

CERTIFICATION OF ENROLLMENT

SENATE BILL 5510

Chapter 195, Laws of 1992

52nd Legislature
1992 Regular Session

PUBLIC EMPLOYEES' RETIREMENT SYSTEM--RESTORATION OF
WITHDRAWN CONTRIBUTIONS

EFFECTIVE DATE: 6/11/92 - Except Section 1 which takes effect on
1/1/94.

Passed by the Senate March 7, 1992
Yeas 47 Nays 0

JOEL PRITCHARD

President of the Senate

Passed by the House March 3, 1992
Yeas 96 Nays 0

JOE KING

**Speaker of the
House of Representatives**

Approved April 2, 1992

BOOTH GARDNER

Governor of the State of Washington

CERTIFICATE

I, Gordon Golob, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5510** as passed by the Senate and the House of Representatives on the dates hereon set forth.

GORDON A. GOLOB

Secretary

FILED

April 2, 1992 - 11:29 a.m.

**Secretary of State
State of Washington**

SENATE BILL 5510

AS AMENDED BY THE HOUSE

Passed Legislature - 1992 Regular Session

State of Washington 52nd Legislature 1991 Regular Session

By Senators Rasmussen, Moore, Nelson, Bauer, Saling and L. Smith.

Read first time February 4, 1991. Referred to Committee on Ways & Means.

1 AN ACT Relating to Washington public employees' retirement system;
2 amending RCW 41.40.150; creating a new section; and providing an
3 effective date.

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

5 **Sec. 1.** RCW 41.40.150 and 1990 c 249 s 17 are each amended to read
6 as follows:

7 Should any member die, or should the individual separate or be
8 separated from service without leave of absence before attaining age
9 sixty years, or should the individual become a beneficiary, except a
10 beneficiary of an optional retirement allowance as provided by RCW
11 41.40.188, the individual shall thereupon cease to be a member except;

12 (1) As provided in RCW 41.40.170.

13 (2) An employee not previously retired who reenters service shall
14 upon completion of six months of continuous service and upon the
15 restoration, in one lump sum or in annual installments, of all

1 withdrawn contributions with interest as computed by the director,
2 which restoration must be completed within a total period of five years
3 of membership service following the member's first resumption of
4 employment, be returned to the status, either as an original member or
5 new member which the member held at time of separation.

6 (3) Within the ninety days following the employee's resumption of
7 employment, the employer shall notify the department of the resumption
8 and the department shall then return to the employer a statement of the
9 potential service credit to be restored, the amount of funds required
10 for restoration, and the date when the restoration must be
11 accomplished. The employee shall be given a copy of the statement and
12 shall sign a copy of the statement which signed copy shall be placed in
13 the employee's personnel file.

14 (4) A member who separates or has separated after having completed
15 at least five years of service shall remain a member during the period
16 of absence from service for the exclusive purpose of receiving a
17 retirement allowance to begin at attainment of age sixty-five, however,
18 such a member may on written notice to the director elect to receive a
19 reduced retirement allowance on or after age sixty which allowance
20 shall be the actuarial equivalent of the sum necessary to pay regular
21 retirement benefits as of age sixty-five: PROVIDED, That if such
22 member should withdraw all or part of the member's accumulated
23 contributions except those additional contributions made pursuant to
24 RCW 41.40.330(2), the individual shall thereupon cease to be a member
25 and this section shall not apply.

26 (5)(a) The recipient of a retirement allowance who is employed in
27 an eligible position other than under RCW 41.40.120(12) shall be
28 considered to have terminated his or her retirement status and shall
29 immediately become a member of the retirement system with the status of
30 membership the member held as of the date of retirement. Retirement

1 benefits shall be suspended during the period of eligible employment
2 and the individual shall make contributions and receive membership
3 credit. Such a member shall have the right to again retire if eligible
4 in accordance with RCW 41.40.180: PROVIDED, That where any such right
5 to retire is exercised to become effective before the member has
6 rendered two uninterrupted years of service the type of retirement
7 allowance the member had at the time of the member's previous
8 retirement shall be reinstated;

9 (b) The recipient of a retirement allowance elected to office or
10 appointed to office directly by the governor, and who shall apply for
11 and be accepted in membership as provided in RCW 41.40.120(3) shall be
12 considered to have terminated his or her retirement status and shall
13 become a member of the retirement system with the status of membership
14 the member held as of the date of retirement. Retirement benefits
15 shall be suspended from the date of return to membership until the date
16 when the member again retires and the member shall make contributions
17 and receive membership credit. Such a member shall have the right to
18 again retire if eligible in accordance with RCW 41.40.180: PROVIDED,
19 That where any such right to retire is exercised to become effective
20 before the member has rendered six uninterrupted months of service the
21 type of retirement allowance the member had at the time of the member's
22 previous retirement shall be reinstated, but no additional service
23 credit shall be allowed: AND PROVIDED FURTHER, That if such a
24 recipient of a retirement allowance does not elect to apply for reentry
25 into membership as provided in RCW 41.40.120(3), the member shall be
26 considered to remain in a retirement status and the individual's
27 retirement benefits shall continue without interruption.

28 (6) Any member who leaves the employment of an employer and enters
29 the employ of a public agency or agencies of the state of Washington,
30 other than those within the jurisdiction of the Washington public

1 employees' retirement system, and who establishes membership in a
2 retirement system or a pension fund operated by such agency or agencies
3 and who shall continue membership therein until attaining age sixty,
4 shall remain a member for the exclusive purpose of receiving a
5 retirement allowance without the limitation found in RCW 41.40.180(1)
6 to begin on attainment of age sixty-five; however, such a member may on
7 written notice to the director elect to receive a reduced retirement
8 allowance on or after age sixty which allowance shall be the actuarial
9 equivalent of the sum necessary to pay regular retirement benefits
10 commencing at age sixty-five: PROVIDED, That if such member should
11 withdraw all or part of the member's accumulated contributions except
12 those additional contributions made pursuant to RCW 41.40.330(2), the
13 individual shall thereupon cease to be a member and this section shall
14 not apply.

15 NEW SECTION. **Sec. 2.** The department of retirement systems
16 shall incorporate the development of individual member accounts
17 receivable into its information systems projects for fiscal years 1993
18 and 1994, so that by January 1, 1994, members of state retirement
19 systems who are otherwise eligible to restore previously withdrawn
20 contributions have the option to make the restoration in annual
21 installments.

22 NEW SECTION. **Sec. 3.** Section 1 of this act shall take effect
23 January 1, 1994.

Passed the Senate March 7, 1992.
Passed the House March 3, 1992.
Approved by the Governor April 2, 1992.
Filed in Office of Secretary of State April 2, 1992.