

SENATE BILL REPORT

SSB 6523

As Amended by House, March 3, 2016

Title: An act relating to service credit for pension purposes for certain emergency medical services employees.

Brief Description: Providing service credit for pension purposes for certain emergency medical services employees.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Pearson, Hasegawa and Conway).

Brief History:

Committee Activity: Ways & Means: 2/08/16, 2/09/16 [DPS].

Passed Senate: 2/17/16, 49-0.

Passed House: 3/03/16, 81-14.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6523 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hill, Chair; Braun, Vice Chair; Dammeier, Vice Chair; Honeyford, Vice Chair, Capital Budget Chair; Hargrove, Ranking Member; Keiser, Assistant Ranking Member on the Capital Budget; Ranker, Ranking Minority Member, Operating; Bailey, Becker, Billig, Brown, Conway, Darneille, Hasegawa, Hewitt, Nelson, O'Ban, Padden, Parlette, Pedersen, Rolfes, Schoesler and Warnick.

Staff: Steve Jones (786-7440)

Background: Under the Interlocal Cooperation Act, two or more units of local governments can join together in a consortium to jointly perform various public duties that are within the statutory powers of the local governments. Some local governments have formed nonprofit corporations to provide emergency medical services within the jurisdictions of the local governments.

The eligibility of the employees of such nonprofit corporations to participate in state retirement systems was uncertain until an Attorney General's Opinion (AGO 2007 No. 6) was issued in 2007 that determined that the nonprofit corporations would qualify as an eligible employer for the purposes of participating in state retirement coverage.

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.

Summary of Substitute Bill: An employee providing emergency medical services to a consortium of local governments may choose to establish service credit in the Public Employees' Retirement System for service performed prior to July 23, 2003, if the service was performed in a county with a current population exceeding 700,000 but fewer than 800,000. The employee must pay both the employer and employee contribution, as calculated by the Department of Retirement Systems, within five years of making the election to establish service credit.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: In the Arlington area, several small fire districts joined together with the city of Arlington to provide emergency medical services through a nonprofit consortium. The initial employees were not aware that retirement coverage might be available. These early employees have many years of service with no retirement coverage. These employees are willing to pay both the employee and employer contribution in order to restore these years of service, thereby correcting an administrative error.

Persons Testifying: PRO: Dave Lingenfelter, Arlington Fire Fighters; Doug Schmidt, citizen.

Persons Signed In To Testify But Not Testifying: No one.

House Amendment(s): Removes the requirement that the employees must pay interest on the retirement contributions made to restore retirement credit.