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SENATE BILL 6416

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State of Washington

54th Legislature

1996 Regular Session

By Senators Wood, Long, Winsley, Bauer, Swecker, Deccio, Quigley, Moyer and Thibaudeau

Read first time 01/15/96. Referred to Committee on Ways & Means.

1 AN ACT Relating to rescinding a retirement allowance agreement;  
2 amending RCW 41.40.188; and creating a new section.

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

4 **Sec. 1.** RCW 41.40.188 and 1995 c 144 s 1 are each amended to read  
5 as follows:

6 (1) Upon retirement for service as prescribed in RCW 41.40.180 or  
7 retirement for disability under RCW 41.40.210 or 41.40.230, a member  
8 shall elect to have the retirement allowance paid pursuant to one of  
9 the following options calculated so as to be actuarially equivalent to  
10 each other.

11 (a) Standard allowance. A member electing this option shall  
12 receive a retirement allowance payable throughout such member's life.  
13 However, if the retiree dies before the total of the retirement  
14 allowance paid to such retiree equals the amount of such retiree's  
15 accumulated contributions at the time of retirement, then the balance  
16 shall be paid to the member's estate, or such person or persons, trust,  
17 or organization as the retiree shall have nominated by written  
18 designation duly executed and filed with the department; or if there be  
19 no such designated person or persons still living at the time of the

1 retiree's death, then to the surviving spouse; or if there be neither  
2 such designated person or persons still living at the time of death nor  
3 a surviving spouse, then to the retiree's legal representative.

4 (b)(i) The department shall adopt rules that allow a member to  
5 select a retirement option that pays the member a reduced retirement  
6 allowance and upon death, such portion of the member's reduced  
7 retirement allowance as the department by rule designates shall be  
8 continued throughout the life of and paid to a person nominated by the  
9 member by written designation duly executed and filed with the  
10 department at the time of retirement. The options adopted by the  
11 department shall include, but are not limited to, a joint and one  
12 hundred percent survivor option and a joint and fifty percent survivor  
13 option.

14 (ii) Where a restraining order has been issued on behalf of a  
15 retiree against the designated beneficiary of the survivor option, as  
16 selected by the retiree, and the court finds that the beneficiary has  
17 violated that restraining order, the retiree, with permission of the  
18 court, may rescind the beneficiary's entitlement to the survivor  
19 benefit. The retiree is obligated to forward a certified copy of the  
20 court order to the department of retirement systems and the rescission  
21 is effective upon receipt. The retiree's benefit will not increase by  
22 result of the rescission and the retiree may not select another  
23 beneficiary.

24 (c) A member may elect to include the benefit provided under RCW  
25 41.40.640 along with the retirement options available under this  
26 section. This retirement allowance option shall be calculated so as to  
27 be actuarially equivalent to the options offered under this subsection.

28 (2) A member, if married, must provide the written consent of his  
29 or her spouse to the option selected under this section. If a member  
30 is married and both the member and the member's spouse do not give  
31 written consent to an option under this section, the department shall  
32 pay a joint and fifty percent survivor benefit calculated to be  
33 actuarially equivalent to the benefit options available under  
34 subsection (1) of this section.

35 NEW SECTION. Sec. 2. Section 1 of this act is applicable to all  
36 current and future retirees.

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