<u>SHB 2357</u> - S COMM AMD By Committee on Transportation

ADOPTED 03/01/2024

1 Strike everything after the enacting clause and insert the 2 following:

"<u>NEW SECTION.</u> Sec. 1. The legislature finds that the Washington 3 state patrol has made strides in its efforts to recruit new troopers 4 and address the unprecedented levels of vacancies within its ranks. 5 6 The legislature has supported those efforts by providing sign-on bonuses for cadets and lateral hires, retention bonuses for new 7 troopers and lateral hires, and requiring parity of trooper salaries 8 relative to other law enforcement agencies in the state 9 of Washington. The legislature further finds that trooper and sergeant 10 11 vacancies diminish the staff available to advance up through the 12 ranks of commissioned staff to build the leadership team for the 13 organization. The legislature further finds that increases in retirement-eligible staff, with 122 commissioned staff expected to 14 have 25 years of service or more in 2024, means that more needs to be 15 16 done in the near term to ensure the success of efforts to rebuild the 17 commissioned ranks of the state patrol. Therefore, the legislature intends to strengthen the Washington state patrol's ability to retain 18 19 senior, experienced commissioned staff with the establishment of a state patrol longevity bonus pilot program. 20

21 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 43.43 22 RCW to read as follows:

23 (1) (a) The temporary state patrol longevity bonus pilot program 24 is established.

(b) Except as provided in subsection (2) of this section, beginning July 1, 2024, until June 30, 2029, an eligible commissioned employee completing 26 or more years of service shall receive an annual state trooper longevity bonus of \$10,000 on the employee's anniversary date of state employment.

1 (c) For any longevity bonuses awarded between July 1, 2024, and June 30, 2025, as a condition of receiving the bonus, the employee 2 3 must agree that the employee will stay employed in a commissioned position with the Washington state patrol in the succeeding 12-month 4 period following receiving the bonus. If the employee fails to stay 5 6 employed in a commissioned position with the Washington state patrol for the full 12-month period following receiving the bonus amount, 7 the employee will be required to pay back the portion of the bonus at 8 \$833 per month for each month the employee failed to stay employed. 9 This amount must be deducted from the final paycheck of the employee 10 11 including sick leave buyout, vacation leave buyout, and other 12 separation compensation.

(2) (a) Thirty days following any fiscal quarter in which the Washington state patrol's average filled positions in field force trooper positions is equal to or exceeds the 683 total authorized field force trooper positions, the temporary state patrol longevity bonus pilot program must be terminated and no further bonuses can be awarded.

(b) Beginning July 15, 2024, and every three months thereafter, 19 the Washington state patrol must submit a report showing the average 20 21 filled positions in field force trooper positions in comparison to the 683 total authorized field force trooper positions in the prior 22 fiscal quarter. The quarterly reports detailed must be submitted to 23 the office of financial management and the transportation committees 24 25 of the legislature. The authorized field force trooper level as the 26 basis for this comparison may be adjusted as specified in the omnibus transportation appropriations act. 27

(c) The determination to terminate the temporary state patrol longevity bonus pilot program must be made by the office of financial management based on the quarterly reports submitted pursuant to (b) of this subsection. Prior to a determination to terminate the temporary state patrol longevity bonus pilot program, the office of financial management must consult with the chairs and ranking members of the transportation committees of the legislature.

(3) This section does not interfere with, impede, or in any way diminish the right of the officers of the Washington state patrol to bargain collectively with the state through the exclusive bargaining representatives as provided for in RCW 41.56.473.

39 (4) The temporary state patrol longevity bonus pilot program 40 created in this section is a time-limited incentive targeted at Code Rev/AI:akl 2 S-5479.2/24 2nd draft 1 retaining senior personnel and is not intended to be included in 2 salary or average final salary for calculation of pension benefits in 3 this chapter.

4 (5) The benefits provided pursuant to this act are not provided 5 to employees as a matter of contractual right. The legislature 6 retains the right to alter or abolish these benefits at any time and 7 at any time the conditions specified in subsection (2) of this 8 section are met.

9 (6) For the purposes of this section, "eligible commissioned 10 employee" means a Washington state patrol employee with 26 or more 11 years of service in the Washington state patrol retirement system.

12 (7) This section expires June 30, 2029.

13 Sec. 3. RCW 43.43.120 and 2021 c 12 s 8 are each amended to read 14 as follows:

As used in this section and RCW 43.43.130 through 43.43.320, unless a different meaning is plainly required by the context:

(1) "Actuarial equivalent" shall mean a benefit of equal value when computed upon the basis of such mortality table as may be adopted and such interest rate as may be determined by the director.

20 (2) "Annual increase" means as of July 1, 1999, ((seventy-seven))
21 <u>77</u> cents per month per year of service which amount shall be
22 increased each subsequent July 1st by three percent, rounded to the
23 nearest cent.

