
SUBSTITUTE SENATE BILL 5439

State of Washington 61st Legislature 2009 Regular Session

By Senate Transportation (originally sponsored by Senators Haugen, Sheldon, Kauffman, Shin, Kline, McDermott, and Kohl-Welles)

READ FIRST TIME 02/11/09.

1 AN ACT Relating to domestic partners under the Washington state
2 patrol retirement system; amending RCW 43.43.120, 43.43.260, 43.43.270,
3 43.43.271, 43.43.278, 43.43.280, 43.43.295, and 41.05.080; and
4 reenacting and amending RCW 43.43.285.

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

6 **Sec. 1.** RCW 43.43.120 and 2001 c 329 s 3 are each amended to read
7 as follows:

8 As used in (~~the following sections~~) RCW 43.43.120 through
9 43.43.320, unless a different meaning is plainly required by the
10 context:

11 (1) "Retirement system" means the Washington state patrol
12 retirement system.

13 (2) "Retirement fund" means the Washington state patrol retirement
14 fund.

15 (3) "State treasurer" means the treasurer of the state of
16 Washington.

17 (4) "Member" means any person included in the membership of the
18 retirement fund.

1 (5) "Employee" means any commissioned employee of the Washington
2 state patrol.

3 (6)(a) "Cadet," for a person who became a member of the retirement
4 system after June 12, 1980, is a person who has passed the Washington
5 state patrol's entry-level oral, written, physical performance, and
6 background examinations and is, thereby, appointed by the chief as a
7 candidate to be a commissioned officer of the Washington state patrol.

8 (b) "Cadet," for a person who became a member of the retirement
9 system before June 12, 1980, is a trooper cadet, patrol cadet, or
10 employee of like classification, employed for the express purpose of
11 receiving the on-the-job training required for attendance at the state
12 patrol academy and for becoming a commissioned trooper. "Like
13 classification" includes: Radio operators or dispatchers; persons
14 providing security for the governor or legislature; patrolmen; drivers'
15 license examiners; weighmasters; vehicle safety inspectors; central
16 wireless operators; and warehousemen.

17 (7) "Beneficiary" means any person in receipt of retirement
18 allowance or any other benefit allowed by this chapter.

19 (8) "Regular interest" means interest compounded annually at such
20 rates as may be determined by the director.

21 (9) "Retirement board" means the board provided for in this
22 chapter.

23 (10) "Insurance commissioner" means the insurance commissioner of
24 the state of Washington.

25 (11) "Lieutenant governor" means the lieutenant governor of the
26 state of Washington.

27 (12) "Service" shall mean services rendered to the state of
28 Washington or any political subdivisions thereof for which compensation
29 has been paid. Full time employment for seventy or more hours in any
30 given calendar month shall constitute one month of service. An
31 employee who is reinstated in accordance with RCW 43.43.110 shall
32 suffer no loss of service for the period reinstated subject to the
33 contribution requirements of this chapter. Only months of service
34 shall be counted in the computation of any retirement allowance or
35 other benefit provided for herein. Years of service shall be
36 determined by dividing the total number of months of service by twelve.
37 Any fraction of a year of service as so determined shall be taken into
38 account in the computation of such retirement allowance or benefit.

1 (13) "Prior service" shall mean all services rendered by a member
2 to the state of Washington, or any of its political subdivisions prior
3 to August 1, 1947, unless such service has been credited in another
4 public retirement or pension system operating in the state of
5 Washington.

6 (14) "Current service" shall mean all service as a member rendered
7 on or after August 1, 1947.

8 (15)(a) "Average final salary," for members commissioned prior to
9 January 1, 2003, shall mean the average monthly salary received by a
10 member during the member's last two years of service or any consecutive
11 two-year period of service, whichever is the greater, as an employee of
12 the Washington state patrol; or if the member has less than two years
13 of service, then the average monthly salary received by the member
14 during the member's total years of service.

15 (b) "Average final salary," for members commissioned on or after
16 January 1, 2003, shall mean the average monthly salary received by a
17 member for the highest consecutive sixty service credit months; or if
18 the member has less than sixty months of service, then the average
19 monthly salary received by the member during the member's total months
20 of service.

