

FINAL BILL REPORT

ESHB 2685

C 309 L 06

Synopsis as Enacted

Brief Description: Making changes to general provisions in the public safety employees' retirement system.

Sponsors: By House Committee on Appropriations (originally sponsored by Representatives Fromhold, Conway, Lovick, Quall, Simpson, Ormsby and Moeller; by request of Select Committee on Pension Policy).

House Committee on Appropriations
Senate Committee on Ways & Means

Background:

The Public Safety Employees' Retirement System (PSERS) was created in 2004. The PSERS will open to members on July 1, 2006, and will provide retirement benefits for state and local government employees who work in positions with law enforcement duties but are not eligible for membership in the Law Enforcement Officers' and Fire Fighters' Retirement System.

Members of the PSERS with at least 20 years of service will be eligible for full retirement benefits from age 60, five years earlier than the regular retirement age in PERS Plans 2 and 3. Early retirement in the PSERS is also available earlier and with reduced penalties. The PSERS members with 20 years of service may retire from age 53 with a 3 percent reduction in benefits per year of early retirement rather than a full actuarial reduction.

Membership in the PSERS is restricted by an individual's employer and by specific job classes in effect as of January 1, 2004. The PSERS employers are defined as including the Department of Corrections, the Parks and Recreation Commission, the Gambling Commission, the State Patrol, the Liquor Control Board, county corrections departments, and the corrections departments of municipalities not classified as First Class cities. Eligible job classes include Park Ranger, Liquor Enforcement Officer, Gambling Special Agent, Commercial Vehicle Enforcement Officer, and a range of correctional positions.

New employees hired into eligible positions after July 1, 2006, will be enrolled in the PSERS immediately. Current employees who are in the PSERS eligible positions and are now enrolled in Plans 2 or 3 of the Public Employees' Retirement System (PERS 2 or 3) will be given the option to transfer into PSERS on July 1, 2006, on a prospective basis. Members choosing to transfer into PSERS from PERS will become dual members and will be eligible to receive benefits from each plan under the state's portability laws. Members of PERS Plan 1, who are able to retire at any age with 30 years of service, are not eligible to transfer to PSERS.

Limited authority Washington Peace Officers are full-time, fully-compensated officers of limited authority law enforcement agencies. These officers are empowered to enforce the laws within the limited subject areas for which the agency is responsible. Limited authority law enforcement agencies include the departments of Natural Resources, Social and Health Services, and Corrections, the Gambling Commission, the Lottery Commission, the Parks and Recreation Commission, the Utilities and Transportation Commission, and the Liquor Control Board.

Summary:

The list of job classes in the statutes governing eligibility requirements for the Public Safety Employees' Retirement System (PSERS) is replaced with a duty-based set of membership criteria. To be eligible for membership, employees must work full-time and hold a position: that requires completion of a certified criminal justice training course and which has the authority to arrest, investigate crimes, enforce the law, and carry a firearm; in which the primary duty is to ensure the custody and security of incarcerated individuals as a probation officer, corrections officer or jailer; that is a limited authority Washington Peace Officer; or in which the primary responsibility is to supervise employees who are eligible for membership under one of the previously listed membership criteria.

References to the PSERS system are added to provisions related to joining a second retirement plan, and to the retirement systems for which retirement benefits paid to beneficiaries of members who die in the line of duty are paid consistent with the federal Fallen Hero Survivor Benefits Fairness Act exempting them from federal income tax. Issues relating to PSERS employees are added to the responsibilities of the Select Committee on Pension Policy's public safety subcommittee.

Votes on Final Passage:

House	97	0	
Senate	47	0	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	48	0	

Effective: March 29, 2006