

SENATE BILL REPORT

SB 5092

AS REPORTED BY COMMITTEE ON WAYS & MEANS, MARCH 4, 1991

Brief Description: Continuing retirement system membership while on active duty in operation Desert Shield.

SPONSORS: Senators Roach, Snyder, Stratton, Amondson, L. Kreidler, McCaslin, Erwin, Newhouse, Niemi, Sellar, Craswell, Gaspard, Hayner, Skratek, L. Smith, Talmadge, Oke, Bauer, Rasmussen, Thorsness, Johnson, Wojahn, Cantu and West.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5092 be substituted therefor, and the substitute bill do pass.

Signed by Senators McDonald, Chairman; Craswell, Vice Chairman; Bailey, Bauer, Bluechel, Cantu, Gaspard, Hayner, Johnson, L. Kreidler, Metcalf, Murray, Newhouse, Niemi, Owen, Rinehart, Saling, L. Smith, Talmadge, West, Williams, and Wojahn.

Staff: Denise Graham (786-7715)

Hearing Dates: February 28, 1991; March 4, 1991

BACKGROUND:

The treatment of retirement service credit for leave taken by members of state retirement systems who are activated from reserves and placed on active duty with the armed forces due to operation Desert Shield will vary from one retirement system to another. The total amount of service credit members can receive for military and other leaves of absence varies from no limit, to two years, to five years. Except for members of Public Employees' Retirement System (PERS) Plan I, members must pay both employee and employer contributions for military leaves and other leaves of absence.

State employee reservists called to active duty are considered on leave without pay status for purposes of health and other insurance and must self-pay premiums or use eight hours of their accrued vacation leave per month to continue receiving health benefits.

SUMMARY:

Certain employee benefits are extended to employees of school districts, state agencies and political subdivisions who are activated from federal military reserve or state militia service and placed on active duty with the armed forces due to operation Desert Shield.

A member of any of the following retirement systems who is required to take leave without pay because of operation Desert Shield may receive service credit for that period once he or she returns to employment: the retirement systems of the state's institutions of higher education and community colleges, the Washington State Patrol Retirement System, the Law Enforcement Officers' and Fire Fighters' Retirement System Plans I and II, PERS Plan I and II and the Teachers' Retirement System Plans I and II. The employer pays both the employee's and the employer's contributions for the period of service.

The dependents of an employee of a school district, state agency or political subdivision are entitled to the same health care and other insurance in which the employee is enrolled immediately prior to being activated. The cost to the dependents, if any, is the same as the employee would have paid had he or she remained employed.

EFFECT OF PROPOSED SUBSTITUTE:

The benefits provided in the bill are extended to public employees called to active duty under Operation Desert Shield, Operation Desert Storm and any subsequent operation.

Sections 3 through 11 of the original bill, which reference the various retirement systems, are combined into one section. The benefits provided in the bill are extended to members of the judicial retirement system.

Any loss in compensation that occurs due to being called to active duty under Operation Desert Shield, Desert Storm or any subsequent operation will not affect the average final compensation used to calculate a member's retirement benefit.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

This bill offers a good way to show our gratitude to the men and women who served in Desert Shield.

TESTIMONY AGAINST: None

TESTIFIED: Senator Roach (pro); Gerald Allard, State Actuary; Councilman Harold Moss, Tacoma (pro); Joe Daniels, Federation of Professional and Technical Engineers (pro); Keith Sherman, Chair, Veterans' Legislative Coal Association (pro); Kathleen Collins, Association of Washington Cities; Howard Vietzke, Washington State Council of Fire Fighters (pro); Sam Kinville, Washington State Council of County and City Employees (pro)