
SUBSTITUTE SENATE BILL 5829

State of Washington

66th Legislature

2019 Regular Session

By Senate Ways & Means (originally sponsored by Senators Mullet, Schoesler, Hunt, Walsh, Warnick, Takko, and Van De Wege)

READ FIRST TIME 03/01/19.

1 AN ACT Relating to pension benefits and contributions in the
2 volunteer firefighters' and reserve officers' relief and pension
3 system; amending RCW 41.24.030 and 41.24.170; providing an effective
4 date; and declaring an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 41.24.030 and 2005 c 37 s 2 are each amended to read
7 as follows:

8 (1) The volunteer firefighters' and reserve officers' relief and
9 pension principal fund is created in the state treasury as a trust
10 fund for the benefit of the participants covered by this chapter
11 consisting of:

12 (a) All bequests, fees, gifts, emoluments, or donations given or
13 paid to the fund.

14 (b) An annual fee for each member of its fire department to be
15 paid by each municipal corporation for the purpose of affording
16 relief provided in this chapter for firefighters as follows:

17 (i) (~~Thirty~~) Fifty dollars for each volunteer or part-paid
18 member of its fire department;

19 (ii) A sum equal to one and one-half of one percent of the annual
20 salary attached to the rank of each full-paid member of its fire

1 department, prorated for 1970 on the basis of services prior to March
2 1, 1970.

3 (c) An annual fee for each emergency worker of an emergency
4 medical service district paid by the district that is sufficient to
5 pay the full costs of covering the emergency worker under the relief
6 provisions of this chapter, including operating expenses. The state
7 board shall determine the amount of this fee based on the latest
8 actuarial valuation of the system.

9 (d) Where a municipal corporation has elected to make relief
10 provisions of this chapter available to its reserve officers, an
11 annual fee for each reserve officer paid by the municipal corporation
12 that is sufficient to pay the full costs of covering the reserve
13 officer under the relief provisions of this chapter, including
14 operating expenses. The state board shall determine the amount of
15 this fee based on the latest actuarial valuation of the system.

16 (e) Where a municipal corporation has elected to make the
17 retirement pension provisions of this chapter available to members of
18 its fire department, an annual fee of (~~sixty~~) ninety dollars for
19 each of its firefighters electing to enroll, (~~thirty~~) forty-five
20 dollars of which shall be paid by the municipality and (~~thirty~~)
21 forty-five dollars of which shall be paid by the firefighter.
22 However, nothing in this section prohibits any municipality from
23 voluntarily paying the firefighters' fee for this retirement pension
24 coverage.

25 (f) Where an emergency medical service district has elected to
26 make the retirement pension provisions of this chapter available to
27 its emergency workers, for each emergency worker electing to enroll:

28 (i) An annual fee of (~~thirty~~) forty-five dollars shall be paid by
29 the emergency worker; and (ii) an annual fee paid by the emergency
30 medical service district that, together with the (~~thirty~~) forty-
31 five dollar fee per emergency worker, is sufficient to pay the full
32 costs of covering the emergency worker under the retirement pension
33 benefits provided under this chapter, including operating expenses.
34 The state board shall determine the amount of this fee based on the
35 latest actuarial valuation of the system. However, nothing in this
36 section prohibits any emergency medical service district from
37 voluntarily paying the emergency workers' fees for this retirement
38 pension coverage.

39 (g) Where a municipal corporation has elected to make the
40 retirement pension provisions of this chapter available to its

1 reserve officers, for each reserve officer electing to enroll: (i) An
2 annual fee of (~~thirty~~) forty-five dollars shall be paid by the
3 reserve officer; and (ii) an annual fee paid by the municipal
4 corporation that, together with the (~~thirty~~) forty-five dollar fee
5 per reserve officer, is sufficient to pay the full costs of covering
6 the reserve officer under the retirement pension benefits provided
7 under this chapter, including operating expenses. The state board
8 shall determine the amount of this fee based on the latest actuarial
9 valuation of the system. However, nothing in this section prohibits
10 any municipal corporation from voluntarily paying the reserve
11 officers' fees for this retirement pension coverage.

