

HOUSE BILL REPORT

HB 1212

As Amended by the Senate

Title: An act relating to industrial insurance death benefits for the surviving spouses of members of the law enforcement officers' and firefighters' retirement system and the state patrol retirement system.

Brief Description: Regarding industrial insurance death benefits for the surviving spouses of members of the law enforcement officers' and firefighters' retirement system and the state patrol retirement system.

Sponsors: Representatives Kirby, Green, Williams, Roberts, Ormsby, Appleton and Wood.

Brief History:

Committee Activity:

Commerce & Labor: 1/28/09, 2/6/09 [DP].

Floor Activity

Passed House: 3/5/09, 78-19.

Brief Summary of Bill

- Provides that surviving spouses of members of the Law Enforcement Officers' and Fire Fighters' Retirement System and the Washington State Patrol Retirement System continue to receive monthly industrial insurance benefits for death resulting from a workplace injury regardless of remarriage.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 5 members: Representatives Conway, Chair; Wood, Vice Chair; Green, Moeller and Williams.

Minority Report: Do not pass. Signed by 3 members: Representatives Condotta, Ranking Minority Member; Chandler and Crouse.

Staff: Joan Elgee (786-7106)

Background:

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.

Workers injured in the course of employment receive various industrial insurance benefits. If death results from the injury, the surviving spouse receives a monthly benefit ranging from 60 to 70 percent of the wages of the deceased worker. If a surviving spouse remarries, benefits are discontinued at the end of the month in which remarriage occurs. A surviving spouse who remarries may choose to receive a lump sum of 24 times the monthly rate, with some adjustments. If the surviving spouse does not choose to receive the lump sum and the remarriage ends in death, annulment, or dissolution, monthly benefits may be reinstated.

The Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) provides retirement and disability benefits to law enforcement officers and fire fighters. (Only members of LEOFF Plan II are eligible for industrial insurance.) The Washington State Patrol Retirement System provides retirement and disability benefits to commissioned officers of the Washington State Patrol. In certain situations, a surviving spouse of a member who dies in the line of duty is eligible to receive retirement benefits. A surviving spouse continues to receive these retirement benefits if he or she remarries.

Summary of Bill:

Surviving spouses of members of the Law Enforcement Officers' and Fire Fighters' Retirement System and the Washington State Patrol Retirement System continue to receive industrial insurance death benefits for death resulting from a workplace injury monthly for life regardless of remarriage. This provision applies to remarriages entered into on or after the effective date of the act.

EFFECT OF SENATE AMENDMENT(S):

The amendment strikes the bill as it passed the House and directs the Workers' Compensation Advisory Committee to study the termination of industrial insurance death benefits upon remarriage of a surviving spouse. The study must address: (1) The reasons for terminating death benefits of upon remarriage; (2) the costs of continuing benefits to surviving spouses of Law Enforcement Officers' and Firefighters' Retirement System members and Washington State Patrol Retirement System members and costs of continuing benefits to all workers; (3) methods to offset potential costs, including providing a reduced benefit; (4) policies in other states; and (5) other items the WCAC deems appropriate. The WCAC must report its findings to the appropriate committees of the Legislature by December 1, 2010.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) This bill is designed to clear up an inconsistency in the distribution of death benefits. The Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF), the Washington State Patrol Retirement System and all other pension plans provide death

benefits regardless of remarriage. The ending of benefits on remarriage is morally wrong, maybe legally wrong, and a change that is overdue. Children may never have father figures because widows will lose benefits if they remarry. This bill will allow survivors to move on with their lives. Most survivors are not covered by social security. If a private insurer had a remarriage penalty, the provision would be considered contrary to public policy. Sometimes issues are raised first by public safety employees because of the additional risk they take.

The LEOFF Board contacted the Department of Labor and Industries about coordinating a study but no study has taken place, so talking about doing a study rings hollow.

(Opposed) Workers' compensation is not an accrued basis pension system. Rather, it provides wage replacement and medical aid. If the wage no longer needs to be replaced, then the obligation of the workers' compensation system ends. Only one state has changed its laws. Beginning in 1971, the Legislature recognized the hazard of all employments; there should be no greater or lesser benefits because a worker is in a particular industry. If there are concerns, they should be addressed outside of the workers' compensation system.

Persons Testifying: (In support) Representative Kirby, prime sponsor; Jolin Lowry; Steve Nelsen, Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board; and Dick Warbrouck, Retired Firefighters of Washington.

(Opposed) Kris Tefft, Association of Washington Business; and Vickie Kennedy, Department of Labor and Industries.

Persons Signed In To Testify But Not Testifying: None.