

HOUSE BILL REPORT

HB 2987

As Passed House:
February 14, 2010

Title: An act relating to the firefighters' pension fund.

Brief Description: Addressing the impact on the firefighters' pension fund when a city or town enters a regional fire protection service authority.

Sponsors: Representatives Simpson and Williams.

Brief History:

Committee Activity:

Ways & Means: 2/6/10, 2/8/10 [DP].

Floor Activity:

Passed House: 2/14/10, 94-0.

Brief Summary of Bill

- Directs that cities or towns that enter into Regional Fire Protection Service Authorities (Authority) continue to receive a portion of the fire insurance premium tax for deposit into the Firefighters' Pension Fund proportionate to the number of paid firefighters in the City or Town immediately before entering into the Authority.

HOUSE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass. Signed by 21 members: Representatives Linville, Chair; Ericks, Vice Chair; Sullivan, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Chandler, Cody, Conway, Darneille, Haigh, Hinkle, Hunt, Hunter, Kagi, Kenney, Kessler, Pettigrew, Priest, Schmick and Seaquist.

Staff: David Pringle (786-7310).

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

A Regional Fire Protection Service Authority (Authority) may be created for the purpose of conducting selected fire protection functions at a regional level. An Authority can be created by the merger of two or more adjacent fire protection jurisdictions, including fire protection districts, cities, port districts, and Indian tribes.

An Authority is governed by a board consisting of persons identified in the Authority's operating plan. Authority board members must all be elected officials. Among the powers of a Authority board in executing a voter-approved plan are to:

- enter into intergovernmental agreements;
- acquire, hold, or dispose of real property;
- exercise the powers of eminent domain; and
- enforce fire codes;

All powers, duties, and functions of a participating fire protection jurisdiction may be transferred by resolution to the Authority. Such a transfer does not affect existing collective bargaining agreements.

Certain cities and fire districts receive a share of the 2 percent tax on fire insurance premiums. Forty-five percent of the revenue from the tax is distributed to eligible cities and fire districts with full-time fire fighters. The tax revenue is distributed based upon the number of full-time fire fighters currently employed by the employer. The revenue may be used to pay expenses incurred under the pre-1970 city fire fighter retirement system and for retiree medical expenses incurred for fire fighters retired under the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 1.

Some cities are still obligated to pay pensions under the pre-LEOFF system for fire fighters who retired under that system prior to March 1970. Some cities are also responsible for some bridge payments for persons who started under the pre-LEOFF system and retired under LEOFF Plan 1. Cities are also responsible for certain medical benefits statutorily granted to LEOFF Plan 1 retirees.

Summary of Bill:

Cities or towns that enter into an Authority shall continue to certify to the State Treasurer the number of paid firefighters that were in the city or town immediately before entering into the Authority, and continue to receive a proportionate amount of the fire insurance premium tax for deposit into the Firefighters' Pension Fund of that city or town.

Appropriation: None.

Fiscal Note: Requested on February 5, 2010.

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

Staff Summary of Public Testimony:

None.

Persons Testifying: None.

Persons Signed In To Testify But Not Testifying: None.