

FINAL BILL REPORT

2SSB 5102

C 117 L 99

Synopsis as Enacted

Brief Description: Funding fire fighter training and pensions.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Haugen, Snyder, Winsley, Goings, Gardner, T. Sheldon, Bauer, Rasmussen, Hale, McCaslin, Sellar, Swecker, Patterson, Morton, Prentice, Oke, Kohl-Welles and Costa).

Senate Committee on Transportation
Senate Committee on Ways & Means
House Committee on Appropriations

Background: *Fire Fighter Training.* Of the 23,000 fire fighters in Washington, 72 percent (16,800) are volunteers and/or paid on-call fire fighters. The State Patrol estimates that 20 percent of those fire fighters have not been trained to the level of skill necessary to operate as a backup member of a team at a fire scene.

The Washington State Patrol (WSP) provides fire fighter training at its training academy in North Bend. There is currently no dedicated source of state funding to provide that training. As a consequence, the patrol currently charges fire departments and fire districts for the full cost of the training. Obtaining training is made more difficult by the fact that the North Bend training facility is geographically remote from many areas of the state.

Volunteer Fire Fighter Pensions. The Volunteer Fire Fighters Retirement System (VFFRS) Trust Fund is funded primarily through revenue generated by a 2 percent tax on fire insurance premiums, 40 percent of which is earmarked for VFFRS purposes. Unlike other public pension systems in Washington, the dollar amount for VFFRS pensions are set in statute. The Legislature periodically amends those statutes to increase the pension amount. This was last done in 1992.

Under current law a volunteer fire fighter is eligible for a maximum monthly pension of \$225 beginning at age 65 if the volunteer has 25 or more years of service. If a member retires prior to age 65 and/or with less than 25 years of service, his or her pension is reduced.

City Share of Fire Insurance Premium Tax. Another beneficiary of the 2 percent tax on fire insurance premiums are certain cities and fire districts. 45 percent of the revenue from the tax is earmarked for cities and fire districts with full-time fire fighters. The tax revenue is distributed based upon the number of full-time fire fighters currently employed by the employer. The revenue may be used to pay expenses incurred under the pre-1970 city fire fighter retirement system and for retiree medical expenses incurred for fire fighters retired under the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 1.

Some cities are still obligated to pay pensions under the pre-LEOFF system for fire fighters that retired under that system prior to March 1970. Some are also responsible for some bridge payments for persons who started under the pre-LEOFF system and retired under LEOFF Plan 1. Cities are also responsible for certain medical benefits statutorily granted to LEOFF Plan 1 retirees.

Summary: The State Fire Protection Policy Board of the WSP must develop a plan for making fire fighter 1 training available to all fire fighters in the state. The patrol's plan must include a minimum reimbursement of \$2 for every hour of fire fighter 1 training actually utilized by a department or district.

This training program is funded by reallocating 20 percent of 45 percent of the revenue generated by the fire insurance premium tax to fire services training account. This funding would have been distributed to cities.

Volunteer fire fighter pensions are increased as follows:

Base benefit for all retirees	\$ 25/month	\$ 30/month
Incremental pension per year of service	\$ 8/month	\$ 10/month
Maximum benefit	\$225/month	\$280/month

The reductions for retirement before age 65, retirement with less than 25 years of service, or both, are reduced, resulting in larger pensions for persons who retire early. In addition, changes were made to death benefit and survivor benefit provisions. A member's estate is added as a death beneficiary if the member does not have dependent parents or children. If a member's survivor beneficiary predeceases the member, the member's benefit increases to the amount it would have been had the member not chosen a survivor benefit.

Votes on Final Passage:

Senate 46 0
 House 89 5

Effective: July 25, 1999