
SUBSTITUTE HOUSE BILL 1261

State of Washington 60th Legislature 2007 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Crouse, Fromhold, Conway, Kenney, Ericks, Simpson, McDonald, Moeller, Campbell and Pearson; by request of Select Committee on Pension Policy and LEOFF Plan 2 Retirement Board)

READ FIRST TIME 01/31/07.

1 AN ACT Relating to purchasing service credit for periods of
2 temporary duty disability in the law enforcement officers' and fire
3 fighters' retirement system plan 2, the teachers' retirement system,
4 the school employees' retirement system, and the public safety
5 employees' retirement system; amending RCW 41.35.070 and 41.37.060;
6 adding a new section to chapter 41.26 RCW; and adding a new section to
7 chapter 41.32 RCW.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

9 NEW SECTION. **Sec. 1.** A new section is added to chapter 41.26 RCW
10 under the subchapter heading "plan 2" to read as follows:

11 Those members subject to this chapter who became disabled in the
12 line of duty on or after July 1, 2002, and who received or are
13 receiving benefits under Title 51 RCW or a similar federal workers'
14 compensation program shall receive or continue to receive service
15 credit subject to the following:

16 (1) No member may receive more than one month's service credit in
17 a calendar month.

18 (2) No service credit under this section may be allowed after a
19 member separates or is separated without leave of absence.

1 (3) Employer contributions shall be paid by the employer at the
2 rate in effect for the period of the service credited.

3 (4) Employee contributions shall be collected by the employer and
4 paid to the department at the rate in effect for the period of service
5 credited.

6 (5) State contribution shall be as provided in RCW 41.45.060 and
7 41.45.067.

8 (6) Contributions shall be based on the regular compensation which
9 the member would have received had the disability not occurred. If
10 contribution payments are made retroactively, interest shall be charged
11 at the rate set by the director on both employee and employer
12 contributions. Service credit shall not be granted until the employee
13 contribution has been paid.

14 (7) The service and compensation credit shall not be granted for a
15 period to exceed twenty-four consecutive months.

16 (8) This section does not abridge service credit rights granted in
17 RCW 41.26.470(3). However, members receiving service credit under RCW
18 41.26.470(3) may not receive service credit under this section.

19 (9) Should the legislature revoke the service credit authorized
20 under this section or repeal this section, no affected employee is
21 entitled to receive the credit as a matter of contractual right.

22 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.32 RCW
23 under the subchapter heading "provisions applicable to plan 1, plan 2,
24 and plan 3" to read as follows:

25 Those members subject to this chapter who became disabled in the
26 line of duty and who received or are receiving benefits under Title 51
27 RCW or a similar federal workers' compensation program shall receive or
28 continue to receive service credit subject to the following:

29 (1) No member may receive more than one month's service credit in
30 a calendar month.

31 (2) No service credit under this section may be allowed after a
32 member separates or is separated without leave of absence.

33 (3) Employer contributions shall be paid by the employer at the
34 rate in effect for the period of the service credited.

35 (4) Employee contributions shall be collected by the employer and
36 paid to the department at the rate in effect for the period of service
37 credited.

1 (5) Contributions shall be based on the regular compensation which
2 the member would have received had the disability not occurred. If
3 contribution payments are made retroactively, interest shall be charged
4 at the rate set by the director on both employee and employer
5 contributions. Service credit shall not be granted until the employee
6 contribution has been paid.

7 (6) The service and compensation credit shall not be granted for a
8 period to exceed twenty-four consecutive months.

9 (7) Should the legislature revoke the service credit authorized
10 under this section or repeal this section, no affected employee is
11 entitled to receive the credit as a matter of contractual right.

12 **Sec. 3.** RCW 41.35.070 and 1998 c 341 s 8 are each amended to read
13 as follows:

14 Those members subject to this chapter who became disabled in the
15 line of duty and who received or are receiving benefits under Title 51
16 RCW or a similar federal workers' compensation program shall receive or
17 continue to receive service credit subject to the following:

18 (1) No member may receive more than one month's service credit in
19 a calendar month.

20 (2) No service credit under this section may be allowed after a
21 member separates or is separated without leave of absence.

22 (3) Employer contributions shall be paid by the employer at the
23 rate in effect for the period of the service credited.

24 (4) Employee contributions shall be collected by the employer and
25 paid to the department at the rate in effect for the period of service
26 credited.

27 (5) Contributions shall be based on the regular compensation which
28 the member would have received had the disability not occurred. If
29 contribution payments are made retroactively, interest shall be charged
30 at the rate set by the director on both employee and employer
31 contributions. No service credit shall be granted until the employee
32 contribution has been paid.

33 (6) The service and compensation credit shall not be granted for a
34 period to exceed (~~twelve~~) twenty-four consecutive months.

35 (7) Should the legislature revoke the service credit authorized
36 under this section or repeal this section, no affected employee is
37 entitled to receive the credit as a matter of contractual right.

1 **Sec. 4.** RCW 41.37.060 and 2004 c 242 s 9 are each amended to read
2 as follows:

3 Those members subject to this chapter who became disabled in the
4 line of duty and who received or are receiving benefits under Title 51
5 RCW or a similar federal workers' compensation program shall receive or
6 continue to receive service credit subject to the following:

7 (1) No member may receive more than one month's service credit in
8 a calendar month.

9 (2) No service credit under this section may be allowed after a
10 member separates or is separated without leave of absence.

11 (3) Employer contributions shall be paid by the employer at the
12 rate in effect for the period of the service credited.

13 (4) Employee contributions shall be collected by the employer and
14 paid to the department at the rate in effect for the period of service
15 credited.

16 (5) Contributions shall be based on the regular compensation which
17 the member would have received had the disability not occurred. If
18 contribution payments are made retroactively, interest shall be charged
19 at the rate set by the director on both employee and employer
20 contributions. Service credit shall not be granted until the employee
21 contribution has been paid.

22 (6) The service and compensation credit shall not be granted for a
23 period to exceed (~~twelve~~) twenty-four consecutive months.

24 (7) Should the legislature revoke the service credit authorized
25 under this section or repeal this section, no affected employee is
26 entitled to receive the credit as a matter of contractual right.

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