
HOUSE BILL 2159

State of Washington

55th Legislature

1997 Regular Session

By Representatives Murray, Wood, Cole, Ogden, Gombosky, Veloria, H. Sommers, Cooper, Romero, Dickerson, Blalock, Regala, O'Brien, Costa, Butler, Fisher, Cody and Mason

Read first time 02/24/97. Referred to Committee on Government Administration.

1 AN ACT Relating to employee benefits for state employment; amending
2 RCW 41.05.011, 41.05.065, 41.05.080, 41.05.085, 41.05.090, 41.06.150,
3 49.12.270, 49.78.020, 49.12.350, 49.12.360, 2.10.030, 2.10.140,
4 2.12.030, 28B.10.400, 28B.10.431, 28B.10.567, 41.26.048, 41.26.090,
5 41.26.160, 41.26.460, 41.26.470, 41.40.188, 41.40.190, 41.40.220,
6 41.40.235, 41.40.250, 41.40.270, 41.40.660, 41.40.670, 41.40.700,
7 41.54.010, 41.54.034, 43.43.120, 43.43.270, 43.43.280, and 43.43.285;
8 reenacting and amending RCW 41.26.030, 41.26.510, 41.40.010, and
9 41.40.023; and adding a new section to chapter 41.05 RCW.

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

11 **Sec. 1.** RCW 41.05.011 and 1996 c 39 s 21 are each amended to read
12 as follows:

13 Unless the context clearly requires otherwise, the definitions in
14 this section shall apply throughout this chapter.

15 (1) "Administrator" means the administrator of the authority.

16 (2) "State purchased health care" or "health care" means medical
17 and health care, pharmaceuticals, and medical equipment purchased with
18 state and federal funds by the department of social and health
19 services, the department of health, the basic health plan, the state

1 health care authority, the department of labor and industries, the
2 department of corrections, the department of veterans affairs, and
3 local school districts.

4 (3) "Authority" means the Washington state health care authority.

5 (4) "Insuring entity" means an insurer as defined in chapter 48.01
6 RCW, a health care service contractor as defined in chapter 48.44 RCW,
7 or a health maintenance organization as defined in chapter 48.46 RCW.

8 (5) "Flexible benefit plan" means a benefit plan that allows
9 employees to choose the level of health care coverage provided and the
10 amount of employee contributions from among a range of choices offered
11 by the authority.

12 (6) "Employee" includes all full-time and career seasonal employees
13 of the state, whether or not covered by civil service; elected and
14 appointed officials of the executive branch of government, including
15 full-time members of boards, commissions, or committees; and includes
16 any or all part-time and temporary employees under the terms and
17 conditions established under this chapter by the authority; justices of
18 the supreme court and judges of the court of appeals and the superior
19 courts; and members of the state legislature or of the legislative
20 authority of any county, city, or town who are elected to office after
21 February 20, 1970. "Employee" also includes: (a) Employees of a
22 county, municipality, or other political subdivision of the state if
23 the legislative authority of the county, municipality, or other
24 political subdivision of the state seeks and receives the approval of
25 the authority to provide any of its insurance programs by contract with
26 the authority, as provided in RCW 41.04.205; (b) employees of employee
27 organizations representing state civil service employees, at the option
28 of each such employee organization, and, effective October 1, 1995,
29 employees of employee organizations currently pooled with employees of
30 school districts for the purpose of purchasing insurance benefits, at
31 the option of each such employee organization; and (c) employees of a
32 school district if the authority agrees to provide any of the school
33 districts' insurance programs by contract with the authority as
34 provided in RCW 28A.400.350.

35 (7) "Dependent" means the spouse of the employee, the dependent
36 child and dependent parent of the employee or of the employee's spouse
37 and, in addition, with respect to state employees, includes a state
38 employee's domestic partner and domestic partner's dependent child or
39 dependent parent.

1 (8) "Domestic partner" means the person designated by a state
2 employee in an affidavit filed under section 2 of this act.

3 (9) "Board" means the public employees' benefits board established
4 under RCW 41.05.055.

5 ~~((+8))~~ (10) "Retired or disabled school employee" means:

6 (a) Persons who separated from employment with a school district or
7 educational service district and are receiving a retirement allowance
8 under chapter 41.32 or 41.40 RCW as of September 30, 1993;

9 (b) Persons who separate from employment with a school district or
10 educational service district on or after October 1, 1993, and
11 immediately upon separation receive a retirement allowance under
12 chapter 41.32 or 41.40 RCW;

13 (c) Persons who separate from employment with a school district or
14 educational service district due to a total and permanent disability,
15 and are eligible to receive a deferred retirement allowance under
16 chapter 41.32 or 41.40 RCW.

17 ~~((+9))~~ (11) "Benefits contribution plan" means a premium only
18 contribution plan, a medical flexible spending arrangement, or a
19 cafeteria plan whereby state and public employees may agree to a
20 contribution to benefit costs which will allow the employee to
21 participate in benefits offered pursuant to 26 U.S.C. Sec. 125 or other
22 sections of the internal revenue code.

23 ~~((+10))~~ (12) "Salary" means a state employee's monthly salary or
24 wages.

25 ~~((+11))~~ (13) "Participant" means an individual who fulfills the
26 eligibility and enrollment requirements under the benefits contribution
27 plan.

28 ~~((+12))~~ (14) "Plan year" means the time period established by the
29 authority.

30 ~~((+13))~~ (15) "Separated employees" means persons who separate from
31 employment with an employer as defined in RCW 41.32.010(11) on or after
32 July 1, 1996, and who are at least age fifty-five and have at least ten
33 years of service under the teachers' retirement system plan III as
34 defined in RCW 41.32.010(40).

35 NEW SECTION. Sec. 2. A new section is added to chapter 41.05 RCW
36 to read as follows:

1 (1) A state employee may designate a person as a domestic partner
2 by providing an affidavit in a form prescribed by the administrator in
3 which the employee attests that:

4 (a) The employee is participating in a domestic partnership;

5 (b) The employee and the domestic partner:

6 (i) Share the same regular and permanent residence;

7 (ii) Have a close personal relationship;

8 (iii) Have agreed to be jointly responsible for basic living
9 expenses incurred during the domestic partnership;

10 (iv) Are not married to anyone;

11 (v) Are each eighteen years of age or older;

12 (vi) Are not related to each other by blood closer than would bar
13 marriage in this state;

14 (vii) Were mentally competent to consent to contract when their
15 domestic partnership began; and

16 (viii) Are each other's sole domestic partner and are responsible
17 for each other's common welfare; and

18 (c) Any prior domestic partnership in which the employee or his or
19 her domestic partner participated with a third party was terminated not
20 less than ninety days prior to the date of the affidavit, or by the
21 death of that third party, whichever was earlier.

22 (2) The administrator may require by rule that the affidavit
23 include other information deemed necessary to establishing a domestic
24 partnership.

25 (3) The state employee must agree to notify the administrator if
26 there is a change in the circumstances attested to in the affidavit.

27 (4) A domestic partnership ends when one or more of the conditions
28 attested to in the affidavit are no longer met or upon the death of a
29 domestic partner.

30 **Sec. 3.** RCW 41.05.065 and 1996 c 140 s 1 are each amended to read
31 as follows:

32 (1) The board shall study all matters connected with the provision
33 of health care coverage, life insurance, liability insurance,
34 accidental death and dismemberment insurance, and disability income
35 insurance or any of, or a combination of, the enumerated types of
36 insurance for employees and their dependents on the best basis possible
37 with relation both to the welfare of the employees and to the state.
38 However, liability insurance shall not be made available to dependents.

1 (2) The board shall develop employee benefit plans that include
2 comprehensive health care benefits for all employees. In developing
3 these plans, the board shall consider the following elements:

4 (a) Methods of maximizing cost containment while ensuring access to
5 quality health care;

6 (b) Development of provider arrangements that encourage cost
7 containment and ensure access to quality care, including but not
8 limited to prepaid delivery systems and prospective payment methods;

9 (c) Wellness incentives that focus on proven strategies, such as
10 smoking cessation, injury and accident prevention, reduction of alcohol
11 misuse, appropriate weight reduction, exercise, automobile and
12 motorcycle safety, blood cholesterol reduction, and nutrition
13 education;

14 (d) Utilization review procedures including, but not limited to a
15 cost-efficient method for prior authorization of services, hospital
16 inpatient length of stay review, requirements for use of outpatient
17 surgeries and second opinions for surgeries, review of invoices or
18 claims submitted by service providers, and performance audit of
19 providers;

20 (e) Effective coordination of benefits;

21 (f) Minimum standards for insuring entities; and

22 (g) Minimum scope and content of public employee benefit plans to
23 be offered to enrollees participating in the employee health benefit
24 plans. To maintain the comprehensive nature of employee health care
25 benefits, employee eligibility criteria related to the number of hours
26 worked and the benefits provided to employees shall be substantially
27 equivalent to the state employees' health benefits plan and eligibility
28 criteria in effect on January 1, 1993. Nothing in this subsection
29 (2)(g) shall prohibit changes or increases in employee point-of-service
30 payments or employee premium payments for benefits.

31 (3) The board shall design benefits and determine the terms and
32 conditions of employee participation and coverage, including
33 establishment of eligibility criteria.

34 (4) The board may authorize premium contributions for an employee
35 and the employee's dependents in a manner that encourages the use of
36 cost-efficient managed health care systems.

37 (5) Employees shall choose participation in one of the health care
38 benefit plans developed by the board and may be permitted to waive
39 coverage under terms and conditions established by the board.

1 (6) The board shall review plans proposed by insuring entities that
2 desire to offer property insurance and/or accident and casualty
3 insurance to state employees through payroll deduction. The board may
4 approve any such plan for payroll deduction by insuring entities
5 holding a valid certificate of authority in the state of Washington and
6 which the board determines to be in the best interests of employees and
7 the state. The board shall promulgate rules setting forth criteria by
8 which it shall evaluate the plans.

9 (7) Before January 1, 1998, the public employees' benefits board
10 shall make available one or more fully insured long-term care insurance
11 plans that comply with the requirements of chapter 48.84 RCW. Such
12 programs shall be made available to eligible employees, retired
13 employees, and retired school employees as well as eligible dependents
14 which, for the purpose of this section, includes the parents of the
15 employee or retiree and the parents of the spouse or domestic partner
16 of the employee or retiree. Employees of local governments and
17 employees of political subdivisions not otherwise enrolled in the
18 public employees' benefits board sponsored medical programs may enroll
19 under terms and conditions established by the administrator, if it does
20 not jeopardize the financial viability of the public employees'
21 benefits board's long-term care offering.

22 (a) Participation of eligible employees or retired employees and
23 retired school employees in any long-term care insurance plan made
24 available by the public employees' benefits board is voluntary and
25 shall not be subject to binding arbitration under chapter 41.56 RCW.
26 Participation is subject to reasonable underwriting guidelines and
27 eligibility rules established by the public employees' benefits board
28 and the health care authority.

29 (b) The employee, retired employee, and retired school employee are
30 solely responsible for the payment of the premium rates developed by
31 the health care authority. The health care authority is authorized to
32 charge a reasonable administrative fee in addition to the premium
33 charged by the long-term care insurer, which shall include the health
34 care authority's cost of administration, marketing, and consumer
35 education materials prepared by the health care authority and the
36 office of the insurance commissioner.

37 (c) To the extent administratively possible, the state shall
38 establish an automatic payroll or pension deduction system for the
39 payment of the long-term care insurance premiums.

1 (d) The public employees' benefits board and the health care
2 authority shall establish a technical advisory committee to provide
3 advice in the development of the benefit design and establishment of
4 underwriting guidelines and eligibility rules. The committee shall
5 also advise the board and authority on effective and cost-effective
6 ways to market and distribute the long-term care product. The
7 technical advisory committee shall be comprised, at a minimum, of
8 representatives of the office of the insurance commissioner, providers
9 of long-term care services, licensed insurance agents with expertise in
10 long-term care insurance, employees, retired employees, retired school
11 employees, and other interested parties determined to be appropriate by
12 the board.