12 (h) Moneys transferred from the administrative fund, as provided
13 under subsection (4) of this section, which may only be used to pay
14 relief and retirement pensions for firefighters.

15 (i) Earnings from the investment of moneys in the principal fund.

16 (2) The state investment board, upon request of the state
17 treasurer shall have full power to invest, reinvest, manage,
18 contract, sell, or exchange investments acquired from that portion of
19 the amounts credited to the principal fund as is not, in the judgment
20 of the state board, required to meet current withdrawals. Investments
21 shall be made in the manner prescribed by RCW 43.84.150 and not
22 otherwise.

23 All bonds, investments, or other obligations purchased by the
24 state investment board shall be placed in the custody of the state
25 treasurer, and he or she shall collect the principal thereof and
26 interest thereon when due.

27 The state investment board may sell any of the bonds,
28 investments, or obligations so acquired and the proceeds thereof
29 shall be paid to the state treasurer.

30 (3) The interest, earnings, and proceeds from the sale and
31 redemption of any investments held by the principal fund and invested
32 by the state investment board shall be credited to and form a part of
33 the principal fund, less the allocation to the state investment board
34 expense account pursuant to RCW 43.33A.160.

35 Subject to restrictions contained in this chapter, all amounts
36 credited to the principal fund shall be available for making the
37 benefit payments required by this chapter.

38 The state treasurer shall make an annual report showing the
39 condition of the fund.

1 (4) The volunteer firefighters' and reserve officers'
2 administrative fund is created in the state treasury. Moneys in the
3 fund, including unanticipated revenues under RCW 43.79.270, may be
4 spent only after appropriation, and may be used only for operating
5 expenses of the volunteer firefighters' and reserve officers' relief
6 and pension principal fund, the operating expenses of the volunteer
7 firefighters' and reserve officers' administrative fund, or for
8 transfer from the administrative fund to the principal fund.

9 (a) Forty percent of all moneys received by the state from taxes
10 on fire insurance premiums shall be paid into the state treasury and
11 credited to the administrative fund.

12 (b) The state board shall compute a percentage of the amounts
13 credited to the administrative fund to be paid into the principal
14 fund.

15 (c) For the purpose of providing amounts to be used to defray the
16 cost of administration of the principal and administrative funds, the
17 state board shall ascertain at the beginning of each biennium and
18 request from the legislature an appropriation from the administrative
19 fund sufficient to cover estimated expenses for the biennium.

20 **Sec. 2.** RCW 41.24.170 and 2003 c 62 s 1 are each amended to read
21 as follows:

22 (1) Except as provided in RCW 41.24.410, whenever any participant
23 has been a member and served honorably for a period of ten years or
24 more as an active member in any capacity, of any regularly organized
25 fire department or law enforcement agency of any municipality in this
26 state, and which municipality has adopted appropriate legislation
27 allowing its firefighters or reserve officers to enroll in the
28 retirement pension provisions of this chapter, and the participant
29 has enrolled under the retirement pension provisions and has reached
30 the age of sixty-five years, the board of trustees shall order and
31 direct that he or she be retired and be paid a monthly pension from
32 the principal fund as provided in this section.

33 (2)(a) Until July 1, 2019, whenever a participant has been a
34 member, and served honorably for a period of twenty-five years or
35 more as an active member in any capacity, of any regularly organized
36 volunteer fire department or law enforcement agency of any
37 municipality in this state, and he or she has reached the age of
38 sixty-five years, and the annual retirement fee has been paid for a
39 period of twenty-five years, the board of trustees shall order and

1 direct that he or she be retired and such participant be paid a
2 monthly pension of three hundred fifty dollars from the fund for the
3 balance of that participant's life.

