

# HOUSE BILL REPORT

## SB 5161

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### As Reported by House Committee On: Ways & Means

**Title:** An act relating to public corrections entities formed by counties or cities under RCW 39.34.030

**Brief Description:** Addressing the definition of employer for certain public corrections entities formed by counties or cities under RCW 39.34.030.

**Sponsors:** Senators Fain, Schoesler, Holmquist Newbry, Conway, Delvin, Carrell, Murray, Hobbs, Pridemore and Rockefeller; by request of Select Committee on Pension Policy.

#### **Brief History:**

##### **Committee Activity:**

Ways & Means: 3/22/11 [DP].

#### **Brief Summary of Bill**

- Adds public corrections entities formed by counties, cities, or both to the list of Public Safety Employees' Retirement System (PSERS) employers.
- Applies the employer definition change retroactively to any public corrections entity existing on or after January 1, 2011.

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### HOUSE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass. Signed by 26 members: Representatives Hunter, Chair; Darneille, Vice Chair; Hasegawa, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Carlyle, Chandler, Cody, Dickerson, Haigh, Haler, Hinkle, Hudgins, Hunt, Kagi, Kenney, Ormsby, Parker, Ross, Schmick, Seaquist, Springer, Sullivan and Wilcox.

**Staff:** David Pringle (786-7310).

#### **Background:**

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*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.*

The Public Safety Employees' Retirement System (PSERS) was created in 2004 and opened to members on July 1, 2006. The PSERS provides retirement benefits for state and local government employees who work in positions with law enforcement duties but are not eligible for membership in the Law Enforcement Officers' and Fire Fighters' Retirement System. Members of the PSERS with at least 20 years of service will be eligible for full retirement benefits from age 60, five years earlier than the regular retirement age in Public Employees' Retirement System Plans 2 and 3. Members of PSERS with 20 years of service may also early retire beginning at age 53 with a 3 percent reduction in benefits per year of early retirement.

Membership in the PSERS is restricted by an individual's employer and by specific job criteria. The PSERS employers are defined as the Department of Corrections, the Department of Natural Resources, the Parks and Recreation Commission, the Gambling Commission, the Washington State Patrol, the Liquor Control Board, county corrections departments, and the corrections departments of municipalities not classified as first-class cities, and employers employing statewide elective officials.

A new correctional facility is expected to open in the fall of 2011 as a shared jail for the cities of Auburn, Burien, Des Moines, Federal Way, Renton, SeaTac, and Tukwila. A multi-jurisdictional agency called the South Correctional Entity has been created under the Interlocal Cooperation Act to build and operate the facility. About 124 full-time corrections officers will be employed at the facility, including many that will transfer from preexisting facilities operated by the participating cities. Corrections officers employed at the facility will not be eligible for PSERS because the statutory definition of employer in PSERS does not include corrections departments created by interlocal agreements between cities.

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**Summary of Bill:**

The definition of employer for the Public Safety Employees' Retirement System is amended to include public corrections entities formed by counties, cities, or both. The employer definition change applies retroactively to any public corrections entity existing on or after January 1, 2011.

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**Appropriation:** None.

**Fiscal Note:** Available.

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

**Staff Summary of Public Testimony:**

(In support) The South Correctional Entity (SCORE) was created recently under the Interlocal Cooperation Act, and this bill provides a technical fix to current Public Safety

Employees' Retirement System (PSERS) rules. It will allow the correctional employees from the counties and cities that will be working in the new regional jail to remain in the PSERS plan as they move to the SCORE facility.

(Opposed) None.

**Persons Testifying:** Penny Bartley, South Correctional Entity.

**Persons Signed In To Testify But Not Testifying:** None.