(3) (a) "Average final salary," for members commissioned prior to January 1, 2003, shall mean the average monthly salary received by a member during the member's last two years of service or any consecutive two-year period of service, whichever is the greater, as an employee of the Washington state patrol; or if the member has less than two years of service, then the average monthly salary received by the member during the member's total years of service.

31 (b) "Average final salary," for members commissioned on or after 32 January 1, 2003, shall mean the average monthly salary received by a 33 member for the highest consecutive ((sixty)) <u>60</u> service credit 34 months; or if the member has less than ((sixty)) <u>60</u> months of 35 service, then the average monthly salary received by the member 36 during the member's total months of service.

37 (c) In calculating average final salary under (a) or (b) of this38 subsection, the department of retirement systems shall include:

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1 (i) Any compensation forgone by the member during the 2009-2011 2 fiscal biennium as a result of reduced work hours, mandatory or 3 voluntary leave without pay, temporary reduction in pay implemented 4 prior to December 11, 2010, or temporary layoffs if the reduced 5 compensation is an integral part of the employer's expenditure 6 reduction efforts, as certified by the chief;

7 (ii) Any compensation forgone by a member during the 2011-2013 8 fiscal biennium as a result of reduced work hours, mandatory leave 9 without pay, temporary layoffs, or reductions to current pay if the 10 reduced compensation is an integral part of the employer's 11 expenditure reduction efforts, as certified by the chief. Reductions 12 to current pay shall not include elimination of previously agreed 13 upon future salary reductions; and

(iii) Any compensation forgone by a member during the 2019-2021 14 and 2021-2023 fiscal biennia as a result of reduced work hours, 15 16 mandatory leave without pay, temporary layoffs, furloughs, reductions 17 to current pay, or other similar measures resulting from the COVID-19 18 budgetary crisis, if the reduced compensation is an integral part of the employer's expenditure reduction efforts, as certified by the 19 chief. Reductions to current pay shall not include elimination of 20 21 previously agreed upon future salary increases.

(4) "Beneficiary" means any person in receipt of retirementallowance or any other benefit allowed by this chapter.

(5) (a) "Cadet," for a person who became a member of the retirement system after June 12, 1980, is a person who has passed the Washington state patrol's entry-level oral, written, physical performance, and background examinations and is, thereby, appointed by the chief as a candidate to be a commissioned officer of the Washington state patrol.

(b) "Cadet," for a person who became a member of the retirement 30 31 system before June 12, 1980, is a trooper cadet, patrol cadet, or 32 employee of like classification, employed for the express purpose of receiving the on-the-job training required for attendance at the 33 state patrol academy and for becoming a commissioned trooper. "Like 34 classification" includes: Radio operators or dispatchers; persons 35 36 providing security for the governor or legislature; patrol officers; drivers' license examiners; weighmasters; vehicle safety inspectors; 37 38 central wireless operators; and warehouse workers.

1 (6) "Contributions" means the deduction from the compensation of 2 each member in accordance with the contribution rates established 3 under chapter 41.45 RCW.

4 (7) "Current service" shall mean all service as a member rendered 5 on or after August 1, 1947.

6 (8) "Department" means the department of retirement systems 7 created in chapter 41.50 RCW.

8 (9) "Director" means the director of the department of retirement9 systems.

10 (10) "Domestic partners" means two adults who have registered as 11 domestic partners under RCW 26.60.040.

12 (11) "Employee" means any commissioned employee of the Washington 13 state patrol.

14 (12) "Insurance commissioner" means the insurance commissioner of 15 the state of Washington.

16 (13) "Lieutenant governor" means the lieutenant governor of the 17 state of Washington.

18 (14) "Member" means any person included in the membership of the 19 retirement fund.

(15) "Plan 2" means the Washington state patrol retirement system plan 2, providing the benefits and funding provisions covering commissioned employees who first become members of the system on or after January 1, 2003.

(16) "Prior service" shall mean all services rendered by a member to the state of Washington, or any of its political subdivisions prior to August 1, 1947, unless such service has been credited in another public retirement or pension system operating in the state of Washington.

(17) "Regular interest" means interest compounded annually atsuch rates as may be determined by the director.

31 (18) "Retirement board" means the board provided for in this 32 chapter.

33 (19) "Retirement fund" means the Washington state patrol 34 retirement fund.

35 (20) "Retirement system" means the Washington state patrol 36 retirement system.

(21) (a) "Salary," for members commissioned prior to July 1, 2001,
 shall exclude any overtime earnings related to RCW 47.46.040, or any
 voluntary overtime, earned on or after July 1, 2001, and prior to
 July 1, 2017. On or after July 1, 2017, salary shall exclude overtime
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1 earnings in excess of ((seventy)) 70 hours per year in total related 2 to either RCW 47.46.040 or any voluntary overtime. On or after the 3 effective date of this section, salary shall exclude earnings from 4 the longevity bonus created in section 2 of this act.