4 (b) Beginning January 1, 2020, whenever a participant has been a
5 member, and served honorably for a period of twenty-five years or
6 more as an active member in any capacity, of any regularly organized
7 volunteer fire department or law enforcement agency of any
8 municipality in this state, and he or she has reached the age of
9 sixty-five years, and the annual retirement fee has been paid for
10 each year of active membership, but at least twenty-five years, the
11 board of trustees shall order and direct that he or she be retired
12 and such participant be paid a monthly pension of three hundred fifty
13 dollars, plus an additional ten dollars per month for each year that
14 the retirement fee was paid beyond twenty-five years, from the fund
15 for the balance of that participant's life.

16 (3) Whenever any participant has been a member, and served
17 honorably for a period of twenty-five years or more as an active
18 member in any capacity, of any regularly organized volunteer fire
19 department or law enforcement agency of any municipality in this
20 state, and the participant has reached the age of sixty-five years,
21 and the annual retirement fee has been paid for a period of less than
22 twenty-five years, the board of trustees shall order and direct that
23 he or she be retired and that such participant shall receive a
24 minimum monthly pension of ((fifty)) one hundred dollars increased by
25 the sum of ten dollars each month for each year the annual fee has
26 been paid, but not to exceed ((the maximum monthly pension provided
27 in this section)) three hundred fifty dollars, for the balance of the
28 participant's life.

29 (4) No pension provided in this section may become payable before
30 the sixty-fifth birthday of the participant, nor for any service less
31 than twenty-five years: PROVIDED, HOWEVER, That:

32 ((1)) (a) Any participant, who is older than fifty-nine years
33 of age, less than sixty-five years of age, and has completed twenty-
34 five years or more of service may irrevocably elect a reduced monthly
35 pension in lieu of the pension that participant would be entitled to
36 under this section at age sixty-five. The participant who elects this
37 option shall receive the reduced pension for the balance of his or
38 her life. The reduced monthly pension is calculated as a percentage
39 of the pension the participant would be entitled to at age sixty-

1 five. The percentage used in the calculation is based upon the age of
2 the participant at the time of retirement as follows:

- 3 Age 60 Sixty percent
- 4 Age 61 Sixty-eight percent
- 5 Age 62 Seventy-six percent
- 6 Age 63 Eighty-four percent
- 7 Age 64 Ninety-two percent

8 ~~((2))~~ (b) If a participant is age sixty-five or older but has
9 less than twenty-five years of service, the participant is entitled
10 to a reduced benefit. The reduced benefit shall be computed as
11 follows:

12 ~~((a))~~ (i) Upon completion of ten years, but less than fifteen
13 years of service, a monthly pension equal to twenty percent of such
14 pension as the participant would have been entitled to receive at age
15 sixty-five after twenty-five years of service;

16 ~~((b))~~ (ii) Upon completion of fifteen years, but less than
17 twenty years of service, a monthly pension equal to thirty-five
18 percent of such pension as the participant would have been entitled
19 to receive at age sixty-five after twenty-five years of service; and

20 ~~((c))~~ (iii) Upon completion of twenty years, but less than
21 twenty-five years of service, a monthly pension equal to seventy-five
22 percent of such pension as the participant would have been entitled
23 to receive at age sixty-five after twenty-five years of service.

24 ~~((3))~~ (c) If a participant with less than twenty-five years of
25 service elects to retire after turning age sixty but before turning
26 age sixty-five, the participant's retirement allowance is subject:

27 ~~((a))~~ (i) First to the reduction under (b) of this subsection
28 ~~((2) of this section)~~ based upon the participant's years of
29 service; and

30 ~~((b))~~ (ii) Second to the reduction under (a) of this subsection
31 ~~((1) of this section)~~ based upon the participant's age.

32 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
33 preservation of the public peace, health, or safety, or support of
34 the state government and its existing public institutions, and takes
35 effect July 1, 2019.

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