21 (16) "Actuarial equivalent" shall mean a benefit of equal value
22 when computed upon the basis of such mortality table as may be adopted
23 and such interest rate as may be determined by the director.

24 (17) Unless the context expressly indicates otherwise, words
25 importing the masculine gender shall be extended to include the
26 feminine gender and words importing the feminine gender shall be
27 extended to include the masculine gender.

28 (18) "Director" means the director of the department of retirement
29 systems.

30 (19) "Department" means the department of retirement systems
31 created in chapter 41.50 RCW.

32 (20) "State actuary" or "actuary" means the person appointed
33 pursuant to RCW 44.44.010(2).

34 (21) "Contributions" means the deduction from the compensation of
35 each member in accordance with the contribution rates established under
36 chapter 41.45 RCW.

37 (22) "Annual increase" means as of July 1, 1999, seventy-seven

1 cents per month per year of service which amount shall be increased
2 each subsequent July 1st by three percent, rounded to the nearest cent.

3 (23)(a) "Salary," for members commissioned prior to July 1, 2001,
4 shall exclude any overtime earnings related to RCW 47.46.040, or any
5 voluntary overtime, earned on or after July 1, 2001.

6 (b) "Salary," for members commissioned on or after July 1, 2001,
7 shall exclude any overtime earnings related to RCW 47.46.040 or any
8 voluntary overtime, lump sum payments for deferred annual sick leave,
9 unused accumulated vacation, unused accumulated annual leave, holiday
10 pay, or any form of severance pay.

11 (24) "Plan 2" means the Washington state patrol retirement system
12 plan 2, providing the benefits and funding provisions covering
13 commissioned employees who first become members of the system on or
14 after January 1, 2003.

15 (25) "State registered domestic partners" means two adults who meet
16 the requirements for a valid state registered domestic partnership as
17 established by RCW 26.60.030 and who have been issued a certificate of
18 state registered domestic partnership by the secretary of state.

19 **Sec. 2.** RCW 43.43.260 and 2005 c 64 s 10 are each amended to read
20 as follows:

21 Upon retirement from service as provided in RCW 43.43.250, a member
22 shall be granted a retirement allowance which shall consist of:

23 (1) A prior service allowance which shall be equal to two percent
24 of the member's average final salary multiplied by the number of years
25 of prior service rendered by the member.

26 (2) A current service allowance which shall be equal to two percent
27 of the member's average final salary multiplied by the number of years
28 of service rendered while a member of the retirement system.

29 (3)(a) Any member commissioned prior to January 1, 2003, with
30 twenty-five years service in the Washington state patrol may have the
31 member's service in the uniformed services credited as a member whether
32 or not the individual left the employ of the Washington state patrol to
33 enter such uniformed services: PROVIDED, That in no instance shall
34 military service in excess of five years be credited: AND PROVIDED
35 FURTHER, That in each instance, a member must restore all withdrawn
36 accumulated contributions, which restoration must be completed on the
37 date of the member's retirement, or as provided under RCW 43.43.130,

1 whichever occurs first: AND PROVIDED FURTHER, That this section shall
2 not apply to any individual, not a veteran within the meaning of RCW
3 41.06.150.

4 (b) A member who leaves the Washington state patrol to enter the
5 uniformed services of the United States shall be entitled to retirement
6 system service credit for up to five years of military service. This
7 subsection shall be administered in a manner consistent with the
8 requirements of the federal uniformed services employment and
9 reemployment rights act.

10 (i) The member qualifies for service credit under this subsection
11 if:

12 (A) Within ninety days of the member's honorable discharge from the
13 uniformed services of the United States, the member applies for
14 reemployment with the employer who employed the member immediately
15 prior to the member entering the uniformed services; and

16 (B) The member makes the employee contributions required under RCW
17 41.45.0631 and 41.45.067 within five years of resumption of service or
18 prior to retirement, whichever comes sooner; or

19 (C) Prior to retirement and not within ninety days of the member's
20 honorable discharge or five years of resumption of service the member
21 pays the amount required under RCW 41.50.165(2).

22 (ii) Upon receipt of member contributions under (b)(i)(B),
23 (b)(iv)(C), and (b)(v)(C) of this subsection, the department shall
24 establish the member's service credit and shall bill the employer for
25 its contribution required under RCW 41.45.060 for the period of
26 military service, plus interest as determined by the department.

