

HOUSE BILL REPORT

SHB 1084

As Passed House:

March 8, 1995

Title: An act relating to death benefits under the law enforcement officers' and fire fighters' retirement system.

Brief Description: Providing death benefits under LEOFF.

Sponsors: By House Committee on Appropriations (originally sponsored by Representatives Sehlin, Carlson, Sommers, Cooke, Dellwo, Campbell, L. Thomas, Kessler, Valle, Costa, Cody, Veloria, Mastin, Thibaudeau, Kremen, Mason, Scott, Morris, Honeyford and Appelwick).

Brief History:

Committee Activity:

Appropriations: 1/25/95, 2/23/95 [DPS].

Floor Activity:

Passed House: 3/8/95, 96-0.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 29 members: Representatives Silver, Chairman; Clements, Vice Chairman; Huff, Vice Chairman; Pelesky, Vice Chairman; Sommers, Ranking Minority Member; Valle, Assistant Ranking Minority Member; Basich; Beeksma; Brumsickle; Carlson; Chappell; Cooke; Crouse; Dellwo; Foreman; Hargrove; Hickel; Jacobsen; Lambert; Lisk; McMorris; Poulsen; Reams; Rust; Sehlin; Sheahan; Talcott; Thibaudeau and Wolfe.

Staff: Dan Chang (786-7191).

Background: Currently, LEOFF II members with 10 or more years of service who leave employment before reaching retirement age or retire under disability, can request a 150 percent refund of their accumulated contributions. Receiving a 150 percent refund assumes the member is receiving the complete amount of his or her contribution plus a portion of the employer's contribution.

In the case of the death of a member with 10 or more years of service, the members surviving beneficiaries can elect to receive refunds of the member's accumulated

retirement contributions; however, the beneficiaries can only receive 100 percent of the accumulated contribution.

If a member leaves employment and withdraws his or her contribution, then later wishes to restore the withdrawn service credit after becoming employed once again by a retirement system employer, the member can replace any withdrawn contributions plus interest within 5 years. After the 5 year deadline, members can restore withdrawn contributions at their estimated present value, a much larger sum.

Summary of Bill: The death benefits provisions are changed to allow a surviving spouse or eligible children of a LEOFF member who dies with either 10 years of service, or retirement eligibility, to receive a 150 percent refund on accumulated contributions. To qualify for the increased refund, the death of the member must have occurred on or after July 25, 1993.

A technical change is made to the refund rule applicable to members with 10 or more years of service who have restored withdrawn contributions after the 5 year deadline. Such members are only eligible to receive 100 percent on amounts paid to restore service credit.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: HB 1084 would make a needed correction to a law passed two years ago.

Testimony Against: None.

Testified: Mike Patrick, Washington State County of Police Officers; Howard Vietzke, State Council of Firefighters; and Patrick Newport, Office of the Forecast Council.