(b) "Salary," for members commissioned from July 1, 2001, to 5 6 December 31, 2002, shall exclude any overtime earnings related to RCW 7 47.46.040 or any voluntary overtime, earned prior to July 1, 2017, lump sum payments for deferred annual sick leave, or any form of 8 severance pay. On or after July 1, 2017, salary shall exclude 9 overtime earnings in excess of ((seventy)) 70 hours per year in total 10 related to either RCW 47.46.040 or any voluntary overtime. On or 11 after the effective date of this section, salary shall exclude 12 earnings from the longevity bonus created in section 2 of this act. 13

(c) "Salary," for members commissioned on or after January 1, 14 2003, shall exclude any overtime earnings related to RCW 47.46.040 or 15 16 any voluntary overtime, earned prior to July 1, 2017, lump sum 17 payments for deferred annual sick leave, unused accumulated vacation, 18 unused accumulated annual leave, holiday pay, or any form of severance pay. On or after July 1, 2017, salary shall exclude 19 overtime earnings in excess of ((seventy)) 70 hours per year in total 20 related to either RCW 47.46.040 or any voluntary overtime. On or 21 22 after the effective date of this section, salary shall exclude earnings from the longevity bonus created in section 2 of this act. 23

(d) The addition of overtime earnings related to RCW 47.46.040 or
any voluntary overtime earned on or after July 1, 2017, in chapter
181, Laws of 2017 is a benefit improvement that increases the member
maximum contribution rate under RCW 41.45.0631(1) by 1.10 percent.

28 (22) (a) "Service" shall mean services rendered to the state of political subdivisions thereof for 29 Washington or any which compensation has been paid. Full time employment for ((seventy)) 70 30 31 or more hours in any given calendar month shall constitute one month 32 of service. An employee who is reinstated in accordance with RCW 43.43.110 shall suffer no loss of service for the period reinstated 33 subject to the contribution requirements of this chapter. Only months 34 of service shall be counted in the computation of any retirement 35 allowance or other benefit provided for herein. Years of service 36 shall be determined by dividing the total number of months of service 37 by ((twelve)) 12. Any fraction of a year of service as so determined 38 39 shall be taken into account in the computation of such retirement 40 allowance or benefit.

1 (b) Reduction efforts such as furloughs, reduced work hours, 2 mandatory leave without pay, temporary layoffs, or other similar 3 situations as contemplated by subsection (3)(c)(iii) of this section 4 do not result in a reduction in service credit that otherwise would 5 have been earned for that month of work, and the member shall receive 6 the full service credit for the hours that were scheduled to be 7 worked before the reduction.

8 (23) "State actuary" or "actuary" means the person appointed 9 pursuant to RCW 44.44.010(2).

10 (24) "State treasurer" means the treasurer of the state of 11 Washington.

Unless the context expressly indicates otherwise, words importing the masculine gender shall be extended to include the feminine gender and words importing the feminine gender shall be extended to include the masculine gender.

16 <u>NEW SECTION.</u> Sec. 4. (1) By November 1, 2028, the joint 17 legislative audit and review committee must conduct a performance 18 review of the state patrol longevity bonus pilot program. The 19 performance review must evaluate, at minimum:

20 (a) The program's impact on retention of senior commissioned21 staff of the state patrol;

(b) The change in vacancies in each of the commissioned staff categories over time;

(c) An evaluation of optimal commissioned staffing levels at the state patrol, including a comparison to other states' field force staffing levels;

(d) A description of other factors that may be impactingretention and vacancy rates; and

(e) Recommendations for addressing state patrol staffing levels,
 which must include whether to continue the state patrol longevity
 bonus program.

32 (2) This section expires June 30, 2029.

33 <u>NEW SECTION.</u> Sec. 5. Section 3 of this act expires June 30, 34 2029."

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On page 1, line 1 of the title, after "Relating to" strike the remainder of the title and insert "establishment of a temporary state patrol longevity bonus; amending RCW 43.43.120; adding a new section to chapter 43.43 RCW; creating new sections; and providing expiration dates."

<u>EFFECT:</u> • Lowers the annual state trooper longevity bonus from \$15,000 to \$10,000.

• Requires individuals receiving the longevity bonuses in fiscal year 2025 to stay employed in a commissioned position with the Washington State Patrol for the 12-month period after receiving the bonus.

• Specifies the recoupment process if an individual fails to stay for the subsequent 12-month period after receiving the longevity bonus in fiscal year 2025.

• Terminates the temporary state patrol longevity bonus pilot program 30 days following any quarter in which the field force trooper staffing levels are at or exceed the 683 authorized positions.

• Directs the Office of Financial Management to make the termination decision based on specified quarterly field force trooper staffing reports.

• Adds additional language clarifying the temporary nature of longevity bonus pilot program.

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