

# HOUSE BILL REPORT

## HB 1084

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### As Reported By House Committee On: Appropriations

**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:** 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].

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If a member leaves employment and withdraws his or her contribution, then later wishes to restore the withdrawn service credit after becoming employed once again by a retirement system employer, the member can replace any withdrawn contributions plus interest within 5 years. After the 5 year deadline, members can restore withdrawn contributions at their estimated present value, a much larger sum.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

**Substitute Bill Compared to Original Bill:** A technical amendment corrects a statutory citation.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Substitute 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.