
Appropriations Committee

HB 3007

Brief Description: Addressing the survivor benefits of employees who die while honorably serving in the national guard or military reserves during a period of war.

Sponsors: Representatives Conway, Bailey, Fromhold, Crouse, VanDeWege, Hurst, Sullivan, McDonald, Kenney, Simpson, Linville, Nelson and Kelley; by request of Select Committee on Pension Policy and LEOFF Plan 2 Retirement Board.

Brief Summary of Bill

- Provides the survivor of a Washington state retirement system member who left the employ of their retirement system-covered employer due to national guard or the military reserve duty, and who died while honorably serving in a defined period of war, with a survivor benefit unreduced for the age of the member at death.
- Provides this benefit to survivors of members of Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF), the Washington State Patrol Retirement System (WSPRS), the Teachers' Retirement System (TRS), the School Employees' Retirement System (SERS), the Public Safety Employees' Retirement System (PSERS), and the Public Employees' Retirement System (PERS).

Hearing Date: 1/28/08

Staff: David Pringle (786-7310).

Background:

The systems and plans of the Washington state retirement systems provide survivors of deceased members a variety of benefit, varying with both plan provisions and individual earned benefit amounts. Under most circumstances, a surviving spouse of a member killed while on military duty will be entitled to at least a refund of member contributions or a survivor annuity that is actuarially reduced from the plan's retirement age to the member's age at death.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The survivors of members that die from injuries sustained in the course of their state employment are entitled to a lump-sum death benefit of \$150,000 from their retirement plan, and a survivor annuity that is not reduced for the age of the member. The survivors of members that die from non-duty related causes are generally entitled to a return of member contributions or an actuarially reduced survivor annuity - this is the survivor benefit to which members that have left state service for military duty are entitled.

The spouses and qualified dependents of members of the military killed while on duty are eligible for federal government benefits, including a one-time tax free benefit of \$100,000 and a monthly stipend of \$1,067, plus an additional \$265 per dependant, indexed to the consumer price index. Military employees are also generally covered by at least \$250,000 of life insurance, which members must opt-out of or reduce to disenroll.

Summary of Bill:

The survivor of a member of LEOFF, WSPRS, TRS, SERS, PSERS, or PERS who left the employ of a retirement system-covered employer due to service in the national guard or military reserves, and who died while honorably serving in a defined period of war, is entitled to a survivor annuity that is unreduced for the age of the member between the age at death and the retirement age of the deceased member's retirement plan.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.