13 (e) The health care authority shall offer employees, retired
14 employees, and retired school employees the option of purchasing long-
15 term care insurance through licensed agents or brokers appointed by the
16 long-term care insurer. The authority, in consultation with the public
17 employees' benefits board, shall establish marketing procedures and may
18 consider all premium components as a part of the contract negotiations
19 with the long-term care insurer.

20 (f) In developing the long-term care insurance benefit designs, the
21 public employees' benefits board shall include an alternative plan of
22 care benefit, including adult day services, as approved by the office
23 of the insurance commissioner.

24 (g) The health care authority, with the cooperation of the office
25 of the insurance commissioner, shall develop a consumer education
26 program for the eligible employees, retired employees, and retired
27 school employees designed to provide education on the potential need
28 for long-term care, methods of financing long-term care, and the
29 availability of long-term care insurance products including the
30 products offered by the board.

31 (h) By December 1998, the health care authority, in consultation
32 with the public employees' benefits board, shall submit a report to the
33 appropriate committees of the legislature, including an analysis of the
34 marketing and distribution of the long-term care insurance provided
35 under this section.

36 **Sec. 4.** RCW 41.05.080 and 1996 c 39 s 22 are each amended to read
37 as follows:

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

3 (a) Retired or disabled state employees, retired or disabled school
4 employees, or employees of county, municipal, or other political
5 subdivisions covered by this chapter who are retired may continue their
6 participation in insurance plans and contracts after retirement or
7 disablement;

8 (b) Separated employees may continue their participation in
9 insurance plans and contracts if participation is selected immediately
10 upon separation from employment.

11 (2) Rates charged to retired or disabled employees, separated
12 employees, spouses or domestic partners, or dependent children who are
13 not eligible for parts A and B of medicare shall be based on the
14 experience of the community rated risk pool established under RCW
15 41.05.022.

16 (3) Rates charged to retired or disabled employees, separated
17 employees, spouses or domestic partners, or children who are eligible
18 for parts A and B of medicare shall be calculated from a separate
19 experience risk pool comprised only of individuals eligible for parts
20 A and B of medicare; however, the premiums charged to medicare-eligible
21 retirees and disabled employees shall be reduced by the amount of the
22 subsidy provided under RCW 41.05.085.

23 (4) Retired or disabled and separated employees shall be
24 responsible for payment of premium rates developed by the authority
25 which shall include the cost to the authority of providing insurance
26 coverage including any amounts necessary for reserves and
27 administration in accordance with this chapter. These self pay rates
28 will be established based on a separate rate for the employee, the
29 spouse or domestic partner, and the children.

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

33 **Sec. 5.** RCW 41.05.085 and 1994 c 153 s 8 are each amended to read
34 as follows:

35 Beginning with the appropriations act for the 1995-1997 biennium,
36 the legislature shall establish as part of both the state employees'
37 and the school and educational service district employees' insurance
38 benefit allocation the portion of the allocation to be used to provide

1 a subsidy to reduce the health care insurance premiums charged to
2 retired or disabled school district and educational service district
3 employees, or retired state employees, who are eligible for parts A and
4 B of medicare. The amount of any premium reduction shall be
5 established by the board, but shall not result in a premium reduction
6 of more than fifty percent. The board may also determine the amount of
7 any subsidy to be available to spouses or domestic partners and
8 dependents.

9 **Sec. 6.** RCW 41.05.090 and 1990 c 222 s 5 are each amended to read
10 as follows:

11 (1) When an employee, spouse or domestic partner, or covered
12 dependent becomes ineligible under the state plan and wishes to
13 continue coverage on an individual basis with the same provider under
14 the state plan, such employee, spouse or domestic partner, or covered
15 dependent shall be entitled to immediately transfer and shall not be
16 required to undergo any waiting period before obtaining individual
17 coverage.

18 (2) Entitlement to a conversion contract under the terms of this
19 section shall not apply to any employee, spouse or domestic partner, or
20 covered dependent who is:

21 (a) Eligible for federal medicare coverage; or

22 (b) Covered under another group plan, policy, contract, or
23 agreement providing benefits for hospital or medical care.

24 (3) Entitlement to conversion under the terms of this section shall
25 not apply to any employee terminated for misconduct, except that
26 conversion shall be offered to the spouse or domestic partner and
27 covered dependents of the terminated employee.

28 **Sec. 7.** RCW 41.06.150 and 1996 c 319 s 2 are each amended to read
29 as follows:

30 The board shall adopt rules, consistent with the purposes and
31 provisions of this chapter, as now or hereafter amended, and with the
32 best standards of personnel administration, regarding the basis and
33 procedures to be followed for:

34 (1) The reduction, dismissal, suspension, or demotion of an
35 employee;

36 (2) Certification of names for vacancies, including departmental
37 promotions, with the number of names equal to six more names than there

1 are vacancies to be filled, such names representing applicants rated
2 highest on eligibility lists: PROVIDED, That when other applicants
3 have scores equal to the lowest score among the names certified, their
4 names shall also be certified;

5 (3) Examinations for all positions in the competitive and
6 noncompetitive service;

7 (4) Appointments;

8 (5) Training and career development;

9 (6) Probationary periods of six to twelve months and rejections of
10 probationary employees, depending on the job requirements of the class,
11 except that entry level state park rangers shall serve a probationary
12 period of twelve months;

13 (7) Transfers;

14 (8) Sick leaves and vacations. The rules shall include the same
15 provisions with respect to employee domestic partners as defined in RCW
16 41.05.011 and the children or other family members of employee domestic
17 partners as is provided with respect to employee spouses and the
18 children or other family members of employee spouses;

19 (9) Hours of work;

20 (10) Layoffs when necessary and subsequent reemployment, both
21 according to seniority;

22 (11) Determination of appropriate bargaining units within any
23 agency: PROVIDED, That in making such determination the board shall
24 consider the duties, skills, and working conditions of the employees,
25 the history of collective bargaining by the employees and their
26 bargaining representatives, the extent of organization among the
27 employees, and the desires of the employees;

28 (12) Certification and decertification of exclusive bargaining
29 representatives: PROVIDED, That after certification of an exclusive
30 bargaining representative and upon the representative's request, the
31 director shall hold an election among employees in a bargaining unit to
32 determine by a majority whether to require as a condition of employment
33 membership in the certified exclusive bargaining representative on or
34 after the thirtieth day following the beginning of employment or the
35 date of such election, whichever is the later, and the failure of an
36 employee to comply with such a condition of employment constitutes
37 cause for dismissal: PROVIDED FURTHER, That no more often than once in
38 each twelve-month period after expiration of twelve months following
39 the date of the original election in a bargaining unit and upon

1 petition of thirty percent of the members of a bargaining unit the
2 director shall hold an election to determine whether a majority wish to
3 rescind such condition of employment: PROVIDED FURTHER, That for
4 purposes of this clause, membership in the certified exclusive
5 bargaining representative is satisfied by the payment of monthly or
6 other periodic dues and does not require payment of initiation,
7 reinstatement, or any other fees or fines and includes full and
8 complete membership rights: AND PROVIDED FURTHER, That in order to
9 safeguard the right of nonassociation of public employees, based on
10 bona fide religious tenets or teachings of a church or religious body
11 of which such public employee is a member, such public employee shall
12 pay to the union, for purposes within the program of the union as
13 designated by such employee that would be in harmony with his or her
14 individual conscience, an amount of money equivalent to regular union
15 dues minus any included monthly premiums for union-sponsored insurance
16 programs, and such employee shall not be a member of the union but is
17 entitled to all the representation rights of a union member;

18 (13) Agreements between agencies and certified exclusive bargaining
19 representatives providing for grievance procedures and collective
20 negotiations on all personnel matters over which the appointing
21 authority of the appropriate bargaining unit of such agency may
22 lawfully exercise discretion;

23 (14) Written agreements may contain provisions for payroll
24 deductions of employee organization dues upon authorization by the
25 employee member and for the cancellation of such payroll deduction by
26 the filing of a proper prior notice by the employee with the appointing
27 authority and the employee organization: PROVIDED, That nothing
28 contained herein permits or grants to any employee the right to strike
29 or refuse to perform his or her official duties;

30 (15) Adoption and revision of a comprehensive classification plan
31 for all positions in the classified service, based on investigation and
32 analysis of the duties and responsibilities of each such position.

33 (a) The board shall not adopt job classification revisions or class
34 studies unless implementation of the proposed revision or study will
35 result in net cost savings, increased efficiencies, or improved
36 management of personnel or services, and the proposed revision or study
37 has been approved by the director of financial management in accordance
38 with chapter 43.88 RCW.

1 (b) Beginning July 1, 1995, through June 30, 1997, in addition to
2 the requirements of (a) of this subsection:

3 (i) The board may approve the implementation of salary increases
4 resulting from adjustments to the classification plan during the 1995-
5 97 fiscal biennium only if:

6 (A) The implementation will not result in additional net costs and
7 the proposed implementation has been approved by the director of
8 financial management in accordance with chapter 43.88 RCW;

9 (B) The implementation will take effect on July 1, 1996, and the
10 total net cost of all such actions approved by the board for
11 implementation during the 1995-97 fiscal biennium does not exceed the
12 amounts specified by the legislature specifically for this purpose; or

13 (C) The implementation is a result of emergent conditions.
14 Emergent conditions are defined as emergency situations requiring the
15 establishment of positions necessary for the preservation of the public
16 health, safety, or general welfare, which do not exceed \$250,000 of the
17 moneys identified in section 718(2), chapter 18, Laws of 1995 2nd sp.
18 sess.

19 (ii) The board shall approve only those salary increases resulting
20 from adjustments to the classification plan if they are due to
21 documented recruitment and retention difficulties, salary compression
22 or inversion, increased duties and responsibilities, or inequities.
23 For these purposes, inequities are defined as similar work assigned to
24 different job classes with a salary disparity greater than 7.5 percent.

25 (iii) Adjustments made to the higher education hospital special pay
26 plan are exempt from (b)(i) through (ii) of this subsection.

27 (c) Reclassifications, class studies, and salary adjustments to be
28 implemented during the 1997-99 and subsequent fiscal biennia are
29 governed by (a) of this subsection and RCW 41.06.152;

30 (16) Allocation and reallocation of positions within the
31 classification plan;

32 (17) Adoption and revision of a state salary schedule to reflect
33 the prevailing rates in Washington state private industries and other
34 governmental units but the rates in the salary schedules or plans shall
35 be increased if necessary to attain comparable worth under an
36 implementation plan under RCW 41.06.155 and that, for institutions of
37 higher education and related boards, shall be competitive for positions
38 of a similar nature in the state or the locality in which an
39 institution of higher education or related board is located, such

1 adoption and revision subject to approval by the director of financial
2 management in accordance with the provisions of chapter 43.88 RCW;

3 (18) Increment increases within the series of steps for each pay
4 grade based on length of service for all employees whose standards of
5 performance are such as to permit them to retain job status in the
6 classified service;

7 (19) Providing for veteran's preference as required by existing
8 statutes, with recognition of preference in regard to layoffs and
9 subsequent reemployment for veterans and their surviving spouses by
10 giving such eligible veterans and their surviving spouses additional
11 credit in computing their seniority by adding to their unbroken state
12 service, as defined by the board, the veteran's service in the military
13 not to exceed five years. For the purposes of this section, "veteran"
14 means any person who has one or more years of active military service
15 in any branch of the armed forces of the United States or who has less
16 than one year's service and is discharged with a disability incurred in
17 the line of duty or is discharged at the convenience of the government
18 and who, upon termination of such service has received an honorable
19 discharge, a discharge for physical reasons with an honorable record,
20 or a release from active military service with evidence of service
21 other than that for which an undesirable, bad conduct, or dishonorable
22 discharge shall be given: PROVIDED, HOWEVER, That the surviving spouse
23 of a veteran is entitled to the benefits of this section regardless of
24 the veteran's length of active military service: PROVIDED FURTHER,
25 That for the purposes of this section "veteran" does not include any
26 person who has voluntarily retired with twenty or more years of active
27 military service and whose military retirement pay is in excess of five
28 hundred dollars per month;

29 (20) Permitting agency heads to delegate the authority to appoint,
30 reduce, dismiss, suspend, or demote employees within their agencies if
31 such agency heads do not have specific statutory authority to so
32 delegate: PROVIDED, That the board may not authorize such delegation
33 to any position lower than the head of a major subdivision of the
34 agency;

35 (21) Assuring persons who are or have been employed in classified
36 positions before July 1, 1993, will be eligible for employment,
37 reemployment, transfer, and promotion in respect to classified
38 positions covered by this chapter;

1 (22) Affirmative action in appointment, promotion, transfer,
2 recruitment, training, and career development; development and
3 implementation of affirmative action goals and timetables; and
4 monitoring of progress against those goals and timetables.

