

SENATE BILL REPORT

SB 5661

As Amended by House, April 7, 2017

Title: An act relating to interruptive service credit for members of the law enforcement officers' and fire fighters' retirement system.

Brief Description: Addressing interruptive service credit for members of the law enforcement officers' and fire fighters' retirement system.

Sponsors: Senator Rolfes.

Brief History:

Committee Activity: Ways & Means: 2/08/17, 2/08/17 [DP].

Floor Activity:

Passed Senate: 3/06/17, 49-0.

Passed House: 4/07/17, 96-0.

Brief Summary of Bill

- Makes Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 (LEOFF 2) members eligible for interruptive military service credit without paying the employee contributions for certain service.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Braun, Chair; Brown, Vice Chair; Rossi, Vice Chair; Honeyford, Vice Chair, Capital Budget ; Ranker, Ranking Minority Member; Rolfes, Assistant Ranking Minority Member, Operating Budget; Frockt, Assistant Ranking Minority Member, Capital Budget; Bailey, Becker, Billig, Carlyle, Conway, Darneille, Fain, Hasegawa, Keiser, Miloscia, Padden, Pedersen, Rivers, Schoesler, Warnick and Zeiger.

Staff: Amanda Cecil (786-7460)

Background: A member of the Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 (LEOFF 2), as well as other state retirement systems, who leaves employment to enter the armed forces of the United States may receive up to five years of retirement

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system service credit. These provisions are administered consistent with the governing federal law, the Uniform Services Employment and Re-employment Rights Act (USERRA).

Following re-employment in a retirement system-covered position, a member may have up to five years of military service credited to their retirement system by paying the employee contributions. Depending on when the military service was completed, the member may or may not have been required to also pay interest on the contributions. The contributions are based on the average of the member's compensation at the time the member left employment to join the armed forces and at the time the member resumed employment, and payment must be completed within five years following either the first resumption of state employment or accumulation of 25 years of service credit.

A member that provides proof to the Director of the Department of Retirement Systems that the member's interruptive military service credit was earned during a period of war may receive up to five years of interruptive military service credit without paying the employee contributions.

Period of war is defined in RCW 41.04.005 to include specific named conflicts, including World War I, World War II, the Korean conflict, the Vietnam era, the Persian Gulf War, and any future period beginning on the date of a future declaration of war by Congress and ending on the date of a Presidential proclamation or resolution by Congress. Additional armed conflicts are included where the individual was awarded the respective campaign badge or medal.

Summary of Bill: Members of LEOFF 2 are eligible for interruptive military service credit without paying the employee contributions for service in certain armed conflicts, even if the individual was not awarded a campaign badge or medal.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: This bill modernizes how we treat military service. Some campaigns do not have any medals so this will allow veterans to have credit for their service even when a medal is not issued.

Persons Testifying: PRO: Senator Christine Rolfes, Prime Sponsor; Donald Meserve; citizen.

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

EFFECT OF HOUSE AMENDMENT(S):

- Removes provisions of the underlying bill allowing members to receive no cost military service credit for certain service.
- Directs LEOFF 2 Retirement Board (Board) to study the requirement that members that are veterans of specified conflicts make contributions to the plan for periods of interruptive service credit where the member was not awarded a campaign badge or medal.
- Directs the Board to report the findings of the study to the appropriate committees of the Legislature by January 1, 2018.