

# HOUSE BILL REPORT

## EHB 1923

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**As Passed House:**  
March 8, 2013

**Title:** An act relating to membership in the Washington public safety employees' retirement system for employees at city and county corrections departments, public corrections entities, the department of corrections, and the department of social and health services who provide direct care to, or ensure the custody and safety of, offender and patient populations.

**Brief Description:** Authorizing membership in the Washington public safety employees' retirement system for employees at city and county corrections departments, public corrections entities, the department of corrections, and the department of social and health services who provide direct care to, or ensure the custody and safety of, offender and patient populations.

**Sponsors:** Representatives Ormsby, Sullivan, Hayes, Pollet, Blake, Hope, Orcutt, Alexander, Moscoso, Bergquist, Santos and Freeman.

**Brief History:**

**Committee Activity:**

Appropriations: 2/26/13, 3/1/13 [DP].

**Floor Activity:**

Passed House: 3/8/13, 94-3.

**Brief Summary of Engrossed Bill**

- Provides membership in the Public Safety Employees' Retirement System (PSERS) for employees of the Washington State Department of Social and Health Services (DSHS) that provide direct care, custody, or safety in state institutions including the Juvenile Rehabilitation Administration, the Mental Health hospitals, the Child Study and Treatment Center, the Special Commitment Center, and residential sites serving developmentally disabled patients or offenders.
- Provides membership in the PSERS to state, city, and county corrections personnel whose primary responsibility is to provide direct care, or ensure the custody and safety of offender and patient populations.
- Adds the DSHS as an eligible PSERS employer.

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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.*

- 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.
- Directs the State Actuary to study the development and changes made to the PSERS system since inception.

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## HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** Do pass. Signed by 25 members: Representatives Hunter, Chair; Ormsby, Vice Chair; Alexander, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys, Cody, Dahlquist, Dunshee, Fagan, Green, Haigh, Haler, Harris, Hudgins, Hunt, Jinkins, Kagi, Maxwell, Morrell, Pedersen, Pettigrew, Ross, Seaquist and Sullivan.

**Minority Report:** Do not pass. Signed by 6 members: Representatives Carlyle, Parker, Pike, Schmick, Springer and Taylor.

**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 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.

### **Summary of Engrossed Bill:**

Employees of the Washington State Department of Social and Health Services that provide direct care, custody, or safety in state institutions including the Juvenile Rehabilitation Administration, the Mental Health hospitals, the Child Study and Treatment Center, the Special Commitment Center, and Residential sites serving developmentally disabled patients or offenders are eligible for membership in the Public Safety Employees' Retirement System (PSERS) beginning January 1, 2014.

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, 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, 2014, and March 1, 2014. Membership in the PSERS for transferring PERS members is prospective, and past service credit remains in the PERS, making a members' eventual retirement calculated under the dual membership rules.

The State Actuary, with the assistance of the Department of Retirement Systems, is directed to study the changes made to the PSERS since the creation of the system, and to report the study to the relevant fiscal committees of the Legislature and the Select Committee on Pension Policy no later than December 1, 2013.

**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) After working at Monroe Correctional Center for many years in a ward as medical staff, de-escalation skills are needed for employees because of direct contact with prisoners when guards are not always present. Nurses are assaulted and have to deal with very violent individuals. Every patient or inmate comes from jail and goes directly back to jail. At Western State Hospital, an employee has been injured many times at work, including several serious assaults. One in five workers have experienced similar injuries at Western State. Thirty years at a job like that makes no sense. The Public Safety Employees' Retirement System (PSERS) is due for a review, as it failed to catch folks that should have been included in the plan from the outset. Last year the Legislature recognized that high-risk jobs need a second look. Working over 29 years in the South 9 ward at Western State can be very tough on an employee. Younger employees can bounce back from the injuries that are a regular part of this job, but as an older worker, recovery takes longer. For workers with a knee replacement, the rigors of this job are too much.

(With concerns) The costs of this bill are not really known yet, but it appears to drive up costs for local government.

(Opposed) If this bill covered just Department of Social and Health Services workers, then the Association of Cities might be able to support the bill. Over time, the PSERS is a more costly retirement plan.

**Persons Testifying:** (In support) Representative Ormsby, prime sponsor; Lynn Kunkle, Teamsters 117; Padric McDonough and Matt Zuvich, Washington Federation of State Employees; Scott Robinson, American Federation of State, County and Municipal Employees-Local 793; and Ellie Menzies, Service Employees International Union 1199 NW.

(With concerns) Candace Bock, Association of Washington Cities.

(Opposed) Brian Enslow, Washington State Association of Counties.

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