5 The board shall consult with the human rights commission in the
6 development of rules pertaining to affirmative action. The department
7 of personnel shall transmit a report annually to the human rights
8 commission which states the progress each state agency has made in
9 meeting affirmative action goals and timetables.

10 **Sec. 8.** RCW 49.12.270 and 1988 c 236 s 3 are each amended to read
11 as follows:

12 (1) An employer shall allow an employee to use the employee's
13 accrued sick leave to care for a child of the employee under the age of
14 eighteen with a health condition that requires treatment or
15 supervision. Use of leave other than accrued sick leave to care for a
16 child under the circumstances described in this section shall be
17 governed by the terms of the appropriate collective bargaining
18 agreement or employer policy, as applicable.

19 (2) "Child of the employee" means the biological or adopted child
20 of the employee or employee's spouse, or a child under the legal
21 guardianship, legal custody, or foster care of the employee and, with
22 respect to state employees, includes the biological or adopted child of
23 the employee's domestic partner as defined in RCW 41.05.011.

24 **Sec. 9.** RCW 49.78.020 and 1996 c 178 s 14 are each amended to read
25 as follows:

26 Unless the context clearly requires otherwise, the definitions in
27 this section apply throughout this chapter.

28 (1) "Child" means a biological or adopted child, or a stepchild,
29 living with the employee, including, with respect to state employees,
30 the biological or adopted child of a domestic partner as defined in RCW
31 41.05.011.

32 (2) "Department" means the department of labor and industries.

33 (3) "Employee" means a person other than an independent contractor
34 employed by an employer on a continuous basis for the previous fifty-
35 two weeks for at least thirty-five hours per week.

36 (4) "Employer" means: (a) Any person, firm, corporation,
37 partnership, business trust, legal representative, or other business

1 entity which engages in any business, industry, profession, or activity
2 in this state and includes any unit of local government including, but
3 not limited to, a county, city, town, municipal corporation, quasi-
4 municipal corporation, or political subdivision, which (i) employed a
5 daily average of one hundred or more employees during the last calendar
6 quarter at the place where the employee requesting leave reports for
7 work, or (ii) employed a daily average of one hundred or more employees
8 during the last calendar quarter within a twenty mile radius of the
9 place where the employee requesting leave reports for work, where the
10 employer maintains a central hiring location and customarily transfers
11 employees among workplaces; and (b) the state, state institutions, and
12 state agencies.

13 (5) "Family leave" means leave from employment to care for a
14 newborn or newly adopted child under the age of six or a child under
15 eighteen years old with a terminal health condition, as provided in RCW
16 49.78.030.

17 (6) "Health care provider" means a person licensed as a physician
18 under chapter 18.71 RCW or an osteopathic physician and surgeon under
19 chapter 18.57 RCW.

20 (7) "Parent" means a biological or adoptive parent, or a
21 stepparent.

22 (8) "Reduced leave schedule" means leave scheduled for fewer than
23 an employee's usual number of hours or days per workweek.

24 (9) "Terminal health condition" means a condition caused by injury,
25 disease, or illness, that, within reasonable medical judgment, is
26 incurable and will produce death within the period of leave to which
27 the employee is entitled.

28 **Sec. 10.** RCW 49.12.350 and 1989 1st ex.s. c 11 s 22 are each
29 amended to read as follows:

30 The legislature finds that employers often distinguish between
31 biological parents, and adoptive parents and stepparents, including the
32 domestic partner of the biological parent, in their employee leave
33 policies. Many employers who grant leave to their employees to care
34 for a newborn child either have no policy or establish a more
35 restrictive policy regarding whether an adoptive parent or stepparent
36 can take similar leave. The legislature further finds that many
37 employers establish different leave policies for men and women
38 regarding the care of a newborn or newly placed child. The legislature

1 recognizes that the bonding that occurs between a parent and child is
2 important to the nurturing of that child, regardless of whether the
3 parent is the child's biological parent and regardless of the gender of
4 the parent. For these reasons, the legislature declares that it is the
5 public policy of this state to require that employers who grant leave
6 to their employees to care for a newborn child make the same leave
7 available upon the same terms for adoptive parents and stepparents, men
8 and women.

9 **Sec. 11.** RCW 49.12.360 and 1989 1st ex.s. c 11 s 23 are each
10 amended to read as follows:

11 (1)(a) An employer must grant an adoptive parent or a stepparent,
12 at the time of birth or initial placement for adoption of a child under
13 the age of six, the same leave under the same terms as the employer
14 grants to biological parents.

15 (b) An employer who is a state agency as defined in RCW
16 41.06.020(1), in addition to complying with (a) of this subsection,
17 must grant a state employee who is a domestic partner, at the time of
18 birth or initial placement for adoption of a child, the same leave
19 under the same terms as the employer grants to biological parents.

20 (c) As a term of leave under this section, an employer may restrict
21 leave to those living with the child at the time of birth or initial
22 placement.

23 (2) An employer must grant the same leave upon the same terms for
24 men as it does for women.

25 (3) The department shall administer and investigate violations of
26 this section. Notices of infraction, penalties, and appeals shall be
27 administered in the same manner as violations under RCW 49.12.285.

28 (4) For purposes of this section~~((7))~~:

29 (a) "Employer" includes all private and public employers listed in
30 RCW 49.12.005(3).

31 ~~((5) For purposes of this section,)~~ (b) "Leave" means any leave
32 from employment granted to care for a newborn or a newly adopted child
33 at the time of placement for adoption.

34 (c) "Domestic partner" means a state employee in a domestic
35 partnership complying with section 2 of this act.

36 ~~((6))~~ (5) Nothing in this section requires an employer to:

37 (a) Grant leave equivalent to maternity disability leave; or

1 (b) Establish a leave policy to care for a newborn or newly placed
2 child if no such leave policy is in place for any of its employees.

3 **Sec. 12.** RCW 2.10.030 and 1988 c 109 s 1 are each amended to read
4 as follows:

5 (1) "Retirement system" means the "Washington judicial retirement
6 system" provided herein.

7 (2) "Judge" means a person elected or appointed to serve as judge
8 of a court of record as provided in chapters 2.04, 2.06, and 2.08 RCW.
9 Said word shall not include a person serving as a judge pro tempore.

10 (3) "Retirement board" means the "Washington judicial retirement
11 board" established herein.

12 (4) "Surviving spouse" means the surviving widow or widower of a
13 judge. The word shall not include the divorced spouse of a judge.

14 (5) "Retirement fund" means the "Washington judicial retirement
15 fund" established herein.

16 (6) "Beneficiary" means any person in receipt of a retirement
17 allowance, disability allowance or any other benefit described herein.

18 (7) "Monthly salary" means the monthly salary of the position held
19 by the judge.

20 (8) "Service" means all periods of time served as a judge, as
21 herein defined. Any calendar month at the beginning or end of a term
22 in which ten or more days are served shall be counted as a full month
23 of service: PROVIDED, That no more than one month's service may be
24 granted for any one calendar month. Only months of service will be
25 counted in the computation of any retirement allowance or other benefit
26 provided for in this chapter. Years of service shall be determined by
27 dividing the total months of service by twelve. Any fraction of a year
28 of service as so determined shall be taken into account in the
29 computation of such retirement allowance or benefit.

30 (9) "Final average salary" means (a) for a judge in service in the
31 same court for a minimum of twelve consecutive months preceding the
32 date of retirement, the salary attached to the position held by the
33 judge immediately prior to retirement; (b) for any other judge, the
34 average monthly salary paid over the highest twenty-four month period
35 in the last ten years of service.

36 (10) "Retirement allowance" for the purpose of applying cost of
37 living increases or decreases shall include retirement allowances,
38 disability allowances and survivorship benefit.

1 (11) "Index" shall mean for any calendar year, that year's annual
2 average consumer price index for urban wage earners and clerical
3 workers, all items (1957-1959 equal one hundred) -- compiled by the
4 bureau of labor statistics, United States department of labor.

5 (12) "Accumulated contributions" means the total amount deducted
6 from the judge's monthly salary pursuant to RCW 2.10.090, together with
7 the regular interest thereon from July 1, 1988, as determined by the
8 director of the department of retirement systems.

9 (13) "Domestic partner" means the person designated by a judge in
10 an affidavit filed under section 2 of this act.

11 **Sec. 13.** RCW 2.10.140 and 1988 c 109 s 7 are each amended to read
12 as follows:

13 (1) A surviving spouse or domestic partner of any judge holding
14 such office, or if he dies after having retired and who, at the time of
15 his death, has served ten or more years in the aggregate, shall receive
16 a monthly allowance equal to fifty percent of the retirement allowance
17 the retired judge was receiving, or fifty percent of the retirement
18 allowance the active judge would have received had he been retired on
19 the date of his death, but in no event less than twenty-five percent of
20 the final average salary that the deceased judge was receiving:
21 PROVIDED, That said surviving spouse had been married to the judge for
22 a minimum of two years at time of death, or the domestic partner had
23 been designated as a domestic partner for a minimum of two years at the
24 time of death.

25 (2) A judge holding office on July 1, 1988, may make an
26 irrevocable choice to relinquish the survivor benefits provided by this
27 section in exchange for the survivor benefits provided by RCW 2.10.144
28 and 2.10.146 by indicating the choice in a written declaration
29 submitted to the department of retirement systems by December 31, 1988.

30 (3) The surviving spouse or domestic partner of any judge who died
31 in office after January 1, 1986, but before July 1, 1988, may elect to
32 receive the survivor benefit provided in RCW 2.10.144(1).

33 **Sec. 14.** RCW 2.12.030 and 1973 1st ex.s. c 154 s 1 are each
34 amended to read as follows:

35 Supreme court, court of appeals, or superior court judges of the
36 state who retire from office under the provisions of this chapter other
37 than as provided in RCW 2.12.012 shall be entitled to receive monthly

1 during the period of their natural life, out of the fund hereinafter
2 created, an amount equal to one-half of the monthly salary they were
3 receiving as a judge at the time of their retirement, or at the end of
4 the term immediately prior to their retirement if their retirement is
5 made after expiration of their term. The surviving spouse or domestic
6 partner of any judge who shall have heretofore retired or may hereafter
7 retire, or of a judge who was heretofore or may hereafter be eligible
8 for retirement at the time of death, if the surviving spouse had been
9 married to the judge for three years or domestic partner designated for
10 three years, if the surviving spouse had been married to the judge
11 prior to retirement or the domestic partner designated prior to
12 retirement, shall be paid an amount equal to one-half of the retirement
13 pay of the judge, as long as such surviving spouse remains unmarried
14 and is not a domestic partner or domestic partner remains unmarried and
15 is not a domestic partner. The retirement pay shall be paid monthly by
16 the state treasurer on or before the tenth day of each month. The
17 provisions of this section shall apply to the surviving spouse or
18 domestic partner of any judge who dies while holding such office or
19 dies after having retired under the provisions of this chapter and who
20 at the time of death had served ten or more years in the aggregate as
21 a judge of the supreme court, court of appeals, or superior court or
22 any of such courts, or had served an aggregate of twelve years in the
23 supreme court, court of appeals, or superior court if such pension
24 rights are based upon RCW 2.12.012.