27 (iii) The contributions required under (b)(i)(B), (b)(iv)(C), and
28 (b)(v)(C) of this subsection shall be based on the compensation the
29 member would have earned if not on leave, or if that cannot be
30 estimated with reasonable certainty, the compensation reported for the
31 member in the year prior to when the member went on military leave.

32 (iv) The surviving spouse or state registered domestic partner or
33 eligible child or children of a member who left the employ of an
34 employer to enter the uniformed services of the United States and died
35 while serving in the uniformed services may, on behalf of the deceased
36 member, apply for retirement system service credit under this
37 subsection up to the date of the member's death in the uniformed

1 services. The department shall establish the deceased member's service
2 credit if the surviving spouse or state registered domestic partner or
3 eligible child or children:

4 (A) Provides to the director proof of the member's death while
5 serving in the uniformed services;

6 (B) Provides to the director proof of the member's honorable
7 service in the uniformed services prior to the date of death; and

8 (C) If the member was commissioned on or after January 1, 2003,
9 pays the employee contributions required under chapter 41.45 RCW within
10 five years of the date of death or prior to the distribution of any
11 benefit, whichever comes first.

12 (v) A member who leaves the employ of an employer to enter the
13 uniformed services of the United States and becomes totally
14 incapacitated for continued employment by an employer while serving in
15 the uniformed services is entitled to retirement system service credit
16 under this subsection up to the date of discharge from the uniformed
17 services if:

18 (A) The member obtains a determination from the director that he or
19 she is totally incapacitated for continued employment due to conditions
20 or events that occurred while serving in the uniformed services;

21 (B) The member provides to the director proof of honorable
22 discharge from the uniformed services; and

23 (C) If the member was commissioned on or after January 1, 2003, the
24 member pays the employee contributions required under chapter 41.45 RCW
25 within five years of the director's determination of total disability
26 or prior to the distribution of any benefit, whichever comes first.

27 (4) In no event shall the total retirement benefits from
28 subsections (1), (2), and (3) of this section, of any member exceed
29 seventy-five percent of the member's average final salary.

30 (5) Beginning July 1, 2001, and every year thereafter, the
31 department shall determine the following information for each retired
32 member or beneficiary whose retirement allowance has been in effect for
33 at least one year:

34 (a) The original dollar amount of the retirement allowance;

35 (b) The index for the calendar year prior to the effective date of
36 the retirement allowance, to be known as "index A";

37 (c) The index for the calendar year prior to the date of
38 determination, to be known as "index B"; and

1 (d) The ratio obtained when index B is divided by index A.

2 The value of the ratio obtained shall be the annual adjustment to
3 the original retirement allowance and shall be applied beginning with
4 the July payment. In no event, however, shall the annual adjustment:

5 (i) Produce a retirement allowance which is lower than the original
6 retirement allowance;

7 (ii) Exceed three percent in the initial annual adjustment; or

8 (iii) Differ from the previous year's annual adjustment by more
9 than three percent.

10 For the purposes of this section, "index" means, for any calendar
11 year, that year's average consumer price index for the Seattle-Tacoma-
12 Bremerton Washington area for urban wage earners and clerical workers,
13 all items, compiled by the bureau of labor statistics, United States
14 department of labor.

15 The provisions of this section shall apply to all members presently
16 retired and to all members who shall retire in the future.

17 **Sec. 3.** RCW 43.43.270 and 2006 c 94 s 1 are each amended to read
18 as follows:

19 For members commissioned prior to January 1, 2003:

20 (1) The normal form of retirement allowance shall be an allowance
21 which shall continue as long as the member lives.

