

SENATE BILL REPORT

SHB 2934

As Reported By Senate Committee On:
Ways & Means, February 24, 2006

Title: An act relating to the retirement allowance of a member who is killed in the course of employment.

Brief Description: Determining the retirement allowance of a member who is killed in the course of employment.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Simpson, Priest, Conway, Hinkle, Williams, Ericks, Sells, Rodne, McDonald, Kilmer and Green; by request of LEOFF Plan 2 Retirement Board).

Brief History: Passed House: 2/11/06, 97-0.

Committee Activity: Ways & Means: 2/24/06 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Doumit, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Fairley, Kohl-Welles, Parlette, Pflug, Pridemore, Rasmussen, Regala, Roach, Rockefeller, Schoesler and Thibaudeau.

Staff: Erik Sund (786-7454)

Background: Retired or disabled employees of the state, school districts, and participating political subdivisions may purchase health care benefits from the Public Employees' Benefits Board (PEBB), administered by the Health Care Authority (HCA). This coverage is purchased at full cost based on the risk pool that the participants belong to, and includes administrative costs for each participant. Participants eligible for Medicare are placed in one risk pool, and all other retired or disabled participants are placed in a risk pool along with active employees. Groups are charged based on their per capita costs incurred by the risk pool they belong to, minus an explicit subsidy in the case of Medicare-eligible participants.

The 2001 Legislature enacted Engrossed Substitute House Bill 1371, which enabled surviving spouses of emergency service personnel killed in the line of duty on or after January 1, 1998, to purchase health care benefits from the PEBB. "Emergency service personnel" for this purpose includes fire fighter and law enforcement members of the Law Enforcement Officers' and Fire Fighters' Retirement System and the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension System. The cost of the insurance is paid by the surviving spouses and dependent children.

Summary of Bill: The retirement allowance paid to survivors of all LEOFF 2 members killed in the course of employment includes reimbursement for the cost of participating in a PEBB

health insurance plan, with coverage determined by PEBB rules. The survivors of members killed in the line of duty prior to January 1, 1998, as well as on or after January 1, 1998, are eligible to participate in PEBB health insurance plans.

There is no contractual right to reimbursement for the health care insurance costs, and the Legislature reserves the right to amend or repeal this act for future reimbursements.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Testimony For: (From SB 6722) This bill will provide medical coverage for spouses and dependent children of law enforcement officers and fire fighters who are killed in the line of duty. Surviving spouses will have one less thing to worry about at a very difficult time. The medical benefits that would be paid for in this bill are already offered by the Health Care Authority, so the administrative details have all been taken care of.

Testimony Against: (From SB 6722) None.

Who Testified: (From SB 6722) PRO: Senator Tracey Eide, 30th Legislative District; Kelly Fox, Washington State Council of Fire Fighters; Bill Hanson, Washington Council of Police and Sheriffs; Renee Maher, surviving spouse of Patrick Maher; Steve Nelsen, LEOFF Plan 2 Retirement Board.