Interruptive Military Service Credit

Issue

Should fully subsidized Interruptive Military Service Credit (IMSC) be expanded to include individuals who were awarded an Expeditionary medal during a period of war?

Background

The Select Committee on Pension Policy (SCPP) and the Law Enforcement Officers' and Fire Fighters' (LEOFF) Plan 2 Retirement Board studied the issue of expanding fully subsidized IMSC during the 2020 Interim, according to Substitute House Bill 2544. The SCPP and LEOFF 2 Board recommended the issue be deferred to the 2021 Interim, and subsequently coordinated on this issue during the 2021 Interim.

The state offers IMSC, both fully and partially subsidized, service credit in accordance with Chapter 205, <u>Laws of 2009</u> and the Department of Retirement Systems administration. Current policy restricts fully subsidized service credit to members serving in the highest risk combat operations according to the Department of Defense (DoD). Others may serve in similarly situated deployments or may have served in other capacities and qualify to request partially subsidized IMSC.

Campaign, Expeditionary, and Service medals recognize service members for participation in military campaigns, expeditions, significant military operations, and for otherwise meritorious military service. Eligibility and criteria are based on various factors as outlined by the DoD.

Highlights

- Members who served in combat and received an Expeditionary medal may not qualify for fully subsidized IMSC while others in combat operations do.
- Some Expeditionary medals may be awarded to members deployed in support of combat operations but not in the geographic area where actual combat is occurring.
- If the policy goal is to provide fully subsidized service credit to as many employees who are in combat or in support of combat operations, then policymakers may support expansion.
- Policymakers who feel that only the highest risk and large-scale operations ought to qualify for fully subsidized service credit, or who want to avoid increases to pension costs may not support expansion.
- Policymakers who feel benefit consistency is a priority may be inclined to include eligibility for retirees when expanding benefits.

Committee Activity

The Committee received an initial briefing at the October 2021 meeting. The Committee received a policy briefing and held a public hearing at the November 2021 meeting, at which time they voted to endorse the bill draft.

Recommendation to the 2022 Legislature

Sponsor a bill draft to expand benefits by providing fully subsidized IMSC to individuals who received an Expeditionary medal during any armed conflict.

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