22 (2) If a member should die while in service the member's lawful
23 spouse or state registered domestic partner shall be paid an allowance
24 which shall be equal to fifty percent of the average final salary of
25 the member. If the member should die after retirement the member's
26 lawful spouse or state registered domestic partner shall be paid an
27 allowance which shall be equal to the retirement allowance then payable
28 to the member or fifty percent of the final average salary used in
29 computing the member's retirement allowance, whichever is less. The
30 allowance paid to the lawful spouse or state registered domestic
31 partner shall continue as long as the spouse or state registered
32 domestic partner lives: PROVIDED, That if a surviving spouse or state
33 registered domestic partner who is receiving benefits under this
34 subsection marries, or enters into a state registered domestic
35 partnership with, another member of this retirement system who
36 subsequently predeceases such spouse or state registered domestic
37 partner, the spouse or state registered domestic partner shall then be

1 entitled to receive the higher of the two survivors' allowances for
2 which eligibility requirements were met, but a surviving spouse or
3 state registered domestic partner shall not receive more than one
4 survivor's allowance from this system at the same time under this
5 subsection. To be eligible for an allowance the lawful surviving
6 spouse or state registered domestic partner of a retired member shall
7 have been married to, or in a state registered domestic partnership
8 with, the member prior to the member's retirement and continuously
9 thereafter until the date of the member's death or shall have been
10 married to, or in a state registered domestic partnership with, the
11 retired member at least two years prior to the member's death. The
12 allowance paid to the lawful spouse or state registered domestic
13 partner may be divided with an ex spouse or former state registered
14 domestic partner of the member by a dissolution order as defined in RCW
15 41.50.500(3) incident to a divorce occurring after July 1, 2002, or the
16 termination of a state registered domestic partnership under RCW
17 26.60.055 occurring after the effective date of this section. The
18 dissolution order or termination order must specifically divide both
19 the member's benefit and any spousal or state registered domestic
20 partner survivor benefit, and must fully comply with RCW 41.50.670 and
21 41.50.700.

22 (3) If a member should die, either while in service or after
23 retirement, the member's surviving unmarried children under the age of
24 eighteen years shall be provided for in the following manner:

25 (a) If there is a surviving spouse or state registered domestic
26 partner, each child shall be entitled to a benefit equal to five
27 percent of the final average salary of the member or retired member.
28 The combined benefits to the surviving spouse or state registered
29 domestic partner and all children shall not exceed sixty percent of the
30 final average salary of the member or retired member; and

31 (b) If there is no surviving spouse or state registered domestic
32 partner or the spouse or state registered domestic partner should die,
33 the child or children shall be entitled to a benefit equal to thirty
34 percent of the final average salary of the member or retired member for
35 one child and an additional ten percent for each additional child. The
36 combined benefits to the children under this subsection shall not
37 exceed sixty percent of the final average salary of the member or

1 retired member. Payments under this subsection shall be prorated
2 equally among the children, if more than one.

3 (4) If a member should die in the line of duty while employed by
4 the Washington state patrol, the member's surviving children under the
5 age of twenty years and eleven months if attending any high school,
6 college, university, or vocational or other educational institution
7 accredited or approved by the state of Washington shall be provided for
8 in the following manner:

9 (a) If there is a surviving spouse or state registered domestic
10 partner, each child shall be entitled to a benefit equal to five
11 percent of the final average salary of the member. The combined
12 benefits to the surviving spouse or state registered domestic partner
13 and all children shall not exceed sixty percent of the final average
14 salary of the member;

15 (b) If there is no surviving spouse or state registered domestic
16 partner or the spouse or state registered domestic partner should die,
17 the unmarried child or children shall be entitled to receive a benefit
18 equal to thirty percent of the final average salary of the member or
19 retired member for one child and an additional ten percent for each
20 additional child. The combined benefits to the children under this
21 subsection shall not exceed sixty percent of the final average salary.
22 Payments under this subsection shall be prorated equally among the
23 children, if more than one; and

24 (c) If a beneficiary under this subsection reaches the age of
25 twenty-one years during the middle of a term of enrollment the benefit
26 shall continue until the end of that term.

27 (5)(a) The provisions of this section shall apply to members who
28 have been retired on disability as provided in RCW 43.43.040 if the
29 officer was a member of the Washington state patrol retirement system
30 at the time of such disability retirement.

31 (b) For the purposes of this subsection, average final salary as
32 used in subsection (2) of this section means:

33 (i) For members commissioned prior to January 1, 2003, the average
34 monthly salary received by active members of the patrol of the rank at
35 which the member became disabled, during the two years prior to the
36 death of the disabled member; and

37 (ii) For members commissioned on or after January 1, 2003, the

1 average monthly salary received by active members of the patrol of the
2 rank at which the member became disabled, during the five years prior
3 to the death of the disabled member.