25 **Sec. 15.** RCW 28B.10.400 and 1979 ex.s. c 259 s 1 are each amended
26 to read as follows:

27 The boards of regents of the state universities, the boards of
28 trustees of the regional universities and of The Evergreen State
29 College, and the state board for community and technical colleges
30 (~~education~~) are authorized and empowered:

31 (1) To assist the faculties and such other employees as any such
32 board may designate in the purchase of old age annuities or retirement
33 income plans under such rules and regulations as any such board may
34 prescribe. County agricultural agents, home demonstration agents, 4-H
35 club agents, and assistant county agricultural agents paid jointly by
36 the Washington State University and the several counties shall be
37 deemed to be full time employees of the Washington State University for
38 the purposes hereof;

1 (2) To provide, under such rules and regulations as any such board
2 may prescribe for the faculty members or other employees under its
3 supervision, for the retirement of any such faculty member or other
4 employee on account of age or condition of health, retirement on
5 account of age to be not earlier than the sixty-fifth birthday:
6 PROVIDED, That such faculty member or such other employee may elect to
7 retire at the earliest age specified for retirement by federal social
8 security law: PROVIDED FURTHER, That any supplemental payment
9 authorized by subsection (3) of this section and paid as a result of
10 retirement earlier than age sixty-five shall be at an actuarially
11 reduced rate;

12 (3) To pay to any such retired person or to his designated
13 beneficiary(s), each year after his retirement, a supplemental amount
14 which, when added to the amount of such annuity or retirement income
15 plan, or retirement income benefit pursuant to RCW 28B.10.415, received
16 by him or his designated beneficiary(s) in such year, will not exceed
17 fifty percent of the average annual salary paid to such retired person
18 for his highest two consecutive years of full time service under an
19 annuity or retirement income plan established pursuant to subsection
20 (1) of this section at an institution of higher education: PROVIDED,
21 HOWEVER, That if such retired person prior to his retirement elected a
22 supplemental payment survivors option, any such supplemental payments
23 to such retired person or his designated beneficiary(s) shall be at
24 actuarially reduced rates: PROVIDED FURTHER, That if a faculty member
25 or other employee of an institution of higher education who is a
26 participant in a retirement plan authorized by this section dies, or
27 has died before retirement but after becoming eligible for retirement
28 on account of age, the designated beneficiary(s) shall be entitled to
29 receive the supplemental payment authorized by this subsection (3) of
30 this section to which such designated beneficiary(s) would have been
31 entitled had said deceased faculty member or other employee retired on
32 the date of death after electing a supplemental payment survivors
33 option: PROVIDED FURTHER, That for the purpose of this subsection, the
34 designated beneficiary(s) shall be (a) the surviving spouse or domestic
35 partner of the retiree; or, (b) with the written consent of such
36 spouse, if any, such other person or persons as shall have an insurable
37 interest in the retiree's life and shall have been nominated by written
38 designation duly executed and filed with the retiree's institution of
39 higher education. As used in this section and RCW 28B.10.431,

1 "domestic partner" means the person designated by the retiree in an
2 affidavit filed under section 2 of this act.

3 **Sec. 16.** RCW 28B.10.431 and 1983 1st ex.s. c 56 s 2 are each
4 amended to read as follows:

5 Notwithstanding any provision of law to the contrary, effective
6 July 1, 1983, the monthly benefit of each person who either is
7 receiving a benefit pursuant to a program established under RCW
8 28B.10.400 for their service as of July 1, 1978, or commenced receiving
9 a monthly benefit as a surviving spouse or domestic partner or written
10 designated beneficiary with an insurable interest in the retiree as of
11 a date no later than December 31, 1982, shall be permanently increased
12 by a post-retirement adjustment of \$.74 per month for each year of
13 creditable service the faculty member or employee established with the
14 annuity or retirement income plan. Any fraction of a year of service
15 shall be counted in the computation of the post-retirement adjustment.

16 **Sec. 17.** RCW 28B.10.567 and 1987 c 185 s 2 are each amended to
17 read as follows:

18 The boards of regents of the state universities and board of
19 trustees of the regional universities and the board of trustees of The
20 Evergreen State College are authorized and empowered, under such rules
21 and regulations as any such board may prescribe for the duly sworn
22 police officers employed by any such board as members of a police force
23 established pursuant to RCW 28B.10.550, to provide for the payment of
24 death or disability benefits or medical expense reimbursement for
25 death, disability, or injury of any such duly sworn police officer who,
26 in the line of duty, loses his life or becomes disabled or is injured,
27 and for the payment of such benefits to be made to any such duly sworn
28 police officer or his surviving spouse or domestic partner or the legal
29 guardian of his child or children, as defined in RCW 41.26.030(7), or
30 his estate: PROVIDED, That the duty-related benefits authorized by
31 this section shall in no event be greater than the benefits authorized
32 on June 25, 1976 for duty-related death, disability, or injury of a law
33 enforcement officer under chapter 41.26 RCW: PROVIDED FURTHER, That
34 the duty-related benefits authorized by this section shall be reduced
35 to the extent of any amounts received or eligible to be received on
36 account of the duty-related death, disability, or injury to any such
37 duly sworn police officer, his surviving spouse or domestic partner,

1 the legal guardian of his child or children, or his estate, under
2 workers' compensation, social security including the changes
3 incorporated under Public Law 89-97 as now or hereafter amended, or
4 disability income insurance and health care plans under chapter 41.05
5 RCW. As used in this section, "domestic partner" means the person
6 designated by the police officer in an affidavit filed under section 2
7 of this act.

8 **Sec. 18.** RCW 41.26.030 and 1996 c 178 s 11 and 1996 c 38 s 2 are
9 each reenacted and amended to read as follows:

10 As used in this chapter, unless a different meaning is plainly
11 required by the context:

12 (1) "Retirement system" means the "Washington law enforcement
13 officers' and fire fighters' retirement system" provided herein.

14 (2)(a) "Employer" for plan I members, means the legislative
15 authority of any city, town, county, or district or the elected
16 officials of any municipal corporation that employs any law enforcement
17 officer and/or fire fighter, any authorized association of such
18 municipalities, and, except for the purposes of RCW 41.26.150, any
19 labor guild, association, or organization, which represents the fire
20 fighters or law enforcement officers of at least seven cities of over
21 20,000 population and the membership of each local lodge or division of
22 which is composed of at least sixty percent law enforcement officers or
23 fire fighters as defined in this chapter.

24 (b) "Employer" for plan II members, means the following entities to
25 the extent that the entity employs any law enforcement officer and/or
26 fire fighter:

27 (i) The legislative authority of any city, town, county, or
28 district;

29 (ii) The elected officials of any municipal corporation;

30 (iii) The governing body of any other general authority law
31 enforcement agency; or

32 (iv) A four-year institution of higher education having a fully
33 operational fire department as of January 1, 1996.

34 (3) "Law enforcement officer" beginning January 1, 1994, means any
35 person who is commissioned and employed by an employer on a full time,
36 fully compensated basis to enforce the criminal laws of the state of
37 Washington generally, with the following qualifications:

1 (a) No person who is serving in a position that is basically
2 clerical or secretarial in nature, and who is not commissioned shall be
3 considered a law enforcement officer;

4 (b) Only those deputy sheriffs, including those serving under a
5 different title pursuant to county charter, who have successfully
6 completed a civil service examination for deputy sheriff or the
7 equivalent position, where a different title is used, and those persons
8 serving in unclassified positions authorized by RCW 41.14.070 except a
9 private secretary will be considered law enforcement officers;

10 (c) Only such full time commissioned law enforcement personnel as
11 have been appointed to offices, positions, or ranks in the police
12 department which have been specifically created or otherwise expressly
13 provided for and designated by city charter provision or by ordinance
14 enacted by the legislative body of the city shall be considered city
15 police officers;

16 (d) The term "law enforcement officer" also includes the executive
17 secretary of a labor guild, association or organization (which is an
18 employer under RCW 41.26.030(2)) if that individual has five years
19 previous membership in the retirement system established in chapter
20 41.20 RCW. The provisions of this subsection (3)(d) shall not apply to
21 plan II members; and

22 (e) The term "law enforcement officer" also includes a person
23 employed on or after January 1, 1993, as a public safety officer or
24 director of public safety, so long as the job duties substantially
25 involve only either police or fire duties, or both, and no other duties
26 in a city or town with a population of less than ten thousand. The
27 provisions of this subsection (3)(e) shall not apply to any public
28 safety officer or director of public safety who is receiving a
29 retirement allowance under this chapter as of May 12, 1993.

30 (4) "Fire fighter" means:

31 (a) Any person who is serving on a full time, fully compensated
32 basis as a member of a fire department of an employer and who is
33 serving in a position which requires passing a civil service
34 examination for fire fighter, and who is actively employed as such;

35 (b) Anyone who is actively employed as a full time fire fighter
36 where the fire department does not have a civil service examination;

37 (c) Supervisory fire fighter personnel;

1 (d) Any full time executive secretary of an association of fire
2 protection districts authorized under RCW 52.12.031. The provisions of
3 this subsection (4)(d) shall not apply to plan II members;

4 (e) The executive secretary of a labor guild, association or
5 organization (which is an employer under RCW 41.26.030(2) as now or
6 hereafter amended), if such individual has five years previous
7 membership in a retirement system established in chapter 41.16 or 41.18
8 RCW. The provisions of this subsection (4)(e) shall not apply to plan
9 II members;

10 (f) Any person who is serving on a full time, fully compensated
11 basis for an employer, as a fire dispatcher, in a department in which,
12 on March 1, 1970, a dispatcher was required to have passed a civil
13 service examination for fire fighter; and

14 (g) Any person who on March 1, 1970, was employed on a full time,
15 fully compensated basis by an employer, and who on May 21, 1971, was
16 making retirement contributions under the provisions of chapter 41.16
17 or 41.18 RCW.

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

20 (6) "Surviving spouse" means the surviving widow or widower of a
21 member. "Surviving spouse" shall not include the divorced spouse of a
22 member except as provided in RCW 41.26.162.

23 (7)(a) "Child" or "children" means an unmarried person who is under
24 the age of eighteen or mentally or physically handicapped as determined
25 by the department, except a handicapped person in the full time care of
26 a state institution, who is:

27 (i) A natural born child;

28 (ii) A stepchild where that relationship was in existence prior to
29 the date benefits are payable under this chapter;

30 (iii) A posthumous child;

31 (iv) A child legally adopted or made a legal ward of a member prior
32 to the date benefits are payable under this chapter; or

33 (v) An illegitimate child legitimized prior to the date any
34 benefits are payable under this chapter.

35 (b) A person shall also be deemed to be a child up to and including
36 the age of twenty years and eleven months while attending any high
37 school, college, or vocational or other educational institution
38 accredited, licensed, or approved by the state, in which it is located,
39 including the summer vacation months and all other normal and regular

1 vacation periods at the particular educational institution after which
2 the child returns to school.

3 (8) "Member" means any fire fighter, law enforcement officer, or
4 other person as would apply under subsections (3) or (4) of this
5 section whose membership is transferred to the Washington law
6 enforcement officers' and fire fighters' retirement system on or after
7 March 1, 1970, and every law enforcement officer and fire fighter who
8 is employed in that capacity on or after such date.

9 (9) "Retirement fund" means the "Washington law enforcement
10 officers' and fire fighters' retirement system fund" as provided for
11 herein.

12 (10) "Employee" means any law enforcement officer or fire fighter
13 as defined in subsections (3) and (4) of this section.

14 (11)(a) "Beneficiary" for plan I members, means any person in
15 receipt of a retirement allowance, disability allowance, death benefit,
16 or any other benefit described herein.

