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HOUSE BILL 1941

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State of Washington                      60th Legislature                      2007 Regular Session

By Representatives Conway, Hunt, Green, Moeller, McDermott, Appleton, Kenney, Hasegawa, Santos, Schual-Berke and Ormsby

Read first time 02/01/2007. Referred to Committee on Appropriations.

1            AN ACT Relating to vesting after five years of service in the  
2 defined benefit portion of the public employees' retirement system, the  
3 school employees' retirement system, and the teachers' retirement  
4 system plan 3; and amending RCW 41.32.875, 41.35.680, and 41.40.820.

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

6            **Sec. 1.** RCW 41.32.875 and 2006 c 33 s 1 are each amended to read  
7 as follows:

8            (1) NORMAL RETIREMENT. Any member who is at least age sixty-five  
9 and who has(~~(+~~

10            ~~(a))~~ completed (~~(ten))~~ five service credit years(~~(+or~~

11            ~~(b) Completed five service credit years, including twelve service~~  
12 ~~credit months after attaining age forty four; or~~

13            ~~(e))~~ or completed five service credit years by July 1, 1996, under  
14 plan 2 and who transferred to plan 3 under RCW 41.32.817(~~(+))~~ ), shall be  
15 eligible to retire and to receive a retirement allowance computed  
16 according to the provisions of RCW 41.32.840.

17            (2) EARLY RETIREMENT. Any member who has attained at least age  
18 fifty-five and has completed at least ten years of service shall be  
19 eligible to retire and to receive a retirement allowance computed

1 according to the provisions of RCW 41.32.840, except that a member  
2 retiring pursuant to this subsection shall have the retirement  
3 allowance actuarially reduced to reflect the difference in the number  
4 of years between age at retirement and the attainment of age sixty-  
5 five.

6 (3) ALTERNATE EARLY RETIREMENT. Any member who has completed at  
7 least thirty service credit years and has attained age fifty-five shall  
8 be eligible to retire and to receive a retirement allowance computed  
9 according to the provisions of RCW 41.32.840, except that a member  
10 retiring pursuant to this subsection shall have the retirement  
11 allowance reduced by three percent per year to reflect the difference  
12 in the number of years between age at retirement and the attainment of  
13 age sixty-five.

14 **Sec. 2.** RCW 41.35.680 and 2006 c 33 s 2 are each amended to read  
15 as follows:

16 (1) NORMAL RETIREMENT. Any member who is at least age sixty-five  
17 and who has ~~((÷~~

18 ~~(a+))~~ completed ~~((ten))~~ five service credit years ~~((÷ or~~

19 ~~(b) Completed five service credit years, including twelve service~~  
20 ~~credit months after attaining age forty four; or~~

21 ~~(e+))~~ or completed five service credit years by September 1, 2000,  
22 under the public employees' retirement system plan 2 and who  
23 transferred to plan 3 under RCW 41.35.510 ~~((÷))~~  shall be eligible to  
24 retire and to receive a retirement allowance computed according to the  
25 provisions of RCW 41.35.620.

26 (2) EARLY RETIREMENT. Any member who has attained at least age  
27 fifty-five and has completed at least ten years of service shall be  
28 eligible to retire and to receive a retirement allowance computed  
29 according to the provisions of RCW 41.35.620, except that a member  
30 retiring pursuant to this subsection shall have the retirement  
31 allowance actuarially reduced to reflect the difference in the number  
32 of years between age at retirement and the attainment of age sixty-  
33 five.

34 (3) ALTERNATE EARLY RETIREMENT. Any member who has completed at  
35 least thirty service credit years and has attained age fifty-five shall  
36 be eligible to retire and to receive a retirement allowance computed  
37 according to the provisions of RCW 41.35.620, except that a member

1 retiring pursuant to this subsection shall have the retirement  
2 allowance reduced by three percent per year to reflect the difference  
3 in the number of years between age at retirement and the attainment of  
4 age sixty-five.

5 **Sec. 3.** RCW 41.40.820 and 2006 c 33 s 3 are each amended to read  
6 as follows:

7 (1) NORMAL RETIREMENT. Any member who is at least age sixty-five  
8 and who has((÷

9 (a)) completed ((ten)) five service credit years((÷or

10 ~~(b) Completed five service credit years, including twelve service~~  
11 ~~credit months after attaining age forty four; or~~

12 (e)) or completed five service credit years by the transfer  
13 payment date specified in RCW 41.40.795, under the public employees'  
14 retirement system plan 2 and who transferred to plan 3 under RCW  
15 41.40.795((÷)) shall be eligible to retire and to receive a retirement  
16 allowance computed according to the provisions of RCW 41.40.790.

17 (2) EARLY RETIREMENT. Any member who has attained at least age  
18 fifty-five and has completed at least ten years of service shall be  
19 eligible to retire and to receive a retirement allowance computed  
20 according to the provisions of RCW 41.40.790, except that a member  
21 retiring pursuant to this subsection shall have the retirement  
22 allowance actuarially reduced to reflect the difference in the number  
23 of years between age at retirement and the attainment of age sixty-  
24 five.

25 (3) ALTERNATE EARLY RETIREMENT. Any member who has completed at  
26 least thirty service credit years and has attained age fifty-five shall  
27 be eligible to retire and to receive a retirement allowance computed  
28 according to the provisions of RCW 41.40.790, except that a member  
29 retiring pursuant to this subsection shall have the retirement  
30 allowance reduced by three percent per year to reflect the difference  
31 in the number of years between age at retirement and the attainment of  
32 age sixty-five.

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