volunteer fire
10 department or law enforcement agency of any municipality in this
11 state, and he or she has reached the age of sixty-five years, and
12 the annual retirement fee has been paid for a period of twenty-five
13 years, the board of trustees shall order and direct that he or she
14 be retired and such participant be paid a monthly pension of three
15 hundred fifty dollars from the fund for the balance of that
16 participant's life.

17 (b) Beginning the date that the state board receives a
18 determination from the federal internal revenue service that this
19 subsection (2)(b) does not exceed limits on deferred compensation
20 from volunteer plans, but no sooner than July 1, 2022, whenever a
21 participant is eligible for a benefit under (a) of this subsection,
22 the board of trustees shall order and direct that he or she be
23 retired and such participant be paid the monthly pension under (a)
24 of this subsection plus ten dollars per month for each year that the
25 retirement fee was paid beyond twenty-five years, from the fund for
26 the balance of that participant's life.

27 (3) Whenever any participant has been a member, and served
28 honorably for a period of twenty-five years or more as an active
29 member in any capacity, of any regularly organized volunteer fire
30 department or law enforcement agency of any municipality in this
31 state, and the participant has reached the age of sixty-five years,
32 and the annual retirement fee has been paid for a period of less
33 than twenty-five years, the board of trustees shall order and direct
34 that he or she be retired and that such participant shall receive a

1 minimum monthly pension of (~~fifty~~) one hundred dollars increased
2 by the sum of ten dollars each month for each year the annual fee
3 has been paid, but not to exceed (~~the maximum monthly pension~~
4 ~~provided in this section~~) three hundred fifty dollars, for the
5 balance of the participant's life.

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

9 (~~(1)~~) (a) Any participant, who is older than fifty-nine years
10 of age, less than sixty-five years of age, and has completed
11 twenty-five years or more of service may irrevocably elect a reduced
12 monthly pension in lieu of the pension that participant would be
13 entitled to under this section at age sixty-five. The participant
14 who elects this option shall receive the reduced pension for the
15 balance of his or her life. The reduced monthly pension is
16 calculated as a percentage of the pension the participant would be
17 entitled to at age sixty-five. The percentage used in the
18 calculation is based upon the age of the participant at the time of
19 retirement as follows:

20	Age 60	Sixty percent
21	Age 61	Sixty-eight percent
22	Age 62	Seventy-six percent
23	Age 63	Eighty-four percent
24	Age 64	Ninety-two percent

25
26 (~~(2)~~) (b) If a participant is age sixty-five or older but has
27 less than twenty-five years of service, the participant is entitled
28 to a reduced benefit. The reduced benefit shall be computed as
29 follows:

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

34

1 ~~((b))~~ (ii) Upon completion of fifteen years, but less than
2 twenty years of service, a monthly pension equal to thirty-five
3 percent of such pension as the participant would have been entitled
4 to receive at age sixty-five after twenty-five years of service; and

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

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

13 ~~((a))~~ (i) First to the reduction under (b) of this subsection
14 ~~((2) of this section))~~ based upon the participant's years of
15 service; and

16 ~~((b))~~ (ii) Second to the reduction under (a) of this
17 subsection ~~((1) of this section))~~ based upon the participant's age.

18
19 NEW SECTION. Sec. 3. (1) Section 1 of this act takes effect
20 January 1, 2021.

21 (2) Section 2 of this act takes effect July 1, 2020."

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23 SSB 5829 S AMD

24 By Senator Mullet

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26 On page 1, line 3 of the title, after "system;" strike the
27 remainder of the title and insert "amending RCW 41.24.030 and
28 41.24.170; and providing effective dates."

EFFECT: Corrects the dates. Increases the annual fee paid by
emergency workers and reserve officers and the employing agency from
\$30 to \$45. Increases the minimum monthly payment for certain
members from \$50 to \$100.

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