17 (b) "Beneficiary" for plan II members, means any person in receipt
18 of a retirement allowance or other benefit provided by this chapter
19 resulting from service rendered to an employer by another person.

20 (12)(a) "Final average salary" for plan I members, means (i) for a
21 member holding the same position or rank for a minimum of twelve months
22 preceding the date of retirement, the basic salary attached to such
23 same position or rank at time of retirement; (ii) for any other member,
24 including a civil service member who has not served a minimum of twelve
25 months in the same position or rank preceding the date of retirement,
26 the average of the greatest basic salaries payable to such member
27 during any consecutive twenty-four month period within such member's
28 last ten years of service for which service credit is allowed, computed
29 by dividing the total basic salaries payable to such member during the
30 selected twenty-four month period by twenty-four; (iii) in the case of
31 disability of any member, the basic salary payable to such member at
32 the time of disability retirement; (iv) in the case of a member who
33 hereafter vests pursuant to RCW 41.26.090, the basic salary payable to
34 such member at the time of vesting.

35 (b) "Final average salary" for plan II members, means the monthly
36 average of the member's basic salary for the highest consecutive sixty
37 service credit months of service prior to such member's retirement,
38 termination, or death. Periods constituting authorized unpaid leaves
39 of absence may not be used in the calculation of final average salary.

1 (13)(a) "Basic salary" for plan I members, means the basic monthly
2 rate of salary or wages, including longevity pay but not including
3 overtime earnings or special salary or wages, upon which pension or
4 retirement benefits will be computed and upon which employer
5 contributions and salary deductions will be based.

6 (b) "Basic salary" for plan II members, means salaries or wages
7 earned by a member during a payroll period for personal services,
8 including overtime payments, and shall include wages and salaries
9 deferred under provisions established pursuant to sections 403(b),
10 414(h), and 457 of the United States Internal Revenue Code, but shall
11 exclude lump sum payments for deferred annual sick leave, unused
12 accumulated vacation, unused accumulated annual leave, or any form of
13 severance pay. In any year in which a member serves in the legislature
14 the member shall have the option of having such member's basic salary
15 be the greater of:

16 (i) The basic salary the member would have received had such member
17 not served in the legislature; or

18 (ii) Such member's actual basic salary received for nonlegislative
19 public employment and legislative service combined. Any additional
20 contributions to the retirement system required because basic salary
21 under (b)(i) of this subsection is greater than basic salary under
22 (b)(ii) of this subsection shall be paid by the member for both member
23 and employer contributions.

24 (14)(a) "Service" for plan I members, means all periods of
25 employment for an employer as a fire fighter or law enforcement
26 officer, for which compensation is paid, together with periods of
27 suspension not exceeding thirty days in duration. For the purposes of
28 this chapter service shall also include service in the armed forces of
29 the United States as provided in RCW 41.26.190. Credit shall be
30 allowed for all service credit months of service rendered by a member
31 from and after the member's initial commencement of employment as a
32 fire fighter or law enforcement officer, during which the member worked
33 for seventy or more hours, or was on disability leave or disability
34 retirement. Only service credit months of service shall be counted in
35 the computation of any retirement allowance or other benefit provided
36 for in this chapter.

37 (i) For members retiring after May 21, 1971 who were employed under
38 the coverage of a prior pension act before March 1, 1970, "service"
39 shall also include (A) such military service not exceeding five years

1 as was creditable to the member as of March 1, 1970, under the member's
2 particular prior pension act, and (B) such other periods of service as
3 were then creditable to a particular member under the provisions of RCW
4 41.18.165, 41.20.160 or 41.20.170. However, in no event shall credit
5 be allowed for any service rendered prior to March 1, 1970, where the
6 member at the time of rendition of such service was employed in a
7 position covered by a prior pension act, unless such service, at the
8 time credit is claimed therefor, is also creditable under the
9 provisions of such prior act.

10 (ii) A member who is employed by two employers at the same time
11 shall only be credited with service to one such employer for any month
12 during which the member rendered such dual service.

13 (b) "Service" for plan II members, means periods of employment by
14 a member for one or more employers for which basic salary is earned for
15 ninety or more hours per calendar month which shall constitute a
16 service credit month. Periods of employment by a member for one or
17 more employers for which basic salary is earned for at least seventy
18 hours but less than ninety hours per calendar month shall constitute
19 one-half service credit month. Periods of employment by a member for
20 one or more employers for which basic salary is earned for less than
21 seventy hours shall constitute a one-quarter service credit month.

22 Members of the retirement system who are elected or appointed to a
23 state elective position may elect to continue to be members of this
24 retirement system.

25 Service credit years of service shall be determined by dividing the
26 total number of service credit months of service by twelve. Any
27 fraction of a service credit year of service as so determined shall be
28 taken into account in the computation of such retirement allowance or
29 benefits.

30 If a member receives basic salary from two or more employers during
31 any calendar month, the individual shall receive one service credit
32 month's service credit during any calendar month in which multiple
33 service for ninety or more hours is rendered; or one-half service
34 credit month's service credit during any calendar month in which
35 multiple service for at least seventy hours but less than ninety hours
36 is rendered; or one-quarter service credit month during any calendar
37 month in which multiple service for less than seventy hours is
38 rendered.

1 (15) "Accumulated contributions" means the employee's contributions
2 made by a member, including any amount paid under RCW 41.50.165(2),
3 plus accrued interest credited thereon.

4 (16) "Actuarial reserve" means a method of financing a pension or
5 retirement plan wherein reserves are accumulated as the liabilities for
6 benefit payments are incurred in order that sufficient funds will be
7 available on the date of retirement of each member to pay the member's
8 future benefits during the period of retirement.

9 (17) "Actuarial valuation" means a mathematical determination of
10 the financial condition of a retirement plan. It includes the
11 computation of the present monetary value of benefits payable to
12 present members, and the present monetary value of future employer and
13 employee contributions, giving effect to mortality among active and
14 retired members and also to the rates of disability, retirement,
15 withdrawal from service, salary and interest earned on investments.

16 (18) "Disability board" for plan I members means either the county
17 disability board or the city disability board established in RCW
18 41.26.110.

19 (19) "Disability leave" means the period of six months or any
20 portion thereof during which a member is on leave at an allowance equal
21 to the member's full salary prior to the commencement of disability
22 retirement. The definition contained in this subsection shall apply
23 only to plan I members.

24 (20) "Disability retirement" for plan I members, means the period
25 following termination of a member's disability leave, during which the
26 member is in receipt of a disability retirement allowance.

27 (21) "Position" means the employment held at any particular time,
28 which may or may not be the same as civil service rank.

29 (22) "Medical services" for plan I members, shall include the
30 following as minimum services to be provided. Reasonable charges for
31 these services shall be paid in accordance with RCW 41.26.150.

32 (a) Hospital expenses: These are the charges made by a hospital,
33 in its own behalf, for

34 (i) Board and room not to exceed semiprivate room rate unless
35 private room is required by the attending physician due to the
36 condition of the patient.

37 (ii) Necessary hospital services, other than board and room,
38 furnished by the hospital.

1 (b) Other medical expenses: The following charges are considered
2 "other medical expenses", provided that they have not been considered
3 as "hospital expenses".

4 (i) The fees of the following:

5 (A) A physician or surgeon licensed under the provisions of chapter
6 18.71 RCW;

7 (B) An osteopathic physician and surgeon licensed under the
8 provisions of chapter 18.57 RCW;

9 (C) A chiropractor licensed under the provisions of chapter 18.25
10 RCW.

11 (ii) The charges of a registered graduate nurse other than a nurse
12 who ordinarily resides in the member's home, or is a member of the
13 family of either the member or the member's spouse or domestic partner.

14 (iii) The charges for the following medical services and supplies:

15 (A) Drugs and medicines upon a physician's prescription;

16 (B) Diagnostic x-ray and laboratory examinations;

17 (C) X-ray, radium, and radioactive isotopes therapy;

18 (D) Anesthesia and oxygen;

19 (E) Rental of iron lung and other durable medical and surgical
20 equipment;

21 (F) Artificial limbs and eyes, and casts, splints, and trusses;

22 (G) Professional ambulance service when used to transport the
23 member to or from a hospital when injured by an accident or stricken by
24 a disease;

25 (H) Dental charges incurred by a member who sustains an accidental
26 injury to his or her teeth and who commences treatment by a legally
27 licensed dentist within ninety days after the accident;

28 (I) Nursing home confinement or hospital extended care facility;

29 (J) Physical therapy by a registered physical therapist;

30 (K) Blood transfusions, including the cost of blood and blood
31 plasma not replaced by voluntary donors;

32 (L) An optometrist licensed under the provisions of chapter 18.53
33 RCW.

34 (23) "Regular interest" means such rate as the director may
35 determine.

36 (24) "Retiree" for persons who establish membership in the
37 retirement system on or after October 1, 1977, means any member in
38 receipt of a retirement allowance or other benefit provided by this
39 chapter resulting from service rendered to an employer by such member.

1 (25) "Director" means the director of the department.

2 (26) "State actuary" or "actuary" means the person appointed
3 pursuant to RCW 44.44.010(2).

4 (27) "State elective position" means any position held by any
5 person elected or appointed to state-wide office or elected or
6 appointed as a member of the legislature.

7 (28) "Plan I" means the law enforcement officers' and fire
8 fighters' retirement system, plan I providing the benefits and funding
9 provisions covering persons who first became members of the system
10 prior to October 1, 1977.

11 (29) "Plan II" means the law enforcement officers' and fire
12 fighters' retirement system, plan II providing the benefits and funding
13 provisions covering persons who first became members of the system on
14 and after October 1, 1977.

15 (30) "Service credit year" means an accumulation of months of
16 service credit which is equal to one when divided by twelve.

17 (31) "Service credit month" means a full service credit month or an
18 accumulation of partial service credit months that are equal to one.

19 (32) "General authority law enforcement agency" means any agency,
20 department, or division of a municipal corporation, political
21 subdivision, or other unit of local government of this state, and any
22 agency, department, or division of state government, having as its
23 primary function the detection and apprehension of persons committing
24 infractions or violating the traffic or criminal laws in general, but
25 not including the Washington state patrol. Such an agency, department,
26 or division is distinguished from a limited authority law enforcement
27 agency having as one of its functions the apprehension or detection of
28 persons committing infractions or violating the traffic or criminal
29 laws relating to limited subject areas, including but not limited to,
30 the state departments of natural resources, fish and wildlife, and
31 social and health services, the state gambling commission, the state
32 lottery commission, the state parks and recreation commission, the
33 state utilities and transportation commission, the state liquor control
34 board, and the state department of corrections.

35 (33) "Domestic partner" has the same meaning as provided in RCW
36 41.05.011.

37 **Sec. 19.** RCW 41.26.048 and 1996 c 226 s 1 are each amended to read
38 as follows:

1 (1) A one hundred fifty thousand dollar death benefit shall be paid
2 to the member's estate, or such person or persons, trust or
3 organization as the member shall have nominated by written designation
4 duly executed and filed with the department. If there be no such
5 designated person or persons still living at the time of the member's
6 death, such member's death benefit shall be paid to the member's
7 surviving spouse or domestic partner as if in fact such spouse or
8 domestic partner had been nominated by written designation, or if there
9 be no such surviving spouse or domestic partner, then to such member's
10 legal representatives.

11 (2) The benefit under this section shall be paid only where death
12 occurs as a result of injuries sustained in the course of employment.
13 The determination of eligibility for the benefit shall be made
14 consistent with Title 51 RCW by the department of labor and industries.
15 The department of labor and industries shall notify the department of
16 retirement systems by order under RCW 51.52.050.

17 **Sec. 20.** RCW 41.26.090 and 1991 sp.s. c 11 s 4 are each amended to
18 read as follows:

19 Retirement of a member for service shall be made by the department
20 as follows:

21 (1) Any member having five or more service credit years of service
22 and having attained the age of fifty years shall be eligible for a
23 service retirement allowance and shall be retired upon the member's
24 written request effective the first day following the date upon which
25 the member is separated from service.

