

FINAL BILL REPORT

HB 1045

C 261 L 01

Synopsis as Enacted

Brief Description: Reducing the law enforcement officers' and fire fighters' retirement system plan 2 disability actuarial reduction age from fifty-five to fifty-three.

Sponsors: By Representatives Conway, Delvin, Doumit, Barlean, H. Sommers, Lambert, Alexander, Kagi, O'Brien, McIntire, Hurst, Hatfield, Haigh, Kenney, Edmonds, Keiser and Van Luven; by request of Joint Committee on Pension Policy.

House Committee on Appropriations
Senate Committee on Ways & Means

Background:

Members of the Law Enforcement Officers and Fire Fighters Retirement System (LEOFF) Plan 2 who become totally incapacitated for continued employment are eligible to receive a disability retirement allowance. The disability allowance is actuarially reduced to reflect the difference in the number of years between the age at disability and age 55. The policy reflected by the actuarial reduction is to provide the disabled member with access to his or her retirement benefit at an earlier age, but at no additional cost to the retirement plan.

Prior to September 2000, the normal retirement age for LEOFF Plan 2 members was age 55. Legislation enacted in the 2000 session lowered the normal retirement age to 53, but did not make a corresponding reduction in the age from which the disability allowance actuarial reduction was calculated.

Summary:

For LEOFF Plan 2 members who first receive a disability allowance after September 1, 2000, the age from which a disability retirement allowance is actuarially reduced is lowered from age 55 to age 53. Members who retired due to disability between September 1, 2000, and the effective date of the act will have their allowances recalculated to reflect an actuarial reduction from age 53.

Votes on Final Passage:

House 98 0

Senate 45 0

Effective: July 22, 2001
March 1, 2002 (Section 2)