4 (c) The changes to the definitions of average final salary for the
5 survivors of disabled members in this subsection shall apply
6 retroactively. The department shall correct future payments to
7 eligible survivors of members disabled prior to June 7, 2006, and, as
8 soon as administratively practicable, pay each survivor a lump sum
9 payment reflecting the difference, as determined by the director,
10 between the survivor benefits previously received by the member, and
11 those the member would have received under the definitions of average
12 final salary created in chapter 94, Laws of 2006.

13 **Sec. 4.** RCW 43.43.271 and 2003 c 294 s 14 are each amended to read
14 as follows:

15 (1) A member commissioned on or after January 1, 2003, upon
16 retirement for service as prescribed in RCW 43.43.250 shall elect to
17 have the retirement allowance paid pursuant to the following options,
18 calculated so as to be actuarially equivalent to each other.

19 (a) Standard allowance. A member electing this option shall
20 receive a retirement allowance payable throughout the member's life.
21 However, if the retiree dies before the total of the retirement
22 allowance paid to the retiree equals the amount of the retiree's
23 accumulated contributions at the time of retirement, then the balance
24 shall be paid to the member's estate, or such person or persons, trust,
25 or organization as the retiree shall have nominated by written
26 designation duly executed and filed with the department; or if there be
27 no such designated person or persons still living at the time of the
28 retiree's death, then to the surviving spouse or state registered
29 domestic partner; or if there be neither such designated person or
30 persons still living at the time of death nor a surviving spouse or
31 state registered domestic partner, then to the retiree's legal
32 representative.

33 (b) The department shall adopt rules that allow a member to select
34 a retirement option that pays the member a reduced retirement allowance
35 and upon death, such portion of the member's reduced retirement
36 allowance as the department by rule designates shall be continued
37 throughout the life of and paid to a designated person. Such person

1 shall be nominated by the member by written designation duly executed
2 and filed with the department at the time of retirement. The options
3 adopted by the department shall include, but are not limited to, a
4 joint and one hundred percent survivor option and a joint and fifty
5 percent survivor option.

6 (2)(a) A member, if married or in a state registered domestic
7 partnership, must provide the written consent of his or her spouse or
8 state registered domestic partner to the option selected under this
9 section, except as provided in (b) of this subsection. If a member is
10 married or in a state registered domestic partnership and both the
11 member and member's spouse or state registered domestic partner do not
12 give written consent to an option under this section, the department
13 will pay the member a joint and fifty percent survivor benefit and
14 record the member's spouse or state registered domestic partner as the
15 beneficiary. This benefit shall be calculated to be actuarially
16 equivalent to the benefit options available under subsection (1) of
17 this section unless (~~spousal~~) consent by the spouse or state
18 registered domestic partner is not required as provided in (b) of this
19 subsection.

20 (b) If a copy of a dissolution order designating a survivor
21 beneficiary under RCW 41.50.790 has been filed with the department at
22 least thirty days prior to a member's retirement:

23 (i) The department shall honor the designation as if made by the
24 member under subsection (1) of this section; and

25 (ii) The (~~spousal~~) spouse or state registered domestic partner
26 consent provisions of (a) of this subsection do not apply.

27 (3) No later than January 1, 2003, the department shall adopt rules
28 that allow a member additional actuarially equivalent survivor benefit
29 options, and shall include, but are not limited to:

30 (a)(i) A retired member who retired without designating a survivor
31 beneficiary shall have the opportunity to designate their spouse or
32 state registered domestic partner from a postretirement marriage or
33 state registered domestic partnership as a survivor during a one-year
34 period beginning one year after the date of the postretirement marriage
35 or state registered domestic partnership provided the retirement
36 allowance payable to the retiree is not subject to periodic payments
37 pursuant to a property division obligation as provided for in RCW
38 41.50.670.

1 (ii) A member who entered into a postretirement marriage or state
2 registered domestic partnership prior to the effective date of the
3 rules adopted pursuant to this subsection and satisfies the conditions
4 of (a)(i) of this subsection shall have one year to designate their
5 spouse or state registered domestic partner as a survivor beneficiary
6 following the adoption of the rules.