26 (2) Any member having five or more service credit years of service,
27 who terminates his or her employment with any employer, may leave his
28 or her contributions in the fund. Any employee who so elects, upon
29 attaining age fifty, shall be eligible to apply for and receive a
30 service retirement allowance based on his or her years of service,
31 commencing on the first day following his or her attainment of age
32 fifty.

33 (3) Any member selecting optional vesting under subsection (2) of
34 this section with less than twenty service credit years of service
35 shall not be covered by the provisions of RCW 41.26.150, and the
36 member's survivors shall not be entitled to the benefits of RCW
37 41.26.160 unless his or her death occurs after he or she has attained
38 the age of fifty years. Those members selecting this optional vesting

1 with twenty or more years service shall not be covered by the
2 provisions of RCW 41.26.150 until the attainment of the age of fifty
3 years. A member selecting this optional vesting, with less than twenty
4 service credit years of service credit, who dies prior to attaining the
5 age of fifty years, shall have paid from the Washington law enforcement
6 officers' and fire fighters' retirement fund, to such member's
7 surviving spouse or domestic partner, if any, otherwise to such
8 beneficiary as the member shall have designated in writing, or if no
9 such designation has been made, to the personal representative of his
10 or her estate, a lump sum which is equal to the amount of such member's
11 accumulated contributions plus accrued interest. If the vested member
12 has twenty or more service credit years of service credit the surviving
13 spouse or domestic partner or children shall then become eligible for
14 the benefits of RCW 41.26.160 regardless of the member's age at the
15 time of his or her death, to the exclusion of the lump sum amount
16 provided by this subsection.

17 (4) Any member who has attained the age of sixty years shall be
18 retired on the first day of the calendar month next succeeding that in
19 which said member shall have attained the age of sixty and may not
20 thereafter be employed as a law enforcement officer or fire fighter:
21 PROVIDED, That for any member who is elected or appointed to the office
22 of sheriff, chief of police, or fire chief, his or her election or
23 appointment shall be considered as a waiver of the age sixty provision
24 for retirement and nonemployment for whatever number of years remain in
25 his or her present term of office and any succeeding periods for which
26 he or she may be so elected or appointed. The provisions of this
27 subsection shall not apply to any member who is employed as a law
28 enforcement officer or fire fighter on March 1, 1970.

29 **Sec. 21.** RCW 41.26.160 and 1991 sp.s. c 11 s 5 are each amended to
30 read as follows:

31 (1) In the event of the death of any member who is in active
32 service, or who has vested under the provisions of RCW 41.26.090 with
33 twenty or more service credit years of service, or who is on disability
34 leave or retired, whether for disability or service, the surviving
35 spouse or domestic partner shall become entitled to receive a monthly
36 allowance equal to fifty percent of the final average salary at the
37 date of death if active, or the amount of retirement allowance the
38 vested member would have received at age fifty, or the amount of the

1 retirement allowance such retired member was receiving at the time of
2 death if retired for service or disability. The amount of this
3 allowance will be increased five percent of final average salary for
4 each child as defined in RCW 41.26.030(7), as now or hereafter amended,
5 subject to a maximum combined allowance of sixty percent of final
6 average salary: PROVIDED, That if the child or children is or are in
7 the care of a legal guardian, payment of the increase attributable to
8 each child will be made to the child's legal guardian or, in the
9 absence of a legal guardian and if the member has created a trust for
10 the benefit of the child or children, payment of the increase
11 attributable to each child will be made to the trust.

12 (2) If at the time of the death of a vested member with twenty or
13 more service credit years of service as provided in subsection (1) of
14 this section or a member retired for service or disability, the
15 surviving spouse has not been lawfully married to such member for one
16 year prior to retirement or separation from service if a vested member
17 or, if a domestic partner, has not been designated as a domestic
18 partner for one year prior to retirement or separation from service,
19 the surviving spouse or domestic partner shall not be eligible to
20 receive the benefits under this section: PROVIDED, That if a member
21 dies as a result of a disability incurred in the line of duty, then if
22 he or she was married or in a domestic partnership at the time he or
23 she was disabled, the surviving spouse or domestic partner shall be
24 eligible to receive the benefits under this section.

25 (3) If there be no surviving spouse or domestic partner eligible to
26 receive benefits at the time of such member's death, then the child or
27 children of such member shall receive a monthly allowance equal to
28 thirty percent of final average salary for one child and an additional
29 ten percent for each additional child subject to a maximum combined
30 payment, under this subsection, of sixty percent of final average
31 salary. When there cease to be any eligible children as defined in RCW
32 41.26.030(7), as now or hereafter amended, there shall be paid to the
33 legal heirs of said member the excess, if any, of accumulated
34 contributions of said member at the time of death over all payments
35 made to survivors on his or her behalf under this chapter: PROVIDED,
36 That payments under this subsection to children shall be prorated
37 equally among the children, if more than one. If the member has
38 created a trust for the benefit of the child or children, the payment
39 shall be made to the trust.

1 (4) In the event that there is no surviving spouse or domestic
2 partner eligible to receive benefits under this section, and that there
3 be no child or children eligible to receive benefits under this
4 section, then the accumulated contributions shall be paid to the estate
5 of said member.

6 (5) If a surviving spouse or domestic partner receiving benefits
7 under the provisions of this section thereafter dies and there are
8 children as defined in RCW 41.26.030(7), as now or hereafter amended,
9 payment to the spouse or domestic partner shall cease and the child or
10 children shall receive the benefits as provided in subsection (3) of
11 this section.

12 (6) The payment provided by this section shall become due the day
13 following the date of death and payments shall be retroactive to that
14 date.

15 **Sec. 22.** RCW 41.26.460 and 1996 c 175 s 3 are each amended to read
16 as follows:

17 (1) Upon retirement for service as prescribed in RCW 41.26.430 or
18 disability retirement under RCW 41.26.470, a member shall elect to have
19 the retirement allowance paid pursuant to the following options,
20 calculated so as to be actuarially equivalent to each other.

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

34 (b) The department shall adopt rules that allow a member to select
35 a retirement option that pays the member a reduced retirement allowance
36 and upon death, such portion of the member's reduced retirement
37 allowance as the department by rule designates shall be continued
38 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, must provide the written consent of
7 his or her spouse to the option selected under this section, except as
8 provided in (b) of this subsection. If a member is married and both
9 the member and member's spouse do not give written consent to an option
10 under this section, the department will pay the member a joint and
11 fifty percent survivor benefit and record the member's spouse as the
12 beneficiary. Such benefit shall be calculated to be actuarially
13 equivalent to the benefit options available under subsection (1) of
14 this section unless spousal consent is not required as provided in (b)
15 of this subsection.

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

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

21 (ii) The spousal consent provisions of (a) of this subsection do
22 not apply.

23 **Sec. 23.** RCW 41.26.470 and 1995 c 144 s 18 are each amended to
24 read as follows:

25 (1) A member of the retirement system who becomes totally
26 incapacitated for continued employment by an employer as determined by
27 the director shall be eligible to receive an allowance under the
28 provisions of RCW 41.26.410 through 41.26.550. Such member shall
29 receive a monthly disability allowance computed as provided for in RCW
30 41.26.420 and shall have such allowance actuarially reduced to reflect
31 the difference in the number of years between age at disability and the
32 attainment of age fifty-five.

33 (2) Any member who receives an allowance under the provisions of
34 this section shall be subject to such comprehensive medical
35 examinations as required by the department. If such medical
36 examinations reveal that such a member has recovered from the
37 incapacitating disability and the member is no longer entitled to
38 benefits under Title 51 RCW, the retirement allowance shall be canceled

1 and the member shall be restored to duty in the same civil service
2 rank, if any, held by the member at the time of retirement or, if
3 unable to perform the duties of the rank, then, at the member's
4 request, in such other like or lesser rank as may be or become open and
5 available, the duties of which the member is then able to perform. In
6 no event shall a member previously drawing a disability allowance be
7 returned or be restored to duty at a salary or rate of pay less than
8 the current salary attached to the rank or position held by the member
9 at the date of the retirement for disability. If the department
10 determines that the member is able to return to service, the member is
11 entitled to notice and a hearing. Both the notice and the hearing
12 shall comply with the requirements of chapter 34.05 RCW, the
13 Administrative Procedure Act.

14 (3) Those members subject to this chapter who became disabled in
15 the line of duty on or after July 23, 1989, and who receive benefits
16 under RCW 41.04.500 through 41.04.530 or similar benefits under RCW
17 41.04.535 shall receive or continue to receive service credit subject
18 to the following:

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

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

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

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

28 (e) State contributions shall be as provided in RCW 41.26.450.

29 (f) Contributions shall be based on the regular compensation which
30 the member would have received had the disability not occurred.

31 (g) The service and compensation credit under this section shall be
32 granted for a period not to exceed six consecutive months.

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

36 (4)(a) If the recipient of a monthly retirement allowance under
37 this section dies before the total of the retirement allowance paid to
38 the recipient equals the amount of the accumulated contributions at the
39 date of retirement, then the balance shall be paid to the member's

1 estate, or such person or persons, trust, or organization as the
2 recipient has nominated by written designation duly executed and filed
3 with the director, or, if there is no such designated person or persons
4 still living at the time of the recipient's death, then to the
5 surviving spouse or domestic partner, or, if there is neither such
6 designated person or persons still living at the time of his or her
7 death nor a surviving spouse or domestic partner, then to his or her
8 legal representative.

9 (b) If a recipient of a monthly retirement allowance under this
10 section died before April 27, 1989, and before the total of the
11 retirement allowance paid to the recipient equaled the amount of his or
12 her accumulated contributions at the date of retirement, then the
13 department shall pay the balance of the accumulated contributions to
14 the member's surviving spouse or domestic partner or, if there is no
15 surviving spouse or domestic partner, then in equal shares to the
16 member's children. If there is no surviving spouse or domestic
17 partner, or children, the department shall retain the contributions.

18 **Sec. 24.** RCW 41.26.510 and 1995 c 245 s 1 and 1995 c 144 s 19 are
19 each reenacted and amended to read as follows:

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

1 (2) If a member who is eligible for retirement or a member who has
2 completed at least ten years of service dies, the surviving spouse or
3 domestic partner or eligible child or children shall elect to receive
4 either:

5 (a) A retirement allowance computed as provided for in RCW
6 41.26.430(1), actuarially reduced by the amount of any lump sum benefit
7 identified as owing to an obligee upon withdrawal of accumulated
8 contributions pursuant to a court order filed under RCW 41.50.670 and
9 actuarially adjusted to reflect a joint and one hundred percent
10 survivor option under RCW 41.26.460 and if the member was not eligible
11 for normal retirement at the date of death a further reduction as
12 described in RCW 41.26.430(2); if a surviving spouse or domestic
13 partner who is receiving a retirement allowance dies leaving a child or
14 children of the member under the age of majority, then such child or
15 children shall continue to receive an allowance in an amount equal to
16 that which was being received by the surviving spouse or domestic
17 partner, share and share alike, until such child or children reach the
18 age of majority; if there is no surviving spouse or domestic partner
19 eligible to receive an allowance at the time of the member's death,
20 such member's child or children under the age of majority shall receive
21 an allowance share and share alike calculated as herein provided making
22 the assumption that the ages of the spouse or domestic partner and
23 member were equal at the time of the member's death; or

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

27 (ii) If the member dies on or after July 25, 1993, one hundred
28 fifty percent of the member's accumulated contributions, less any
29 amount identified as owing to an obligee upon withdrawal of accumulated
30 contributions pursuant to a court order filed under RCW 41.50.670. Any
31 accumulated contributions attributable to restorations made under RCW
32 41.50.165(2) shall be refunded at one hundred percent.

