

HOUSE BILL REPORT

HB 2534

As Passed House:

February 11, 2004

Title: An act relating to death benefits for members of the Washington state patrol retirement system plan 2.

Brief Description: Providing death benefits for members of the Washington state patrol retirement system plan 2.

Sponsors: By Representatives Fromhold, Alexander, Conway, Rockefeller, G. Simpson, Chase and Morrell; by request of Select Committee on Pension Policy.

Brief History:

Committee Activity:

Appropriations: 1/22/04, 1/26/04 [DP].

Floor Activity:

Passed House: 2/11/04, 94-0.

Brief Summary of Bill

- The survivor benefit paid to a member of the Washington State Patrol Retirement System, Plan 2 with at least 10 years of service who is killed in the course of employment is not subject to an early retirement actuarial reduction.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 27 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Sehlin, Ranking Minority Member; Pearson, Assistant Ranking Minority Member; Alexander, Anderson, Boldt, Buck, Chandler, Clements, Cody, Conway, Cox, Dunshee, Grant, Hunter, Kagi, Kenney, Kessler, Linville, McDonald, McIntire, Miloscia, Ruderman, Schual-Berke, Sump and Talcott.

Staff: David Pringle (786-7310).

Background:

All members of the Washington State Patrol Retirement System (WSPRS) who first became members after January 1, 2003, have entered as members of Plan 2. WSPRS

Plan 2 members are eligible for normal retirement either at age 55 or after 25 years of service. Several death benefits are payable to members of WSPRS Plan 2 who die while in active service.

One of the death benefits paid to a member of the WSPRS Plan 2 is a survivor benefit paid to the spouse or other eligible survivor. The amount of this survivor benefit is the greater of: 1) the member's accumulated contributions; or 2) the member's earned retirement benefit, actuarially reduced for payment in the form of a survivor benefit and also reduced from the plan's normal retirement age to the member's age at death. A member of WSPRS is also eligible for a \$150,000 death benefit payable to the member's estate or designee where death occurs as a result of injuries sustained in the course of employment.

A workers' compensation death benefit may also be payable from the Department of Labor and Industries (L&I) for death resulting from injury sustained in the course of employment. A lump sum benefit may be payable from the L&I for burial expenses, as well as a monthly benefit of 60 percent of gross wages up to 120 percent of the state's average wage.

Chapter 155, Laws of 2003 (SHB 1519) provides that members of the Public Employees' Retirement System, the School Employees' Retirement System, and the Teachers' Retirement System killed in the course of employment are not subject to early retirement reductions.

The State Actuary indicates that while few WSPRS members die while in active service, about 20 percent of those deaths in active service are duty-related.

Summary of Bill:

The survivor benefit paid from a member's earned retirement benefit to survivors of WSPRS, Plan 2 members killed in the course of employment is not subject to an early retirement actuarial reduction.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: This is very similar to HB 1519, passed last year. Washington State Patrol Plan 2 members probably should have been included in that bill, but hopefully we

won't ever have to use this as it involves death in the line of duty.

Testimony Against: None.

Persons Testifying: Rick Jensen, Washington State Patrol Troopers Association.

Persons Signed In To Testify But Not Testifying: None.