

FINAL BILL REPORT

HB 1099

C 122 L 97

Synopsis as Enacted

Brief Description: Transferring law enforcement officers' and fire fighters' retirement system plan I service.

Sponsors: Representatives Cooke, Ogden, Sehlin, Carlson, Wolfe, H. Sommers, Dyer, Cairnes, Murray and Mason; by request of Joint Committee on Pension Policy.

House Committee on Appropriations
Senate Committee on Ways & Means

Background: The general portability provisions of Washington's public retirement systems give most members with service in more than one state retirement system (dual members) value in specific ways when the members change public sector jobs:

- the members may combine service in more than one system to qualify for certain benefits for which they might not otherwise qualify if eligibility is based solely on service in one system;
- the members may use their highest compensation when calculating certain benefits in all systems; and
- some members are permitted to restore service credit in their prior system once they establish dual membership.

The members of the Law Enforcement Officers' and Fire Fighters' Retirement System Plan I (LEOFF I) is not covered by the state's general portability provisions. If a former LEOFF I member receives a pension from LEOFF I and from another state retirement system, then each pension will be based on the service credit and salary earned in each system separately.

Summary: Former LEOFF I members who are now active members of any of the public employees' retirement system plans, the teachers' retirement system plans, or the Washington State Patrol retirement system are given an irrevocable option to transfer their prior LEOFF I service credit to their current retirement system and plan. Members who have withdrawn contributions from LEOFF I will be given an opportunity to restore prior to transfer. Upon transfer, rights under LEOFF I are forfeited, including post-retirement medical benefits.

If the individual seeking to transfer LEOFF I service credit is in an eligible position as of July 1, 1997, the individual must file the decision to transfer in writing with the Department of Retirement Systems (DRS) no later than July 1, 1998. If the

individual is not in an eligible position as of July 1, 1998, he or she must file the decision to transfer with the DRS no later than one year from the date the individual is employed in an eligible position.

After an individual chooses to transfer LEOFF I service credit, the member's contributions are transferred to the member's current retirement system, and an additional transfer will be made from LEOFF I to offset all increased costs in the member's current system resulting from the transfer.

Transferred service credit will not count toward eligibility for public retirement system military service credit. After the transfer window closes, a member may elect to transfer service by paying the full cost of the increased benefit resulting from the transfer.

Votes on Final Passage:

House 95 0

Senate 47 0

Effective: July 27, 1997