33 (3) If a member who is eligible for retirement or a member who has
34 completed at least ten years of service dies after October 1, 1977, and
35 is not survived by a spouse or domestic partner, or an eligible child,
36 then the accumulated contributions standing to the member's credit,
37 less any amount identified as owing to an obligee upon withdrawal of
38 accumulated contributions pursuant to a court order filed under RCW
39 41.50.670, 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 **Sec. 25.** RCW 41.40.010 and 1995 c 345 s 10, 1995 c 286 s 1, and
8 1995 c 244 s 3 are each reenacted and amended to read as follows:

9 As used in this chapter, unless a different meaning is plainly
10 required by the context:

11 (1) "Retirement system" means the public employees' retirement
12 system provided for in this chapter.

13 (2) "Department" means the department of retirement systems created
14 in chapter 41.50 RCW.

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

17 (4)(a) "Employer" for plan I members, means every branch,
18 department, agency, commission, board, and office of the state, any
19 political subdivision or association of political subdivisions of the
20 state admitted into the retirement system, and legal entities
21 authorized by RCW 35.63.070 and 36.70.060 or chapter 39.34 RCW; and the
22 term shall also include any labor guild, association, or organization
23 the membership of a local lodge or division of which is comprised of at
24 least forty percent employees of an employer (other than such labor
25 guild, association, or organization) within this chapter. The term may
26 also include any city of the first class that has its own retirement
27 system.

28 (b) "Employer" for plan II members, means every branch, department,
29 agency, commission, board, and office of the state, and any political
30 subdivision and municipal corporation of the state admitted into the
31 retirement system, including public agencies created pursuant to RCW
32 35.63.070, 36.70.060, and 39.34.030.

33 (5) "Member" means any employee included in the membership of the
34 retirement system, as provided for in RCW 41.40.023. RCW 41.26.045
35 does not prohibit a person otherwise eligible for membership in the
36 retirement system from establishing such membership effective when he
37 or she first entered an eligible position.

38 (6) "Original member" of this retirement system means:

1 (a) Any person who became a member of the system prior to April 1,
2 1949;

3 (b) Any person who becomes a member through the admission of an
4 employer into the retirement system on and after April 1, 1949, and
5 prior to April 1, 1951;

6 (c) Any person who first becomes a member by securing employment
7 with an employer prior to April 1, 1951, provided the member has
8 rendered at least one or more years of service to any employer prior to
9 October 1, 1947;

10 (d) Any person who first becomes a member through the admission of
11 an employer into the retirement system on or after April 1, 1951,
12 provided, such person has been in the regular employ of the employer
13 for at least six months of the twelve-month period preceding the said
14 admission date;

15 (e) Any member who has restored all contributions that may have
16 been withdrawn as provided by RCW 41.40.150 and who on the effective
17 date of the individual's retirement becomes entitled to be credited
18 with ten years or more of membership service except that the provisions
19 relating to the minimum amount of retirement allowance for the member
20 upon retirement at age seventy as found in RCW 41.40.190(4) shall not
21 apply to the member;

22 (f) Any member who has been a contributor under the system for two
23 or more years and who has restored all contributions that may have been
24 withdrawn as provided by RCW 41.40.150 and who on the effective date of
25 the individual's retirement has rendered five or more years of service
26 for the state or any political subdivision prior to the time of the
27 admission of the employer into the system; except that the provisions
28 relating to the minimum amount of retirement allowance for the member
29 upon retirement at age seventy as found in RCW 41.40.190(4) shall not
30 apply to the member.

31 (7) "New member" means a person who becomes a member on or after
32 April 1, 1949, except as otherwise provided in this section.

33 (8)(a) "Compensation earnable" for plan I members, means salaries
34 or wages earned during a payroll period for personal services and where
35 the compensation is not all paid in money, maintenance compensation
36 shall be included upon the basis of the schedules established by the
37 member's employer.

1 (i) "Compensation earnable" for plan I members also includes the
2 following actual or imputed payments, which are not paid for personal
3 services:

4 (A) Retroactive payments to an individual by an employer on
5 reinstatement of the employee in a position, or payments by an employer
6 to an individual in lieu of reinstatement in a position which are
7 awarded or granted as the equivalent of the salary or wage which the
8 individual would have earned during a payroll period shall be
9 considered compensation earnable and the individual shall receive the
10 equivalent service credit;

11 (B) If a leave of absence is taken by an individual for the purpose
12 of serving in the state legislature, the salary which would have been
13 received for the position from which the leave of absence was taken,
14 shall be considered as compensation earnable if the employee's
15 contribution is paid by the employee and the employer's contribution is
16 paid by the employer or employee;

17 (C) Assault pay only as authorized by RCW 27.04.100, 72.01.045, and
18 72.09.240;

19 (D) Compensation that a member would have received but for a
20 disability occurring in the line of duty only as authorized by RCW
21 41.40.038;

22 (E) Compensation that a member receives due to participation in the
23 leave sharing program only as authorized by RCW 41.04.650 through
24 41.04.670; and

25 (F) Compensation that a member receives for being in standby
26 status. For the purposes of this section, a member is in standby
27 status when not being paid for time actually worked and the employer
28 requires the member to be prepared to report immediately for work, if
29 the need arises, although the need may not arise. Standby compensation
30 is regular salary for the purposes of RCW 41.50.150(2).

31 (ii) "Compensation earnable" does not include:

32 (A) Remuneration for unused sick leave authorized under RCW
33 41.04.340, 28A.400.210, or 28A.310.490;

34 (B) Remuneration for unused annual leave in excess of thirty days
35 as authorized by RCW 43.01.044 and 43.01.041.

36 (b) "Compensation earnable" for plan II members, means salaries or
37 wages earned by a member during a payroll period for personal services,
38 including overtime payments, and shall include wages and salaries
39 deferred under provisions established pursuant to sections 403(b),

1 414(h), and 457 of the United States Internal Revenue Code, but shall
2 exclude nonmoney maintenance compensation and lump sum or other
3 payments for deferred annual sick leave, unused accumulated vacation,
4 unused accumulated annual leave, or any form of severance pay.

5 "Compensation earnable" for plan II members also includes the
6 following actual or imputed payments, which are not paid for personal
7 services:

8 (i) Retroactive payments to an individual by an employer on
9 reinstatement of the employee in a position, or payments by an employer
10 to an individual in lieu of reinstatement in a position which are
11 awarded or granted as the equivalent of the salary or wage which the
12 individual would have earned during a payroll period shall be
13 considered compensation earnable to the extent provided above, and the
14 individual shall receive the equivalent service credit;

15 (ii) In any year in which a member serves in the legislature, the
16 member shall have the option of having such member's compensation
17 earnable be the greater of:

18 (A) The compensation earnable the member would have received had
19 such member not served in the legislature; or

20 (B) Such member's actual compensation earnable received for
21 nonlegislative public employment and legislative service combined. Any
22 additional contributions to the retirement system required because
23 compensation earnable under (b)(ii)((~~B~~)) (A) of this subsection is
24 greater than compensation earnable under (b)(ii)((~~A~~)) (B) of this
25 subsection shall be paid by the member for both member and employer
26 contributions;

27 (iii) Assault pay only as authorized by RCW 27.04.100, 72.01.045,
28 and 72.09.240;

29 (iv) Compensation that a member would have received but for a
30 disability occurring in the line of duty only as authorized by RCW
31 41.40.038;

32 (v) Compensation that a member receives due to participation in the
33 leave sharing program only as authorized by RCW 41.04.650 through
34 41.04.670; and

35 (vi) Compensation that a member receives for being in standby
36 status. For the purposes of this section, a member is in standby
37 status when not being paid for time actually worked and the employer
38 requires the member to be prepared to report immediately for work, if

1 the need arises, although the need may not arise. Standby compensation
2 is regular salary for the purposes of RCW 41.50.150(2).

3 (9)(a) "Service" for plan I members, except as provided in RCW
4 41.40.088, means periods of employment in an eligible position or
5 positions for one or more employers rendered to any employer for which
6 compensation is paid, and includes time spent in office as an elected
7 or appointed official of an employer. Compensation earnable earned in
8 full time work for seventy hours or more in any given calendar month
9 shall constitute one service credit month except as provided in RCW
10 41.40.088. Compensation earnable earned for less than seventy hours in
11 any calendar month shall constitute one-quarter service credit month of
12 service except as provided in RCW 41.40.088. Only service credit
13 months and one-quarter service credit months shall be counted in the
14 computation of any retirement allowance or other benefit provided for
15 in this chapter. Any fraction of a year of service shall be taken into
16 account in the computation of such retirement allowance or benefits.
17 Time spent in standby status, whether compensated or not, is not
18 service.

19 (i) Service by a state employee officially assigned by the state on
20 a temporary basis to assist another public agency, shall be considered
21 as service as a state employee: PROVIDED, That service to any other
22 public agency shall not be considered service as a state employee if
23 such service has been used to establish benefits in any other public
24 retirement system.

25 (ii) An individual shall receive no more than a total of twelve
26 service credit months of service during any calendar year. If an
27 individual is employed in an eligible position by one or more employers
28 the individual shall receive no more than one service credit month
29 during any calendar month in which multiple service for seventy or more
30 hours is rendered.

31 (iii) A school district employee may count up to forty-five days of
32 sick leave as creditable service solely for the purpose of determining
33 eligibility to retire under RCW 41.40.180 as authorized by RCW
34 28A.400.300. For purposes of plan I "forty-five days" as used in RCW
35 28A.400.300 is equal to two service credit months. Use of less than
36 forty-five days of sick leave is creditable as allowed under this
37 subsection as follows:

38 (A) Less than twenty-two days equals one-quarter service credit
39 month;

1 (B) Twenty-two days equals one service credit month;

2 (C) More than twenty-two days but less than forty-five days equals
3 one and one-quarter service credit month.

4 (b) "Service" for plan II members, means periods of employment by
5 a member in an eligible position or positions for one or more employers
6 for which compensation earnable is paid. Compensation earnable earned
7 for ninety or more hours in any calendar month shall constitute one
8 service credit month except as provided in RCW 41.40.088. Compensation
9 earnable earned for at least seventy hours but less than ninety hours
10 in any calendar month shall constitute one-half service credit month of
11 service. Compensation earnable earned for less than seventy hours in
12 any calendar month shall constitute one-quarter service credit month of
13 service. Time spent in standby status, whether compensated or not, is
14 not service.

15 Any fraction of a year of service shall be taken into account in
16 the computation of such retirement allowance or benefits.

17 (i) Service in any state elective position shall be deemed to be
18 full time service, except that persons serving in state elective
19 positions who are members of the teachers' retirement system or law
20 enforcement officers' and fire fighters' retirement system at the time
21 of election or appointment to such position may elect to continue
22 membership in the teachers' retirement system or law enforcement
23 officers' and fire fighters' retirement system.

24 (ii) A member shall receive a total of not more than twelve service
25 credit months of service for such calendar year. If an individual is
26 employed in an eligible position by one or more employers the
27 individual shall receive no more than one service credit month during
28 any calendar month in which multiple service for ninety or more hours
29 is rendered.

30 (iii) Up to forty-five days of sick leave may be creditable as
31 service solely for the purpose of determining eligibility to retire
32 under RCW 41.40.180 as authorized by RCW 28A.400.300. For purposes of
33 plan II "forty-five days" as used in RCW 28A.400.300 is equal to two
34 service credit months. Use of less than forty-five days of sick leave
35 is creditable as allowed under this subsection as follows:

36 (A) Less than eleven days equals one-quarter service credit month;

37 (B) Eleven or more days but less than twenty-two days equals one-
38 half service credit month;

39 (C) Twenty-two days equals one service credit month;

1 (D) More than twenty-two days but less than thirty-three days
2 equals one and one-quarter service credit month;

3 (E) Thirty-three or more days but less than forty-five days equals
4 one and one-half service credit month.

5 (10) "Service credit year" means an accumulation of months of
6 service credit which is equal to one when divided by twelve.

