

FINAL BILL REPORT

HB 2534

C 170 L 04

Synopsis as Enacted

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.

House Committee on Appropriations
Senate Committee on Ways & Means

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 the 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:

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.

Votes on Final Passage:

House 94 0
Senate 48 0

Effective: June 10, 2004