

HOUSE BILL REPORT

HB 1180

As Reported by House Committee On: Appropriations

Title: An act relating to death benefits for volunteer firefighters and reserve officers.

Brief Description: Addressing death benefits for volunteer firefighters and reserve officers.

Sponsors: Representatives Scott, Blake, Kristiansen and Santos.

Brief History:

Committee Activity:

Appropriations: 2/28/13 [DPS].

Brief Summary of Substitute Bill

- Increases from \$152,000 to \$214,000 the lump-sum death benefit that is paid to survivors of Volunteer Fire Fighters' and Reserve Officers' Relief and Pension System (VFFRORPS) members who die as a result of injuries or sickness that are the result of the performance of duties.
- Replaces the monthly death benefits payable to the parents or legal guardians of surviving children of VFFRORPS members so to provide \$500 per dependent child, unemancipated or under 18 years of age.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 31 members: Representatives Hunter, Chair; Ormsby, Vice Chair; Alexander, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys, Carlyle, Cody, Dahlquist, Dunshee, Fagan, Green, Haigh, Haler, Harris, Hudgins, Hunt, Jinkins, Kagi, Maxwell, Morrell, Parker, Pedersen, Pettigrew, Pike, Ross, Schmick, Seaquist, Springer, Sullivan and Taylor.

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.

The Volunteer Fire Fighters' and Reserve Officers' Relief and Pension System (VFFRORPS) provides death, disability, medical, and retirement benefits to volunteer firefighters, reserve officers, and emergency medical workers in cities, towns, and fire protection districts. The VFFRORPS is funded by member and employer contributions and 40 percent of the fire insurance premium tax.

Employers are required to participate in the death, disability, and medical benefit plans (collectively referred to as the "relief benefits") offered by the VFFRORPS, but participation in the pension component is optional and participants must enroll to be covered by the plan. Around 18,000 members are covered by the death, disability, and medical benefits, and 12,000 members are covered by the pension benefits.

Relief benefits are available to members covered under the relief provisions of VFFRORPS who are injured in the performance of duty. Eligibility for retirement pension benefits from the VFFRORPS begins after 10 years of service as a member. The amount of the pension increases for each five years of service beyond the minimum 10 years, and for payments made into the pension portion of the VFFRORPS. The maximum pension is vested with 25 years of service and 25 payments into the pension fund. Full retirement benefits are available at age 65, and early retirement benefits are available to members with 25 years of service on an actuarially reduced basis beginning at age 60. The maximum pension benefit is \$300 per month.

Monthly and lump-sum line-of-duty death benefits are provided where VFFRORPS members die as a result of injuries or sickness that are the result of the performance of duties. Lump-sum death benefits are equal to \$152,000.

Monthly death benefits are also paid to spouses and dependent children in VFFRORPS in cases where members die as a result of injuries or sickness that are the result of the performance of duties. A surviving widow or widower receives \$1,275 per month, and since July 1, 2001, the monthly death benefits for VFFRORPS has been indexed to the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers. The indexing of the \$1,275 per month spouse benefit has increased it to about \$1,748 and increased the \$110 per month child benefit to about \$150.

The survivor benefits paid to a widow or widower increase by \$110 per month, per child of the member, up to a maximum of \$2,500 per month. If the widow or widower does not have legal custody of the deceased member's children, payments for the children are made to the person with legal custody of the children. If there is no widow or widower, then the \$1,275 per month benefit is made to the youngest child, along with the \$110 per additional children. If there is no widow or widower or children, then the benefit may be paid to a dependent parent or parents. Widow or widower benefits cease upon remarriage.

Summary of Substitute Bill:

The lump-sum death benefit paid to survivors of Volunteer Fire Fighters' and Reserve Officers' Relief and Pension System (VFFRORPS) members who die as a result of injuries or

sickness that are the result of the performance of duties is increased from \$152,000 to \$214,000.

The benefit provisions relating to monthly benefits in cases where there is no widow or widower are repealed. Instead, monthly death benefits payable to the parents or legal guardians of children of VFFRORPS members are modified to provide \$500 for each dependent child who is either unemancipated or under 18 years of age.

Substitute Bill Compared to Original Bill:

The substitute bill removed the requirement to index the increased lump-sum death benefit beginning July 1, 2013, by the Seattle-Tacoma-Bremerton Consume Price Index up to 3 percent per year.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) Three quarters of the firefighters in Washington are volunteers, and fire districts are having more difficulty recruiting and retaining volunteers. Volunteer firefighting is a big commitment, and as families' lives get busier every year, it is a harder commitment to make. The lump-sum death benefit should be made the same as that paid to full-time firefighters. These changes are among the few things that can be done in such terrible circumstances as the death of a volunteer in the line-of-duty. Fire districts would gladly pay these small costs.

(Opposed) None.

Persons Testifying: Ryan Spiller, Washington Fire Commissioners.

Persons Signed In To Testify But Not Testifying: None.