CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 2357

68th Legislature 2024 Regular Session

Passed by the House March 7, 2024 Yeas 97 Nays 0

Speaker of the House of Representatives

Passed by the Senate March 6, 2024 Yeas 47 Nays 0

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2357** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

President of the Senate

Approved

FILED

Secretary of State State of Washington

Governor of the State of Washington

SUBSTITUTE HOUSE BILL 2357

AS AMENDED BY THE SENATE

Passed Legislature - 2024 Regular Session

State of Washington 68th Legislature 2024 Regular Session

By House Transportation (originally sponsored by Representatives Fey, Barkis, Hutchins, Robertson, Leavitt, Schmidt, Shavers, Nance, Bronoske, Paul, Timmons, and Caldier)

READ FIRST TIME 02/05/24.

AN ACT Relating to establishment of a 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.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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

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

5 (1) Beginning July 1, 2024, an eligible commissioned employee 6 completing 26 or more years of service shall qualify for an annual 7 state trooper longevity bonus of \$15,000 on the employee's 8 anniversary date of state employment, which shall be paid in four 9 equal quarterly payments.

10 (2) The establishment of the state trooper longevity bonus is 11 subject to a change to the applicable collective bargaining 12 agreements negotiated with the exclusive bargaining representatives.

(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.

17 (4) The state patrol longevity bonus created in this section is a 18 time-limited incentive targeted at retaining senior personnel and is 19 not intended to be included in salary or average final salary for 20 calculation of pension benefits in this chapter.

(5) The benefits provided pursuant to this act are not provided to employees as a matter of contractual right. The legislature retains the right to alter or abolish these benefits at any time.

24 (6) Beginning July 15, 2024, and every three months thereafter, the Washington state patrol must submit a report showing the average 25 filled positions in field force trooper positions in comparison to 26 27 the 683 total authorized field force trooper positions in the prior 28 fiscal quarter. The quarterly reports detailed must be submitted to the office of financial management and the transportation committees 29 30 of the legislature. The authorized field force trooper level as the 31 basis for this comparison may be adjusted as specified in the omnibus transportation appropriations act. 32

33 (7) For the purposes of this section, "eligible commissioned 34 employee" means a Washington state patrol employee with 26 or more 35 years of service in the Washington state patrol retirement system.

36 (8) This section expires June 30, 2029.

37 Sec. 3. RCW 43.43.120 and 2021 c 12 s 8 are each amended to read 38 as follows: 1 As used in this section and RCW 43.43.130 through 43.43.320, 2 unless a different meaning is plainly required by the context:

3 (1) "Actuarial equivalent" shall mean a benefit of equal value 4 when computed upon the basis of such mortality table as may be 5 adopted and such interest rate as may be determined by the director.

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

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

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

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

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

(iii) Any compensation forgone by a member during the 2019-2021
 and 2021-2023 fiscal biennia as a result of reduced work hours,
 mandatory leave without pay, temporary layoffs, furloughs, reductions

to current pay, or other similar measures resulting from the COVID-19 budgetary crisis, if the reduced compensation is an integral part of the employer's expenditure reduction efforts, as certified by the chief. Reductions to current pay shall not include elimination of previously agreed upon future salary increases.

6 (4) "Beneficiary" means any person in receipt of retirement 7 allowance or any other benefit allowed by this chapter.

8 (5)(a) "Cadet," for a person who became a member of the 9 retirement system after June 12, 1980, is a person who has passed the 10 Washington state patrol's entry-level oral, written, physical 11 performance, and background examinations and is, thereby, appointed 12 by the chief as a candidate to be a commissioned officer of the 13 Washington state patrol.

14 (b) "Cadet," for a person who became a member of the retirement system before June 12, 1980, is a trooper cadet, patrol cadet, or 15 16 employee of like classification, employed for the express purpose of 17 receiving the on-the-job training required for attendance at the 18 state patrol academy and for becoming a commissioned trooper. "Like 19 classification" includes: Radio operators or dispatchers; persons 20 providing security for the governor or legislature; patrol officers; 21 drivers' license examiners; weighmasters; vehicle safety inspectors; central wireless operators; and warehouse workers. 22

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

26 (7) "Current service" shall mean all service as a member rendered27 on or after August 1, 1947.

(8) "Department" means the department of retirement systemscreated in chapter 41.50 RCW.

30 (9) "Director" means the director of the department of retirement 31 systems.

32 (10) "Domestic partners" means two adults who have registered as 33 domestic partners under RCW 26.60.040.

