

SENATE BILL REPORT

SHB 2202

As Passed Senate, April 20, 2017

Title: An act relating to the eligibility of emergency medical technicians for membership in the law enforcement officers' and firefighters' retirement system plan 2.

Brief Description: Addressing the eligibility of emergency medical technicians for membership in the law enforcement officers' and firefighters' retirement system plan 2.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Manweller and Ormsby).

Brief History: Passed House: 4/18/17, 96-0.

Committee Activity:

Floor Activity:

Passed Senate: 4/20/17, 47-1.

Brief Summary of Bill

- Narrows the definition of new employees eligible for Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 (LEOFF Plan 2) membership to certain employees, including Emergency Medical Technicians (EMTs) that provide medical treatment at the scene of a medical emergency, or while transporting a patient to a medical facility.
- Broadens the definition of LEOFF Plan 2 "employer" to include public corporations created by a city, town, or county.
- Modifies provisions related to EMTs service credit in LEOFF Plan 2 membership earned after July 24, 2005.

Staff: Amanda Cecil (786-7460)

Background: Emergency Medical Technicians (EMTs) are licensed by the Department of Health upon completion of approved training and association with an Emergency Medical Services (EMS) agency, a law enforcement agency, a business with an organized safety team, or as instructors or coordinators with approved EMS training programs. There are several

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types of licensed EMTs, which includes the Physician's Trained Advanced Emergency Medical Technician and Paramedic—regulated in Chapter 18.71 RCW; and the broader category of EMT—regulated in Chapter 18.73 RCW. EMTs are defined as providing Emergency Medical Service if they render care at the scene of a medical emergency, or while transporting a patient to a medical facility.

In 2005, the Legislature added EMTs employed on a full-time, fully compensated basis by a city, town, county, or district to the definition of firefighter in the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF). In some instances, employers and employees were not aware these employees had become eligible for LEOFF membership.

LEOFF provides retirement and disability benefits to full-time, fully compensated general authority law enforcement officers and firefighters. Members of the plan first becoming eligible for LEOFF on or after October 1, 1977, are members of LEOFF Plan 2. LEOFF Plan 2 provides for retirement benefits based on 2 percent of a member's average final salary per year of service credit, and a normal retirement age of 53. Enhanced early retirement benefits are available to members with 20 or more years of service, and disability benefits are provided for members disabled, or catastrophically disabled, in the line of duty. Contributions are paid into LEOFF Plan 2 by:

- employees—50 percent of the total rate;
- employers—30 percent; and
- the state—20 percent.

Currently the total contribution rate for LEOFF Plan 2 is 17.5 percent of pay.

In 2010, the Department of Retirement Systems (DRS) identified that there could be significant numbers of EMTs who are employed by Public Hospital Districts (PHDs) and who became eligible for LEOFF Plan 2 in 2005, but had not been enrolled. In 2011, the DRS determined that PHD EMTs meeting the employee definition would be enrolled in LEOFF. This determination was administratively appealed by PHDs, and in 2016 the DRS's final determination was appealed to Chelan County Superior Court.

A member of the LEOFF Plan 2 may establish service credit in the plan if not previously credited according to law. The Director of DRS may bill an employer for employer and employee contributions and interest. Following the employer notifying DRS that the employee has reimbursed the employer for the employee contributions, the Director of DRS may credit the service to the employee's account. Failure by the employee to pay the employer does not reduce the employer's obligation to the retirement plan.

Summary of Bill: The definition of new employees eligible for LEOFF Plan 2 membership is prospectively narrowed from all eligible EMTs employed by LEOFF Plan 2 employers to EMS providers. EMS providers are Physician's Trained Advanced Emergency Medical Technicians and Paramedics and Emergency Medical Technicians that provide medical treatment at the scene of a medical emergency, or while transporting a patient to a medical facility.

The definition of employer for members of LEOFF Plan 2 is broadened to include public corporations created by a city, town, or county.

DRS is required to notify persons eligible to establish LEOFF Plan 2 service credit earned as EMTs on or after July 24, 2005, of the requirement that the person elect to purchase that service before July 1, 2018.

For members that provided EMT service in LEOFF Plan 2, DRS will provide, upon receipt of a written request from the EMT, the cost of establishing service credit for LEOFF Plan 2 service earned after July 24, 2005. The EMT may elect to purchase that service before July 1, 2018, and has five years to make the required contributions. Upon completion of payments, the DRS will bill the employer for the contributions, reduced by any contributions made to a retirement account for that employee for the same period, up to 3 percent of pay.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.