

HOUSE BILL REPORT

HB 1558

As Reported by House Committee On: Appropriations

Title: An act relating to membership in the Washington public safety employees' retirement system for employees who provide nursing care to, or ensure the custody and safety of, offender, probationary, and patient populations in institutions and centers.

Brief Description: Authorizing membership in the Washington public safety employees' retirement system for employees who provide nursing care to, or ensure the custody and safety of, offender, probationary, and patient populations in institutions and centers.

Sponsors: Representatives Kilduff, MacEwen, Sawyer, Hayes, Harris, Griffey, Ormsby, Riccelli, Bergquist, Dolan, Doglio, Lovick, Ryu, Goodman, Peterson, Fitzgibbon, Muri, Stanford and Fey.

Brief History:

Committee Activity:

Appropriations: 2/2/17, 2/13/17 [DP], 1/17/18, 2/6/18 [DPS].

Brief Summary of Substitute Bill

- Provides membership in the Public Safety Employees' Retirement System (PSERS) for employees of the Department of Veterans Affairs (Veterans Affairs) and the Department of Social and Health Services (DSHS) whose primary responsibility is to provide nursing care to, or to ensure the custody or safety of, offender and patient populations in state institutions including the mental health hospitals and the Child Study and Treatment Center.
- Provides membership in the PSERS to state, city, and county corrections personnel who are employed by a PSERS employer and whose primary responsibility is to provide nursing care to, or ensure the custody and safety of, offender and patient populations.
- Adds the Veterans Affairs and the DSHS as eligible PSERS employers.
- Permits members of the Public Employees' Retirement System (PERS) Plan 2 or Plan 3 made newly eligible for the PSERS to choose between remaining in the PERS or transferring to the PSERS for periods of future service.

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HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 28 members: Representatives Ormsby, Chair; Robinson, Vice Chair; Chandler, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Stokesbary, Assistant Ranking Minority Member; Bergquist, Buys, Caldier, Cody, Condotta, Fitzgibbon, Haler, Hansen, Harris, Hudgins, Jinkins, Kagi, Lytton, Pettigrew, Pollet, Sawyer, Schmick, Senn, Stanford, Sullivan, Tharinger, Volz and Wilcox.

Minority Report: Do not pass. Signed by 4 members: Representatives Graves, Manweller, Taylor and Vick.

Staff: David Pringle (786-7310).

Background:

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 the PSERS with 20 years of service may also opt for early retirement 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 State Parks and Recreation Commission, the Gambling Commission, the Washington State Patrol, the Liquor and Cannabis Board, county corrections departments, and the corrections departments of municipalities not classified as first class cities.

Summary of Substitute Bill:

Employees of the Department of Veterans Affairs and the Department of Social and Health Services that provide nursing care to, or ensure the custody or safety of, offender and patient populations in state institutions including the mental health hospitals, the Child Study and Treatment Center, and residential sites serving developmentally disabled patients or offenders (but not including the State Operating Living Alternatives facilities) are eligible for membership in the PSERS.

In addition to corrections officers, membership in the PSERS is provided to other state, city, and county corrections personnel whose primary responsibility is to provide direct care to, or ensure the custody and safety of, offender and patient populations.

Members of the Public Employees' Retirement System (PERS) Plan 2 or Plan 3 made newly eligible for the PSERS choose between remaining in the PERS or transferring to the PSERS for periods of future service. The choice to transfer to the PSERS must be made during an election period between January 1, 2019, and March 1, 2019. Membership in the PSERS for transferring PERS members is prospective, and past service credit remains in the PERS, making members' eventual retirement calculated under the dual membership rules.

Substitute Bill Compared to Original Bill:

The substitute bill narrows the classes of employees and employers that are added to PSERS by removing Juvenile Rehabilitation Administration probation officers, otherwise qualifying employees employed at Juvenile Rehabilitation Administration Community Facilities, Special Commitment Centers, and State Operated Living Alternatives Facilities. The substitute bill also adjusts dates that provided for implementation after the 2017 Legislative Session to enable implementation after the 2018 Legislative Session.

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) This bill passed the House of Representatives by a wide margin last year. The bill will help retain a quality workforce by ensuring that employees can retire after long service in dangerous jobs. Workers are often injured in these jobs and some testified to the Legislature last year. The risk to workers in these positions is backed by good research. Employees in these custodial institutions face the highest injury rates of any public employees. This bill brings pension benefits more into line with other public employees doing dangerous jobs, like corrections officers. The state created large savings by increasing early retirement penalties a few years ago, and the savings from that should be spent on this bill. An employee was assaulted at Western State Hospital last week. As workers get older, they heal more slowly. This bill will not help workers that are near retirement now, but it will be a great help to younger employees. Some just will not do these jobs knowing that retirement is not until age 65.

(Opposed) None.

(Other) The dates to implement the provisions of the bill need to be fixed.

Persons Testifying: (In support) Representative Kilduff, prime sponsor; Sue Hendrickson, Washington Federation of State Employees; Lindsey Grad, Service Employees International Union Healthcare 1199NW; and Rick Hertzog, Washington Federation of State Employees.

(Other) Shawn Merchant, Department of Retirement Systems.

Persons Signed In To Testify But Not Testifying: None.