

SENATE BILL REPORT

HB 2896

As Reported By Senate Committee On:
Ways & Means, March 12, 2002

Title: An act relating to retirement benefits for emergency medical technicians.

Brief Description: Allowing certain emergency medical technicians to transfer service credit.

Sponsors: Representatives Cooper, Delvin, Conway, Campbell, Kirby, Hurst, Jackley, Sullivan, Chase, Darneille, Santos, Ogden, Quall, Morell, Simpson, Schual-Berke, Fromhold, McDermott and Romero.

Brief History:

Committee Activity: Ways & Means: 3/12/02 [DPA].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass as amended.

Signed by Senators Brown, Chair; Regala, Vice Chair; Fraser, Kline, Kohl-Welles, Parlette, Poulsen, Rasmussen, B. Sheldon, Spanel and Thibaudeau.

Staff: Erin Hannan (786-7708)

Background: Emergency Medical Technician Paramedics (EMTPs) employed by local governments in health departments or other similar divisions of local governments are members of the Public Employees' Retirement System (PERS).

Some EMTPs have had their jobs moved from various organizations in local government to fire departments. Upon meeting all the requirements to become firefighters, such as training and passing applicable examinations, these EMTPs employed at fire departments become members of the Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 (LEOFF 2).

Members with service in both PERS 2 and LEOFF 2 may use the portability provisions of the state retirement law to combine years of service and average salary for purposes of retirement eligibility, but the retirement ages of each plan still apply to the benefit receivable from each plan.

At least one local government employer has moved EMTPs from a department such as a health department to a fire department, and those EMTPs have become firefighters and members of LEOFF 2 for service performed after the move. Several other local government employers are in various stages of considering a similar movement of EMTPs to fire departments.

Summary of Amended Bill: The EMTPs who were previously members of PERS but become certified fire fighters and so will become eligible for LEOFF 2 may choose to: 1)

transfer to LEOFF 2 prospectively; 2) remain in PERS; or 3) become members of LEOFF 2 and transfer previous service credit earned as an EMTP in PERS 2 to LEOFF 2.

A member transferring eligible service credit from PERS 2 to LEOFF 2 must pay the retirement systems the difference in contributions, plus interest, that would have been paid by the employee if the employee's entire service been rendered in LEOFF 2. The employee must complete this payment no later than five years from the date of their transfer application or retirement, whichever comes first. The difference between employer contributions made to PERS 2 and the employer and state contributions that would have been made in LEOFF 2 become liabilities of LEOFF 2 and are incorporated into the LEOFF 2 contribution rate.

Emergency medical technicians eligible to transfer service credit in the act must wait five years and earn five years of service credit after their election to have service credit transferred PERS to LEOFF 2. The eligibility to transfer past PERS service credit includes Plan 1 and Plan 2.

Amended Bill Compared to Original Bill: The amended bill creates the requirement that transferring EMTs wait five years and earn five years of service credit before they retire. The eligibility to transfer past PERS service credit is expanded to include Plan 1 and Plan 2.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: We support this bill and the committee amendment.

Testimony Against: None.

Testified: Ricky Walsh, WA State Council of Fire Fighters (pro).