

SENATE BILL REPORT

SB 5877

As Reported By Senate Committee On:
Ways & Means, February 22, 2005

Title: An act relating to employment and retirement rights of members of the armed forces called to active duty.

Brief Description: Addressing the employment and retirement rights of members of the armed forces called to active duty.

Sponsors: Senators Prentice, Oke, Haugen, Stevens, Franklin, Benson, Pridemore, Brandland, Rockefeller, Doumit, Weinstein, Kohl-Welles, Sheldon, Rasmussen, Thibaudeau, Jacobsen, Keiser, Mulliken, Pflug and McAuliffe.

Brief History:

Committee Activity: Ways & Means: 2/22/05 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

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

Staff: Erik Sund (786-7454)

Background: A member of the Public Employees' Retirement System Plan 1 (PERS 1) who has accumulated 25 years of service credit may receive up to five years of additional retirement system service credit at no cost for military service that was rendered during a time of war or during specific periods of conflict. In order to receive credit, a member must receive an honorable discharge from the armed forces or a discharge for physical reasons with an honorable record of service. This credit is available to an eligible PERS 1 member regardless of whether or not he or she separated from employment in order to provide that military service, a feature provided by only one other Washington State retirement plan, the Washington State Patrol Retirement System Plan 1 (WSPRS 1).

A member of PERS 1 with fewer than 25 years of service credit may still receive up to five years of retirement system service credit for military service, provided that the member separated from PERS-eligible employment in order to provide that military service. In order to receive this credit for military service, the member must return to active employment within one year of being honorably discharged from the military. If the member applies for reinstatement of employment within one year but is refused, then he or she has up to 10 years to return to employment to qualify for the credit.

Summary of Bill: The global war on terrorism, including but not limited to Operations Noble Eagle, Enduring Freedom, and Iraqi Freedom, is added to list of conflicts for which PERS 1 members may receive military credit and other veterans' benefits.

Members actively serving honorably in the military may qualify as veterans without having to first receive an honorable discharge or a discharge for physical reasons with an honorable record of service.

Members with 25 or more years of service credit and who would otherwise have become eligible for a PERS 1 retirement benefit while serving honorably in the armed forces on or after September 11, 2001 qualify for military service credit without having to return to eligible employment.

The act applies retroactively to September 11, 2001.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: The war on terrorism has limited service members' ability to return to work in order to receive retirement system service credit for military service. This bill updates the definition of veteran to include the war on terrorism and also adjusts the statutes governing military service in certain plans to help employees near or past the age of retirement eligibility who are being called up for military service.

Testimony Against: None.

Who Testified: PRO: Colonel Michael Pierce, Department of the Army, 70th Regional Readiness Command.