7 (b) A retired member who elected to receive a reduced retirement
8 allowance under this section and designated (~~(a nonspouse)~~) an
9 individual other than a spouse or state registered domestic partner as
10 survivor beneficiary shall have the opportunity to remove the survivor
11 designation and have their future benefit adjusted.

12 (c) The department may make an additional charge, if necessary, to
13 ensure that the benefits provided under this subsection remain
14 actuarially equivalent.

15 (4) No later than July 1, 2003, the department shall adopt rules to
16 permit:

17 (a) A court-approved property settlement incident to a court decree
18 of dissolution made before retirement to provide that benefits payable
19 to a member who has completed at least five years of service and the
20 member's divorcing spouse or former state registered domestic partner
21 be divided into two separate benefits payable over the life of each
22 spouse or state registered domestic partner.

23 The member shall have available the benefit options of subsection
24 (1) of this section upon retirement, and if remarried or in a state
25 registered domestic partnership at the time of retirement remains
26 subject to the (~~(spousal)~~) spouse or state registered domestic partner
27 consent requirements of subsection (2) of this section. Any reductions
28 of the member's benefit subsequent to the division into two separate
29 benefits shall be made solely to the separate benefit of the member.

30 The nonmember ex spouse or former state registered domestic partner
31 shall be eligible to commence receiving their separate benefit upon
32 reaching the ages provided in RCW 43.43.250(2) and after filing a
33 written application with the department.

34 (b) A court-approved property settlement incident to a court decree
35 of dissolution made after retirement may only divide the benefit into
36 two separate benefits payable over the life of each spouse or state
37 registered domestic partner if the nonmember ex spouse or former state

1 registered domestic partner was selected as a survivor beneficiary at
2 retirement.

3 The retired member may later choose the survivor benefit options
4 available in subsection (3) of this section. Any actuarial reductions
5 subsequent to the division into two separate benefits shall be made
6 solely to the separate benefit of the member.

7 Both the retired member and the nonmember divorced spouse or former
8 state registered domestic partner shall be eligible to commence
9 receiving their separate benefits upon filing a copy of the dissolution
10 order with the department in accordance with RCW 41.50.670.

11 (c) The department may make an additional charge or adjustment if
12 necessary to ensure that the separate benefits provided under this
13 subsection are actuarially equivalent to the benefits payable prior to
14 the decree of dissolution.

15 **Sec. 5.** RCW 43.43.278 and 2001 c 329 s 9 are each amended to read
16 as follows:

17 By July 1, 2000, the department of retirement systems shall adopt
18 rules that allow a member to select an actuarially equivalent
19 retirement option that pays the member a reduced retirement allowance
20 and upon death shall be continued throughout the life of a lawful
21 surviving spouse or state registered domestic partner. The continuing
22 allowance to the lawful surviving spouse or state registered domestic
23 partner shall be subject to the yearly increase provided by RCW
24 43.43.260(5). The allowance to the lawful surviving spouse or state
25 registered domestic partner under this section, and the allowance for
26 an eligible child or children under RCW 43.43.270, shall not be subject
27 to the limit for combined benefits under RCW 43.43.270.

28 **Sec. 6.** RCW 43.43.280 and 1994 c 197 s 35 are each amended to read
29 as follows:

30 (1) If a member dies before retirement, and has no surviving spouse
31 or state registered domestic partner or children under the age of
32 eighteen years, all contributions made by the member, including any
33 amount paid under RCW 41.50.165(2), with interest as determined by the
34 director, less any amount identified as owing to an obligee upon
35 withdrawal of accumulated contributions pursuant to a court order filed
36 under RCW 41.50.670, shall be paid to such person or persons as the

1 member shall have nominated by written designation duly executed and
2 filed with the department, or if there be no such designated person or
3 persons, then to the member's legal representative.

4 (2) If a member should cease to be an employee before attaining age
5 sixty for reasons other than the member's death, or retirement, the
6 individual shall thereupon cease to be a member except as provided
7 under RCW 43.43.130 (2) (~~and~~), (3), and (4) and, the individual may
8 withdraw the member's contributions to the retirement fund, including
9 any amount paid under RCW 41.50.165(2), with interest as determined by
10 the director, by making application therefor to the department, except
11 that: A member who ceases to be an employee after having completed at
12 least five years of service shall remain a member during the period of
13 the member's absence from employment for the exclusive purpose only of
14 receiving a retirement allowance to begin at attainment of age sixty,
15 however such a member may upon written notice to the department elect
16 to receive a reduced retirement allowance on or after age fifty-five
17 which allowance shall be the actuarial equivalent of the sum necessary
18 to pay regular retirement benefits as of age sixty: PROVIDED, That if
19 such member should withdraw all or part of the member's accumulated
20 contributions, the individual shall thereupon cease to be a member and
21 this subsection shall not apply.

