

SENATE BILL REPORT

HB 1207

As Reported By Senate Committee On:
Ways & Means, April 1, 2003

Title: An act relating to providing a death benefit for certain public employees.

Brief Description: Providing a death benefit for certain public employees.

Sponsors: Representatives Alexander, Conway, Cooper, Simpson, Delvin and Campbell; by request of Joint Committee on Pension Policy.

Brief History:

Committee Activity: Ways & Means: 4/1/03 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Rossi, Chair; Hewitt, Vice Chair; Zarelli, Vice Chair; Brown, Doumit, Fairley, Fraser, Hale, Honeyford, Johnson, Parlette, Regala, Roach, Sheahan, B. Sheldon and Winsley.

Staff: Erik Sund (786-7454)

Background: When members of the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System are killed as a result of injuries sustained in the course of employment, their beneficiaries are eligible for two kinds of death benefit. First, beneficiaries are entitled to either a refund of the member's pension contributions plus interest or to the member's regular retirement benefit as actuarially reduced from the plan's normal retirement age. There is also a fixed \$150,000 death benefit that is provided in the 2001-2003 budget language. This benefit, which is paid as a sundry claim, expires June 30, 2003.

The Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) and the Washington State Patrol Retirement System (WSPRS) both provide a \$150,000 death benefit as a regular part of the plans.

Summary of Bill: A \$150,000 benefit for death resulting from injuries sustained in the course of employment is payable to members of PERS, TRS, and SERS. The death benefit is payable from the retirement plan of the deceased member. A similar \$150,000 death benefit is also made available to deceased employees of state agencies, the common school system, or institutions of higher education who are not members of PERS, TRS, or SERS. In this case, the death benefit is payable as a sundry claim.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: This bill sends a message about the importance of public employees and provides assurance and security to their families. The bill charges the costs of the death benefits to the pension systems where they belong.

Testimony Against: None.

Testified: Lynn Maier, Washington Public Employees' Association (pro); Randy Parr, Washington Education Association (pro); Kim Peery, Public School Employees of Washington (pro).