

RCW 28B.10.400 Annuities and retirement income plans—

Authorized. (1) The boards of regents of the state universities, the boards of trustees of the regional universities and of The Evergreen State College, the state board for community and technical colleges, and the student achievement council are authorized and empowered:

(a) To assist the faculties and such other employees exempt from civil service pursuant to RCW 41.06.070 (1)(z) and (2) as any such board may designate in the purchase of old age annuities or retirement income plans under such rules as any such board may prescribe, subject to the restrictions in subsection (2) of this section. County agricultural agents, home demonstration agents, 4-H club agents, and assistant county agricultural agents paid jointly by the Washington State University and the several counties shall be deemed to be full-time employees of the Washington State University for the purposes of this section;

(b) To provide, under such rules as any such board may prescribe for the faculty members or other employees exempt from civil service pursuant to RCW 41.06.070 (1)(z) and (2) under its supervision, for the retirement of any such faculty member or other exempt employee on account of age or condition of health, retirement on account of age to be not earlier than the sixty-fifth birthday: PROVIDED, That such faculty member or such other exempt employee may elect to retire at the earliest age specified for retirement by federal social security law: PROVIDED FURTHER, That any supplemental payment authorized by (c) of this subsection and paid as a result of retirement earlier than age sixty-five shall be at an actuarially reduced rate; and shall be provided only to those persons who participate in an annuity or retirement income plan under (a) of this subsection prior to July 1, 2011;

(c) To pay only to those persons who participate in an annuity or retirement income plan under (a) of this subsection prior to July 1, 2011, or to his or her designated beneficiary(s), each year after his or her retirement, a supplemental amount which, when added to the amount of such annuity or retirement income plan, or retirement income benefit pursuant to RCW 28B.10.415, received by the retired person or the retired person's designated beneficiary(s) in such year, will not exceed fifty percent of the average annual salary paid to such retired person for his or her highest two consecutive years of full-time service under an annuity or retirement income plan established pursuant to (a) of this subsection at an institution of higher education: PROVIDED, HOWEVER, That if such retired person prior to retirement elected a supplemental payment survivors option, any such supplemental payments to such retired person or the retired person's designated beneficiary(s) shall be at actuarially reduced rates: PROVIDED FURTHER, That if a faculty member or other employee of an institution of higher education who is a participant in a retirement plan authorized by this section dies, or has died before retirement but after becoming eligible for retirement on account of age, the designated beneficiary(s) shall be entitled to receive the supplemental payment authorized by this subsection to which such designated beneficiary(s) would have been entitled had said deceased faculty member or other employee retired on the date of death after electing a supplemental payment survivors option: PROVIDED FURTHER, That for the purpose of this subsection, the designated beneficiary(s) shall be (i) the surviving spouse of the retiree; or, (ii) with the written consent of such spouse, if any, such other person or persons

as shall have an insurable interest in the retiree's life and shall have been nominated by written designation duly executed and filed with the retiree's institution of higher education.

(2) Boards are prohibited from offering a purchased annuity or retirement income plan authorized under this section to employees hired on or after July 1, 2011, who have retired or are eligible to retire from a public employees' retirement system described in RCW 41.50.030. The student achievement council shall only offer participation in a purchased annuity or retirement income plan authorized under this section to employees who have previously contributed premiums to a similar qualified plan.

(3) During the 2011 legislative interim, the select committee on pension policy shall evaluate the suitability and necessity of the annuity and retirement plans authorized under this chapter for employees in various positions within higher education institutions. The select committee shall report its findings, including any recommendations for restrictions on future plan membership, to the ways and means committees of the house of representatives and the senate no later than December 31, 2011. [2012 c 229 § 512; 2011 1st sp.s. c 47 § 2; 2010 c 21 § 1; 1979 ex.s. c 259 § 1; 1977 ex.s. c 169 § 15; 1975 1st ex.s. c 212 § 1; 1973 1st ex.s. c 149 § 1; 1971 ex.s. c 261 § 1; 1969 ex.s. c 223 § 28B.10.400. Prior: 1965 c 54 § 2; 1957 c 256 § 1; 1955 c 123 § 1; 1947 c 223 § 1; 1943 c 262 § 1; 1937 c 223 § 1; Rem. Supp. 1947 § 4543-11. Formerly RCW 28.76.240.]

Effective date—2012 c 229 §§ 101, 117, 401, 402, 501 through 594, 601 through 609, 701 through 708, 801 through 821, 902, and 904: See note following RCW 28B.77.005.

Intent—2011 1st sp.s. c 47: "The legislature intends that the retirement and annuity programs of the state's institutions of higher education be revised for future participants to reflect changes that have already occurred in state pension plans. The legislature intends also that newly hired employees who are eligible for participation in an annuity or retirement income plan offered by a higher education institution have an opportunity to participate in either (1) that plan without a supplemental benefit under RCW 28B.10.400(1)(c), or (2) the public employees' retirement system plan 3 or the teachers' retirement system plan 3. Plan 3 provides a combination of defined contribution and defined benefit pension, which will be available for newly hired employees. Further, the legislature intends that effective July 1, 2011, state funding for annuity or retirement income plans under RCW 28B.10.400 will not exceed six percent of salary. The legislature also intends to reduce the expanded postretirement employment provisions for members of the public employees' retirement system plan 1 and the teachers' retirement system plan 1 that were temporarily expanded due to the shortage of qualified workers in particular teaching and public employment categories, and eliminate postretirement employment exceptions that existed for annuity or retirement income plan-covered positions that have been the subject of abuse." [2011 1st sp.s. c 47 § 1.]

Effective dates—2011 1st sp.s. c 47: "Except for sections 10 and 19 of this act which take effect January 1, 2012, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public

institutions, and takes effect July 1, 2011." [2011 1st sp.s. c 47 § 23.]

Effective date—1979 ex.s. c 259: "This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately." [1979 ex.s. c 259 § 5.]

Severability—1979 ex.s. c 259: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [1979 ex.s. c 259 § 4.]

Severability—Nomenclature—Savings—1977 ex.s. c 169: See notes following RCW 28B.10.016.

Severability—1973 1st ex.s. c 149: "If any provision of this 1973 amendatory act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected." [1973 1st ex.s. c 149 § 9.]

Appropriation—1973 1st ex.s. c 149: "The sum of \$1,611,650 is hereby appropriated from the general fund for the purpose of carrying out this 1973 amendatory act, to be allocated by the governor to the institutions of higher education." [1973 1st ex.s. c 149 § 10.]

Effective date—1973 1st ex.s. c 149: "This 1973 amendatory act shall take effect on July 1, 1974." [1973 1st ex.s. c 149 § 11.]

Severability—1971 ex.s. c 261: "If any provision of this 1971 amendatory act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected." [1971 ex.s. c 261 § 7.]