22 **Sec. 7.** RCW 43.43.285 and 2007 c 488 s 1 and 2007 c 487 s 9 are
23 each reenacted and amended to read as follows:

24 (1) A one hundred fifty thousand dollar death benefit shall be paid
25 to the member's estate, or such person or persons, trust or
26 organization as the member shall have nominated by written designation
27 duly executed and filed with the department. If there be no such
28 designated person or persons still living at the time of the member's
29 death, such member's death benefit shall be paid to the member's
30 surviving spouse or state registered domestic partner as if in fact
31 such spouse or state registered domestic partner had been nominated by
32 written designation, or if there be no such surviving spouse or state
33 registered domestic partner, then to such member's legal
34 representatives.

35 (2)(a) The benefit under this section shall be paid only where
36 death occurs as a result of (i) injuries sustained in the course of
37 employment; or (ii) an occupational disease or infection that arises

1 naturally and proximately out of employment covered under this chapter.
2 The determination of eligibility for the benefit shall be made
3 consistent with Title 51 RCW by the department of labor and industries.
4 The department of labor and industries shall notify the department of
5 retirement systems by order under RCW 51.52.050.

6 (b) The retirement allowance paid to the spouse or state registered
7 domestic partner and dependent children of a member who is killed in
8 the course of employment, as set forth in RCW 41.05.011(14), shall
9 include reimbursement for any payments of premium rates to the
10 Washington state health care authority under RCW 41.05.080.

11 **Sec. 8.** RCW 43.43.295 and 2004 c 171 s 1 are each amended to read
12 as follows:

13 (1) For members commissioned on or after January 1, 2003, except as
14 provided in RCW 11.07.010, if a member or a vested member who has not
15 completed at least ten years of service dies, the amount of the
16 accumulated contributions standing to such member's credit in the
17 retirement system at the time of such member's death, less any amount
18 identified as owing to an obligee upon withdrawal of accumulated
19 contributions pursuant to a court order filed under RCW 41.50.670,
20 shall be paid to the member's estate, or such person or persons, trust,
21 or organization as the member shall have nominated by written
22 designation duly executed and filed with the department. If there be
23 no such designated person or persons still living at the time of the
24 member's death, such member's accumulated contributions standing to
25 such member's credit in the retirement system, less any amount
26 identified as owing to an obligee upon withdrawal of accumulated
27 contributions pursuant to a court order filed under RCW 41.50.670,
28 shall be paid to the member's surviving spouse or state registered
29 domestic partner as if in fact such spouse or state registered domestic
30 partner had been nominated by written designation, or if there be no
31 such surviving spouse or state registered domestic partner, then to
32 such member's legal representatives.

33 (2) If a member who is eligible for retirement or a member who has
34 completed at least ten years of service dies, the surviving spouse or
35 state registered domestic partner or eligible child or children shall
36 elect to receive either:

1 (a) A retirement allowance computed as provided for in RCW
2 43.43.260, actuarially reduced, except under subsection (4) of this
3 section, by the amount of any lump sum benefit identified as owing to
4 an obligee upon withdrawal of accumulated contributions pursuant to a
5 court order filed under RCW 41.50.670 and actuarially adjusted to
6 reflect a joint and one hundred percent survivor option under RCW
7 43.43.278 and if the member was not eligible for normal retirement at
8 the date of death a further reduction from age fifty-five or when the
9 member could have attained twenty-five years of service, whichever is
10 less; if a surviving spouse or state registered domestic partner who is
11 receiving a retirement allowance dies leaving a child or children of
12 the member under the age of majority, then such child or children shall
13 continue to receive an allowance in an amount equal to that which was
14 being received by the surviving spouse or state registered domestic
15 partner, share and share alike, until such child or children reach the
16 age of majority; if there is no surviving spouse or state registered
17 domestic partner eligible to receive an allowance at the time of the
18 member's death, such member's child or children under the age of
19 majority shall receive an allowance share and share alike calculated
20 under this section making the assumption that the ages of the spouse or
21 state registered domestic partner and member were equal at the time of
22 the member's death; or

