

HOUSE BILL REPORT

ESB 6305

As Reported By House Committee On:

Appropriations

Title: An act relating to death and disability benefits for certain general authority police officers.

Brief Description: Providing a death benefit for certain general authority police officers.

Sponsors: Senators Roach, Long, Rossi, Fraser, Oke and Rasmussen; by request of Joint Committee on Pension Policy.

Brief History:

Committee Activity:

Appropriations: 2/28/98 [DPA].

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended. Signed by 31 members: Representatives Huff, Chairman; Alexander, Vice Chairman; Clements, Vice Chairman; Wensman, Vice Chairman; H. Sommers, Ranking Minority Member; Doumit, Assistant Ranking Minority Member; Gombosky, Assistant Ranking Minority Member; Benson; Carlson; Chopp; Cody; Cooke; Crouse; Dyer; Grant; Keiser; Kenney; Kessler; Lambert; Linville; Lisk; Mastin; McMorris; Parlette; Poulsen; Regala; D. Schmidt; Sehlin; Sheahan; Talcott and Tokuda.

Staff: Denise Graham (786-7137).

Background: Legislation enacted in 1996 provides a \$150,000 duty-related death benefit to survivors of members of the Law Enforcement Officers and Firefighters Retirement System (LEOFF) and the Washington State Patrol Retirement System.

Prior to 1993, security officers employed by universities and ports were members of the Public Employees' Retirement System (PERS). In 1993, legislation was enacted (Chapter 502 Laws of 1993) to include general authority police officers employed by universities and ports in LEOFF Plan 2. Current employees could choose whether to transfer their retirement system membership from PERS to LEOFF Plan 2. Not all eligible officers chose to transfer membership.

General authority police officers employed by ports or universities who are members of LEOFF Plan 2 receive a \$150,000 duty-related death benefit, but those who are members of PERS Plans 1 or 2 do not.

Prior to the creation of LEOFF in 1969, police officers in first class cities were covered under the provisions of RCW Chapter 41.20, Police Relief and Pensions in First Class Cities. One of the benefits provided under this chapter is a disability benefit equal to 50 percent of the amount of salary attached to the position held at the date of retirement. The United States Internal Revenue Code exempts from taxation disability benefits granted to individuals who become disabled as a result of an injury incurred in the line of duty. The Internal Revenue Service has determined that if a duty-related disability benefit is provided in the same statutory section as a non-duty related benefit, the duty-related benefit is not tax exempt. The duty-related and non-duty related disability benefit in RCW 41.20 are provided in the same statutory section.

Summary of Amended Bill: A \$150,000 duty-related death benefit is provided to survivors of PERS Plan 1 members who had the opportunity to transfer to LEOFF pursuant to Chapter 502, Laws of 1993 but elected to remain in PERS.

The disability benefit provided under the Police Relief and Pensions in First Class Cities Chapter is divided into two separate sections. The first section provides a duty-related disability benefit and the second section provides a non-duty-related benefit.

Amended Bill Compared to Engrossed Bill: The amendment makes a technical correction.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: PERS and LEOFF members who are police officers employed by ports or universities work side-by-side. They should get the same death benefit.

Testimony Against: None.

Testified: Charlie Marsh, State Council of Police Officers; and Mike Ryherd, Teamsters.