

Select Committee on Pension Policy



WSPRS Service Credit Buyback

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Procedural Update

- Two options before the committee
- Staff briefing at October meeting
- Executive Committee instructed staff to prepare options for legislation



Today's Presentation

- Recap of issue
- Two options, with bill drafts
 - Shared provisions
 - Differences
 - Cost
- Recap of policy questions
- Next steps



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Recap Of Issue

- In 2010, a non-SCPP bill would have allowed some troopers to consolidate prior service credit earned in PERS into WSPRS
 - Bill did not pass
- State Patrol Troopers Association asked the SCPP to consider the 2010 bill



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Limited Authority Officers In The WSP

- Commercial Vehicle Enforcement Officers (CVEO)
- Communications Officers (CO)
- 2010 bill covered commissioned troopers who had prior service credit in PERS earned as a CVEO or CO
- Two versions
 - Original bill included CVEOs only
 - Substitute bill included CVEOs and COs
- Letter from State Patrol Troopers Association asked the SCPP to consider including both CVEOs and COs

Options For Possible Legislation

- Two options with bill drafts
- Nearly identical to 2010 bills
 - Some technical changes and updates



Both Drafts

- Provide the same service credit consolidation option offered to some former CVEOs in 2002
- Allow the trooper one year to decide
- Require the trooper to pay the full actuarial cost
- Allow the trooper to make the out-of-pocket payment prior to the earlier of retirement or 2019



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Options Differ In Terms Of Which Troopers Are Included

- Option 1 (similar to original 2010 bill)
 - Former CVEOs who received commission on or before July 1, 2000
- Option 2 (similar to substitute 2010 bill)
 - Former CVEOs who received commission on or before July 1, 2000
 - Former COs who received commission at any time
- Letter from State Patrol Troopers Association asked the SCPP to consider including both CVEOs and COs



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Fiscal Notes From Last Session Are Included In Packet

- If SCPP chooses Option 1 or 2, staff will update fiscal note accordingly
- No expected cost to system under either option
- Actuarial funding is based on assumptions
 - Depending how much experience meets with those assumptions, a cost or savings could arise
- As close to zero cost to the system as we can get



Recap Of Policy Questions

- Is an exception to dual membership provisions needed?
 - Exceptions have been made for public safety personnel where new position is substantially related to previous position
- Is service as a CVEO or CO substantially similar to service as a commissioned trooper?
 - Are they armed?
 - To what extent do they have enforcement authority?
 - To what extent are they in harm's way?
- Will other dual members want to consolidate their service?
- Is this a question of fairness and equity?
 - At the time of the 2002 legislation, approximately ten troopers with prior service as CVEOs were left out



Next Steps

- Nothing further at this time
- Recommend Option 1
 - CVEOs only
 - Sample Motion
 - I move that the Committee recommend the Option 1 bill draft to the 2011 Legislature
- Recommend Option 2
 - CVEOs and COs
 - Sample Motion
 - I move that the Committee recommend the Option 2 bill draft to the 2011 Legislature
- Request additional options
 - Sample Motion
 - I move that the Committee request a bill draft from staff to address the following issues...