

PSERS Membership

Issue

Some policy makers may believe that older employees in certain occupations are exposed to an inappropriate amount of workplace risk. These policy makers may seek to address this workplace risk through the expansion of membership eligibility in the Public Safety Employees' Retirement System (PSERS).

Background

Legislation passed during the 2012 session (Chapter 7, Laws of 2012, First Special Session) reduced Early Retirement Factors for newly hired employees in the Public Employees' Retirement System (PERS), the Teachers' Retirement System, and the School Employees' Retirement System. It also required the Select Committee on Pension Policy (SCPP) to study high-risk job classifications for the possible inclusion in PSERS.

The SCPP studied high-risk job classifications that entailed high degrees of physical or psychological risk in relation to older employees during the 2012 interim. There were no formal policy recommendations made by the committee. However, [study](#) findings showed that there were a handful of occupations that had higher compensable claims rates when compared to the general population studied.

Multiple non-SCPP bills, related to the 2012 SCPP study, were introduced during the 2013 Session but did not pass the full Legislature. One bill, Engrossed House Bill 1923 (EHB 1923), which would expand PSERS for certain Department of Social and Health Services (DSHS) and corrections employees, passed the House floor but did not receive any action in the opposite chamber.

The SCPP continued to study PSERS membership throughout the 2013 Interim including EHB 1923, human resource practices for mitigating job risk in occupations targeted by EHB 1923, and a proposal for a more limited expansion of PSERS.

Highlights of Analysis

- ❖ There are options for addressing workplace risk both inside and outside of pension policy and policy makers may differ on their preferred approach.
- ❖ Expanding PSERS may mitigate the impacts of some job risks for older employees. However, not all job risk can be eliminated.
- ❖ Expanding PSERS allows enhancing benefits without increasing costs to non-public safety employees or employers.
- ❖ Expanding PSERS to address risk has implications for affordability, contractual rights, and retention.

Options

EHB 1923 expands PSERS for certain DSHS and corrections employees. Under the bill, DSHS is added to the statutory list of PSERS employers; and employees must hold the primary responsibility of providing direct care to, or ensuring the custody and safety of, patient and offender populations. EHB 1923 has the following policy implications:

- ❖ Includes occupations that have compensable claims rates above the general population and a likely greater exposure to workplace violence.
- ❖ EHB 1923 changes the nature of the PSERS plan by expanding PSERS membership beyond corrections and limited authority law enforcement.
- ❖ Provides benefit consistency for staff at the Juvenile Rehabilitation Administration (JRA) and local government.
- ❖ It is possible that other public entities have similar positions that are not eligible for PSERS under EHB 1923.

The proposed striking amendment to EHB 1923 expands PSERS for certain DSHS employees by adding DSHS to the statutory list of PSERS employers. DSHS employees must meet the existing PSERS member job duty requirements.

- ❖ Includes occupations that have compensable claims rates above the general population, a likely greater exposure to workplace violence, and more comparable workplace risk to current PSERS members.
- ❖ Expands PSERS but does not change the nature of the plan.
- ❖ Provides benefit consistency for staff at the JRA and local government.

Committee Interim Activity

The committee considered this issue at the July, September, October, November, and December meetings. At the December meeting, a motion to recommend EHB 1923, endorsed for the 2014 Legislative Session, failed. No motion was made on the proposed striking amendment.

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