34 (11) "Employee" means any commissioned employee of the Washington 35 state patrol.

36 (12) "Insurance commissioner" means the insurance commissioner of 37 the state of Washington.

38 (13) "Lieutenant governor" means the lieutenant governor of the 39 state of Washington.

1 (14) "Member" means any person included in the membership of the 2 retirement fund.

3 (15) "Plan 2" means the Washington state patrol retirement system 4 plan 2, providing the benefits and funding provisions covering 5 commissioned employees who first become members of the system on or 6 after January 1, 2003.

7 (16) "Prior service" shall mean all services rendered by a member 8 to the state of Washington, or any of its political subdivisions 9 prior to August 1, 1947, unless such service has been credited in 10 another public retirement or pension system operating in the state of 11 Washington.

12 (17) "Regular interest" means interest compounded annually at13 such rates as may be determined by the director.

14 (18) "Retirement board" means the board provided for in this 15 chapter.

16 (19) "Retirement fund" means the Washington state patrol 17 retirement fund.

18 (20) "Retirement system" means the Washington state patrol 19 retirement system.

(21) (a) "Salary," for members commissioned prior to July 1, 2001, 20 21 shall exclude any overtime earnings related to RCW 47.46.040, or any 22 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 23 earnings in excess of ((seventy)) 70 hours per year in total related 24 25 to either RCW 47.46.040 or any voluntary overtime. On or after the effective date of this section, salary shall exclude earnings from 26 the longevity bonus created in section 2 of this act. 27

28 (b) "Salary," for members commissioned from July 1, 2001, to December 31, 2002, shall exclude any overtime earnings related to RCW 29 47.46.040 or any voluntary overtime, earned prior to July 1, 2017, 30 31 lump sum payments for deferred annual sick leave, or any form of 32 severance pay. On or after July 1, 2017, salary shall exclude overtime earnings in excess of ((seventy)) 70 hours per year in total 33 related to either RCW 47.46.040 or any voluntary overtime. On or 34 after the effective date of this section, salary shall exclude 35 36 earnings from the longevity bonus created in section 2 of this act.

37 (c) "Salary," for members commissioned on or after January 1, 38 2003, shall exclude any overtime earnings related to RCW 47.46.040 or 39 any voluntary overtime, earned prior to July 1, 2017, lump sum 40 payments for deferred annual sick leave, unused accumulated vacation,

1 unused accumulated annual leave, holiday pay, or any form of 2 severance pay. On or after July 1, 2017, salary shall exclude 3 overtime earnings in excess of ((seventy)) <u>70</u> hours per year in total 4 related to either RCW 47.46.040 or any voluntary overtime. <u>On or 5 after the effective date of this section, salary shall exclude</u> 6 <u>earnings from the longevity bonus created in section 2 of this act.</u>

7 (d) The addition of overtime earnings related to RCW 47.46.040 or 8 any voluntary overtime earned on or after July 1, 2017, in chapter 9 181, Laws of 2017 is a benefit improvement that increases the member 10 maximum contribution rate under RCW 41.45.0631(1) by 1.10 percent.

(22)(a) "Service" shall mean services rendered to the state of 11 12 Washington or any political subdivisions thereof for which compensation has been paid. Full time employment for ((seventy)) 70 13 or more hours in any given calendar month shall constitute one month 14 of service. An employee who is reinstated in accordance with RCW 15 16 43.43.110 shall suffer no loss of service for the period reinstated 17 subject to the contribution requirements of this chapter. Only months of service shall be counted in the computation of any retirement 18 19 allowance or other benefit provided for herein. Years of service shall be determined by dividing the total number of months of service 20 by ((twelve)) 12. Any fraction of a year of service as so determined 21 22 shall be taken into account in the computation of such retirement 23 allowance or benefit.

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

31 (23) "State actuary" or "actuary" means the person appointed 32 pursuant to RCW 44.44.010(2).

33 (24) "State treasurer" means the treasurer of the state of 34 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.

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

5 (a) The program's impact on retention of senior commissioned
6 staff of the state patrol;

7 (b) The change in vacancies in each of the commissioned staff 8 categories over time;

9 (c) An evaluation of optimal commissioned staffing levels at the 10 state patrol, including a comparison to other states' field force 11 staffing levels;

12 (d) A description of other factors that may be impacting 13 retention and vacancy rates; and

14 (e) Recommendations for addressing state patrol staffing levels, 15 which must include whether to continue the state patrol longevity 16 bonus program.

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

18 <u>NEW SECTION.</u> Sec. 5. Section 3 of this act expires June 30, 19 2029.

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