23 (b)(i) The member's accumulated contributions, less any amount
24 identified as owing to an obligee upon withdrawal of accumulated
25 contributions pursuant to a court order filed under RCW 41.50.670; or

26 (ii) If the member dies, one hundred fifty percent of the member's
27 accumulated contributions, less any amount identified as owing to an
28 obligee upon withdrawal of accumulated contributions pursuant to a
29 court order filed under RCW 41.50.670. Any accumulated contributions
30 attributable to restorations made under RCW 41.50.165(2) shall be
31 refunded at one hundred percent.

32 (3) If a member who is eligible for retirement or a member who has
33 completed at least ten years of service dies, and is not survived by a
34 spouse or state registered domestic partner or an eligible child, then
35 the accumulated contributions standing to the member's credit, less any
36 amount identified as owing to an obligee upon withdrawal of accumulated
37 contributions pursuant to a court order filed under RCW 41.50.670,
38 shall be paid:

1 (a) To an estate, a person or persons, trust, or organization as
2 the member shall have nominated by written designation duly executed
3 and filed with the department; or

4 (b) If there is no such designated person or persons still living
5 at the time of the member's death, then to the member's legal
6 representatives.

7 (4) The retirement allowance of a member who is killed in the
8 course of employment, as determined by the director of the department
9 of labor and industries, is not subject to an actuarial reduction.

10 **Sec. 9.** RCW 41.05.080 and 2007 c 114 s 6 are each amended to read
11 as follows:

12 (1) Under the qualifications, terms, conditions, and benefits set
13 by the board:

14 (a) Retired or disabled state employees, retired or disabled school
15 employees, retired or disabled employees of county, municipal, or other
16 political subdivisions, or retired or disabled employees of tribal
17 governments covered by this chapter may continue their participation in
18 insurance plans and contracts after retirement or disablement;

19 (b) Separated employees may continue their participation in
20 insurance plans and contracts if participation is selected immediately
21 upon separation from employment;

22 (c) Surviving spouses, surviving spouses or state registered
23 domestic partners in the case of members of the Washington state patrol
24 retirement system, and dependent children of emergency service
25 personnel killed in the line of duty may participate in insurance plans
26 and contracts.

27 (2) Rates charged surviving spouses, or surviving spouses or
28 surviving state registered domestic partners in the case of members of
29 the Washington state patrol retirement system, of emergency service
30 personnel killed in the line of duty, retired or disabled employees,
31 separated employees, spouses, or dependent children who are not
32 eligible for parts A and B of medicare shall be based on the experience
33 of the community rated risk pool established under RCW 41.05.022.

34 (3) Rates charged to surviving spouses, or surviving spouses or
35 surviving state registered domestic partners in the case of members of
36 the Washington state patrol retirement system, of emergency service
37 personnel killed in the line of duty, retired or disabled employees,

1 separated employees, spouses, or children who are eligible for parts A
2 and B of medicare shall be calculated from a separate experience risk
3 pool comprised only of individuals eligible for parts A and B of
4 medicare; however, the premiums charged to medicare-eligible retirees
5 and disabled employees shall be reduced by the amount of the subsidy
6 provided under RCW 41.05.085.

7 (4) Surviving spouses, surviving spouses or state registered
8 domestic partners in the case of members of the Washington state patrol
9 retirement system, and dependent children of emergency service
10 personnel killed in the line of duty and retired or disabled and
11 separated employees shall be responsible for payment of premium rates
12 developed by the authority which shall include the cost to the
13 authority of providing insurance coverage including any amounts
14 necessary for reserves and administration in accordance with this
15 chapter. These self pay rates will be established based on a separate
16 rate for the employee, the spouse, the spouse or state registered
17 domestic partner in the case of members of the Washington state patrol
18 retirement system, and the children.

19 (5) The term "retired state employees" for the purpose of this
20 section shall include but not be limited to members of the legislature
21 whether voluntarily or involuntarily leaving state office.

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