

WSP Retention

Issue

Should the Select Committee on Pension Policy (SCPP) recommend one or more incentives aimed at increasing retention of senior troopers?

Background

The Senate Transportation Committee [wrote to the Select Committee on Pension Policy](#) (SCPP) asking the SCPP to consider incentives for retaining senior troopers. Please see the [briefing paper](#) for the full list of proposed incentives in that request, as well as additional incentives identified by stakeholders.

Nationally, recruitment and retention of police have been significant challenges for decades. For example, [this report in 2002 stated](#) that more than half of the police agencies polled across the nation reported that a lack of qualified applicants caused difficulties in filling recent vacancies, and that fewer than half of the officers leaving the service were leaving due to retirement. The Washington State Legislature has enacted multiple changes to the Washington State Patrol (WSP) over the last decade, which include negotiated retention incentive payments in the current biennium. However, WSP continues to encounter challenges with maintaining a steady commissioned officer workforce.

Highlights

- ❖ The WSP is likely in the best position to communicate with troopers, and determine what incentives are most likely to be effective at convincing senior troopers to stay.
- ❖ Pension changes are generally long term, and contractual rights can make it difficult (or impossible) to repeal benefits once enacted.
 - Some short-term incentives (e.g., a one-time cash bonus) can be designed to have little to no pension impact.
- ❖ At the September meeting, the SCPP offered the following goals for evaluating incentive proposals:
 - Focus on retention in the next two biennia.
 - Emphasize things in the SCPP's purview (the pension system).
 - Avoid things that can be negotiated between troopers and their employer.
 - Hear more from troopers directly.
 - Try to avoid large, long-term costs.
 - Avoid things that could cause more shortages.
- ❖ The details of incentive design are critical to ensuring that an incentive does not have unintended consequences.

- This is especially true when combining incentives.
- ❖ Please see the [briefing paper](#) or the PowerPoint [presentation](#) for analysis of the following incentive proposals:
 - Cash Incentive.
 - Longevity Salary Increase.
 - Longevity Pension Enhancement.
 - Time-Limited Retire-Rehire Program.
 - Modification to Retirement Eligibility.
 - Subsidized Prior Military Service Credit.
 - Removal of Mandatory Retirement Age (65).
 - Removal of 75 Percent Benefit Cap.
 - Pre-Medicare Medical Subsidies.
 - State contributions to member [Deferred Compensation Program](#) accounts.
- ❖ Cash incentives might be most effective at retention since they can be enacted more quickly and have no inherent long-term design limitations or implications.
 - However, cash incentives are outside the pension system, and are only related to pensions to the extent that the pay is considered pensionable.
- ❖ Based on the analysis in the briefing paper, the incentive proposals that are fully within the SCPP's purview and seem most likely to meet the SCPP's goals are these:
 - Longevity pension enhancements.
 - Limited time retire-rehire.
 - Removal of mandatory retirement age.
- ❖ The SCPP may also wish to consider two additional options:
 - Recommend the fiscal committees consider additional short-term cash incentives.
 - Recommend health care committees consider gap health insurance coverage as a long-term recruitment and retention incentive.

Committee Activity

The SCPP held hearings in July, September, October, and November. The SCPP forwarded the staff analysis to the Senate Transportation Committee.

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