

SENATE BILL REPORT

SB 6418

As Reported by Senate Committee On:
Ways & Means, January 29, 2020

Title: An act relating to the definition of period of war for pensions.

Brief Description: Concerning the definition of period of war for pensions.

Sponsors: Senators Holy, Van De Wege and Conway; by request of LEOFF Plan 2 Retirement Board.

Brief History:

Committee Activity: Ways & Means: 1/27/20, 1/29/20 [DP, w/oRec].

Brief Summary of Bill

- Modifies the definition of “period of war” used for interruptive military service credit that would apply only to the Law Enforcement Officers’ and Firefighters’ Retirement System Plan 2 to include any armed conflict in which the participant was awarded the respective campaign badge or medal.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Rolfes, Chair; Frockt, Vice Chair, Operating, Capital Lead; Mullet, Capital Budget Cabinet; Braun, Ranking Member; Brown, Assistant Ranking Member, Operating; Honeyford, Assistant Ranking Member, Capital; Billig, Carlyle, Conway, Darneille, Dhingra, Hunt, Keiser, Liias, Muzzall, Pedersen, Rivers, Schoesler, Wagoner, Warnick and Wilson, L..

Minority Report: That it be referred without recommendation.

Signed by Senator Hasegawa.

Staff: Amanda Cecil (786-7460)

Background: The federal Uniform Services Employment and Reemployment Rights Act (USERRA) requires employers to determine a reemployed service member's eligibility for

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participation in a pension plan and the vesting and accrual of the service member's pension benefits as if the service member had not left for military service.

Consistent with USERRA, members of the state's retirement systems who leave employment to enter the armed forces of the United States may be eligible for interruptive military service credit. Interruptive military service credit applies to all Washington state retirement systems. A member qualifies for this benefit when a leave of absence is taken from a Department of Retirement System (DRS) covered position to serve in the United States military. When this occurs, membership in the retirement system is considered to be interrupted.

There are two types of pension benefits for interruptive military service—fully subsidized or no cost interruptive military service credit, and partially subsidized where the member pays the employee portion of contributions for that period and in some cases interest. A member can qualify for up to five years of no-cost interruptive military service credit. The employer and state pay their contributions plus interest and the system subsidizes the member contributions and interest.

To qualify for no-cost interruptive military service credit the member must meet the definition of “veteran” under RCW 41.04.005. The statute limits veterans to persons serving during a “period of war” defined as:

- World War I, World War II, the Korean conflict, the Vietnam era, the Persian Gulf War, and any future period of war declared by Congress; and
- the following specified military operations where the member earned a campaign badge or medal:
 - the crisis in Lebanon;
 - the invasion of Grenada;
 - Panama, Operation Just Cause;
 - Somalia, Operation Restore Hope;
 - Haiti, Operation Uphold Democracy;
 - Bosnia, Operation Joint Endeavor;
 - Operation Noble Eagle;
 - Southern or central Asia, Operation Enduring Freedom;
 - Persian Gulf, Operation Iraqi Freedom;
 - Iraq and Syria, Operation Inherent Resolve; and
 - Afghanistan, Operation Freedom's Sentinel.

The Department of Defense (DOD) awards a campaign badge or medal to service members who served during a specified conflict, and were stationed in a designated war zone. Campaign medals, as defined by DOD, are medals which “recognize Service members who are deployed to the geographic area where the combat is actually occurring. Members awarded campaign medals have the highest degree of personal risk and hardship as they are conducting the combat operations and are deployed to the area where the combat is actually occurring.”

Summary of Bill: A definition of “period of war” is created that would be used for interruptive military service credit in the Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2. Under this definition, the list of named armed conflicts that

qualify as a period of war is removed, and an armed conflict would include any in which the member was awarded the respective campaign badge or medal.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The LEOFF 2 Board studied this issue and endorsed this policy. The Board and sponsor would be open to a friendly amendment that made this change apply to all the state's retirement systems. This will expand the definition to capture service in any conflict that was awarded a campaign badge or medal. This would not expand to include other types of medals like expeditionary medals. That was considered but would have a larger and indeterminate cost.

Persons Testifying: PRO: Senator Jeff Holy, Prime Sponsor; Jacob White, Law Enforcement Officers and Fire Fighters Plan 2 Retirement Board.

Persons Signed In To Testify But Not Testifying: No one.