FINAL BILL REPORT SB 6723

C 345 L 06

Synopsis as Enacted

Brief Description: Determining the retirement allowance of a member who is killed in the course of employment.

Sponsors: Senators Eide, Delvin, Keiser, Kohl-Welles and Rasmussen; by request of LEOFF Plan 2 Retirement Board.

Senate Committee on Ways & Means House Committee on Appropriations

Background: Retired or disabled employees of the state, school districts, and participating political subdivisions may purchase health care benefits from the Public Employees' Benefits Board (PEBB), administered by the Health Care Authority (HCA). This coverage is purchased at full cost based on the risk pool that the participants belong to, and includes administrative costs for each participant. Participants eligible for Medicare are placed in one risk pool, and all other retired or disabled participants are placed in a risk pool along with active employees. Groups are charged based on their per capita costs incurred by the risk pool they belong to, minus an explicit subsidy in the case of Medicare-eligible participants.

The 2001 Legislature enacted Engrossed Substitute House Bill 1371, which enabled surviving spouses of emergency service personnel killed in the line of duty on or after January 1, 1998, to purchase health care benefits from the PEBB. "Emergency service personnel" for this purpose includes fire fighter and law enforcement members of the Law Enforcement Officers' and Fire Fighters' Retirement System and the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension System. The cost of the insurance is paid by the surviving spouses and dependent children.

Summary: The retirement allowance paid to survivors of all LEOFF 2 members killed in the course of employment includes reimbursement for the cost of participating in a PEBB health insurance plan. The survivors of members killed in the line of duty prior to January 1, 1998, as well as on or after January 1, 1998, are eligible to participate in PEBB health insurance plans.

There is no contractual right to reimbursement for the health care insurance costs, and the Legislature reserves the right to amend or repeal this act for future reimbursements.

Votes on Final Passage:

Senate 47 0 House 95 0

Effective: June 7, 2006

Senate Bill Report - 1 - SB 6723