7 (11) "Service credit month" means a month or an accumulation of
8 months of service credit which is equal to one.

9 (12) "Prior service" means all service of an original member
10 rendered to any employer prior to October 1, 1947.

11 (13) "Membership service" means:

12 (a) All service rendered, as a member, after October 1, 1947;

13 (b) All service after October 1, 1947, to any employer prior to the
14 time of its admission into the retirement system for which member and
15 employer contributions, plus interest as required by RCW 41.50.125,
16 have been paid under RCW 41.40.056 or 41.40.057;

17 (c) Service not to exceed six consecutive months of probationary
18 service rendered after April 1, 1949, and prior to becoming a member,
19 in the case of any member, upon payment in full by such member of the
20 total amount of the employer's contribution to the retirement fund
21 which would have been required under the law in effect when such
22 probationary service was rendered if the member had been a member
23 during such period, except that the amount of the employer's
24 contribution shall be calculated by the director based on the first
25 month's compensation earnable as a member;

26 (d) Service not to exceed six consecutive months of probationary
27 service, rendered after October 1, 1947, and before April 1, 1949, and
28 prior to becoming a member, in the case of any member, upon payment in
29 full by such member of five percent of such member's salary during said
30 period of probationary service, except that the amount of the
31 employer's contribution shall be calculated by the director based on
32 the first month's compensation earnable as a member.

33 (14)(a) "Beneficiary" for plan I members, means any person in
34 receipt of a retirement allowance, pension or other benefit provided by
35 this chapter.

36 (b) "Beneficiary" for plan II members, means any person in receipt
37 of a retirement allowance or other benefit provided by this chapter
38 resulting from service rendered to an employer by another person.

1 (15) "Regular interest" means such rate as the director may
2 determine.

3 (16) "Accumulated contributions" means the sum of all contributions
4 standing to the credit of a member in the member's individual account,
5 including any amount paid under RCW 41.50.165(2), together with the
6 regular interest thereon.

7 (17)(a) "Average final compensation" for plan I members, means the
8 annual average of the greatest compensation earnable by a member during
9 any consecutive two year period of service credit months for which
10 service credit is allowed; or if the member has less than two years of
11 service credit months then the annual average compensation earnable
12 during the total years of service for which service credit is allowed.

13 (b) "Average final compensation" for plan II members, means the
14 member's average compensation earnable of the highest consecutive sixty
15 months of service credit months prior to such member's retirement,
16 termination, or death. Periods constituting authorized leaves of
17 absence may not be used in the calculation of average final
18 compensation except under RCW 41.40.710(2).

19 (18) "Final compensation" means the annual rate of compensation
20 earnable by a member at the time of termination of employment.

21 (19) "Annuity" means payments for life derived from accumulated
22 contributions of a member. All annuities shall be paid in monthly
23 installments.

24 (20) "Pension" means payments for life derived from contributions
25 made by the employer. All pensions shall be paid in monthly
26 installments.

27 (21) "Retirement allowance" means the sum of the annuity and the
28 pension.

29 (22) "Employee" means any person who may become eligible for
30 membership under this chapter, as set forth in RCW 41.40.023.

31 (23) "Actuarial equivalent" means a benefit of equal value when
32 computed upon the basis of such mortality and other tables as may be
33 adopted by the director.

34 (24) "Retirement" means withdrawal from active service with a
35 retirement allowance as provided by this chapter.

36 (25) "Eligible position" means:

37 (a) Any position that, as defined by the employer, normally
38 requires five or more months of service a year for which regular
39 compensation for at least seventy hours is earned by the occupant

1 thereof. For purposes of this chapter an employer shall not define
2 "position" in such a manner that an employee's monthly work for that
3 employer is divided into more than one position;

4 (b) Any position occupied by an elected official or person
5 appointed directly by the governor for which compensation is paid.

6 (26) "Ineligible position" means any position which does not
7 conform with the requirements set forth in subsection (25) of this
8 section.

9 (27) "Leave of absence" means the period of time a member is
10 authorized by the employer to be absent from service without being
11 separated from membership.

12 (28) "Totally incapacitated for duty" means total inability to
13 perform the duties of a member's employment or office or any other work
14 for which the member is qualified by training or experience.

15 (29) "Retiree" means any person in receipt of a retirement
16 allowance or other benefit provided by this chapter resulting from
17 service rendered to an employer while a member. A person is in receipt
18 of a retirement allowance as defined in subsection (21) of this section
19 or other benefit as provided by this chapter when the department mails,
20 causes to be mailed, or otherwise transmits the retirement allowance
21 warrant.

22 (30) "Director" means the director of the department.

23 (31) "State elective position" means any position held by any
24 person elected or appointed to state-wide office or elected or
25 appointed as a member of the legislature.

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

28 (33) "Plan I" means the public employees' retirement system, plan
29 I providing the benefits and funding provisions covering persons who
30 first became members of the system prior to October 1, 1977.

31 (34) "Plan II" means the public employees' retirement system, plan
32 II providing the benefits and funding provisions covering persons who
33 first became members of the system on and after October 1, 1977.

34 (35) "Index" means, for any calendar year, that year's annual
35 average consumer price index, Seattle, Washington area, for urban wage
36 earners and clerical workers, all items, compiled by the bureau of
37 labor statistics, United States department of labor.

38 (36) "Index A" means the index for the year prior to the
39 determination of a postretirement adjustment.

1 (37) "Index B" means the index for the year prior to index A.

2 (38) "Index year" means the earliest calendar year in which the
3 index is more than sixty percent of index A.

4 (39) "Adjustment ratio" means the value of index A divided by index
5 B.

6 (40) "Annual increase" means, initially, fifty-nine cents per month
7 per year of service which amount shall be increased each July 1st by
8 three percent, rounded to the nearest cent.

9 (41) "Domestic partner" has the same meaning as provided in RCW
10 41.05.011.

11 **Sec. 26.** RCW 41.40.023 and 1994 c 298 s 8 and 194 c 1 197 s 24 are
12 each reenacted and amended to read as follows:

13 Membership in the retirement system shall consist of all regularly
14 compensated employees and appointive and elective officials of
15 employers, as defined in this chapter, with the following exceptions:

16 (1) Persons in ineligible positions;

17 (2) Employees of the legislature except the officers thereof
18 elected by the members of the senate and the house and legislative
19 committees, unless membership of such employees be authorized by the
20 said committee;

21 (3)(a) Persons holding elective offices or persons appointed
22 directly by the governor: PROVIDED, That such persons shall have the
23 option of applying for membership during such periods of employment:
24 AND PROVIDED FURTHER, That any persons holding or who have held
25 elective offices or persons appointed by the governor who are members
26 in the retirement system and who have, prior to becoming such members,
27 previously held an elective office, and did not at the start of such
28 initial or successive terms of office exercise their option to become
29 members, may apply for membership to be effective during such term or
30 terms of office, and shall be allowed to establish the service credit
31 applicable to such term or terms of office upon payment of the employee
32 contributions therefor by the employee with interest as determined by
33 the director and employer contributions therefor by the employer or
34 employee with interest as determined by the director: AND PROVIDED
35 FURTHER, That all contributions with interest submitted by the employee
36 under this subsection shall be placed in the employee's individual
37 account in the employee's savings fund and be treated as any other
38 contribution made by the employee, with the exception that any

1 contributions submitted by the employee in payment of the employer's
2 obligation, together with the interest the director may apply to the
3 employer's contribution, shall not be considered part of the member's
4 annuity for any purpose except withdrawal of contributions;

5 (b) A member holding elective office who has elected to apply for
6 membership pursuant to (a) of this subsection and who later wishes to
7 be eligible for a retirement allowance shall have the option of ending
8 his or her membership in the retirement system. A member wishing to
9 end his or her membership under this subsection must file, on a form
10 supplied by the department, a statement indicating that the member
11 agrees to irrevocably abandon any claim for service for future periods
12 served as an elected official. A member who receives more than fifteen
13 thousand dollars per year in compensation for his or her elective
14 service, adjusted annually for inflation by the director, is not
15 eligible for the option provided by this subsection (3)(b);

16 (4) Employees holding membership in, or receiving pension benefits
17 under, any retirement plan operated wholly or in part by an agency of
18 the state or political subdivision thereof, or who are by reason of
19 their current employment contributing to or otherwise establishing the
20 right to receive benefits from any such retirement plan: PROVIDED,
21 HOWEVER, In any case where the retirement system has in existence an
22 agreement with another retirement system in connection with exchange of
23 service credit or an agreement whereby members can retain service
24 credit in more than one system, such an employee shall be allowed
25 membership rights should the agreement so provide: AND PROVIDED
26 FURTHER, That an employee shall be allowed membership if otherwise
27 eligible while receiving survivor's benefits: AND PROVIDED FURTHER,
28 That an employee shall not either before or after June 7, 1984, be
29 excluded from membership or denied service credit pursuant to this
30 subsection solely on account of: (a) Membership in the plan created
31 under chapter 2.14 RCW; or (b) enrollment under the relief and
32 compensation provisions or the pension provisions of the volunteer fire
33 fighters' relief and pension fund under chapter 41.24 RCW;

34 (5) Patient and inmate help in state charitable, penal, and
35 correctional institutions;

36 (6) "Members" of a state veterans' home or state soldiers' home;

37 (7) Persons employed by an institution of higher learning or
38 community college, primarily as an incident to and in furtherance of

1 their education or training, or the education or training of a spouse
2 or domestic partner;

3 (8) Employees of an institution of higher learning or community
4 college during the period of service necessary to establish eligibility
5 for membership in the retirement plans operated by such institutions;

6 (9) Persons rendering professional services to an employer on a
7 fee, retainer, or contract basis or when the income from these services
8 is less than fifty percent of the gross income received from the
9 person's practice of a profession;

10 (10) Persons appointed after April 1, 1963, by the liquor control
11 board as agency vendors;

12 (11) Employees of a labor guild, association, or organization:
13 PROVIDED, That elective officials and employees of a labor guild,
14 association, or organization which qualifies as an employer within this
15 chapter shall have the option of applying for membership;

16 (12) Plan I retirees employed in eligible positions on a temporary
17 basis for a period not to exceed five months in a calendar year:
18 PROVIDED, That if such employees are employed for more than five months
19 in a calendar year in an eligible position they shall become members of
20 the system prospectively;

21 (13) Persons employed by or appointed or elected as an official of
22 a first class city that has its own retirement system: PROVIDED, That
23 any member elected or appointed to an elective office on or after April
24 1, 1971, shall have the option of continuing as a member of this system
25 in lieu of becoming a member of the city system. A member who elects
26 to continue as a member of this system shall pay the appropriate member
27 contributions and the city shall pay the employer contributions at the
28 rates prescribed by this chapter. The city shall also transfer to this
29 system all of such member's accumulated contributions together with
30 such further amounts as necessary to equal all employee and employer
31 contributions which would have been paid into this system on account of
32 such service with the city and thereupon the member shall be granted
33 credit for all such service. Any city that becomes an employer as
34 defined in RCW 41.40.010(4) as the result of an individual's election
35 under this subsection shall not be required to have all employees
36 covered for retirement under the provisions of this chapter. Nothing
37 in this subsection shall prohibit a city of the first class with its
38 own retirement system from: (a) Transferring all of its current
39 employees to the retirement system established under this chapter, or

1 (b) allowing newly hired employees the option of continuing coverage
2 under the retirement system established by this chapter.

3 Notwithstanding any other provision of this chapter, persons
4 transferring from employment with a first class city of over four
5 hundred thousand population that has its own retirement system to
6 employment with the state department of agriculture may elect to remain
7 within the retirement system of such city and the state shall pay the
8 employer contributions for such persons at like rates as prescribed for
9 employers of other members of such system;

10 (14) Employees who (a) are not citizens of the United States, (b)
11 do not reside in the United States, and (c) perform duties outside of
12 the United States;

13 (15) Employees who (a) are not citizens of the United States, (b)
14 are not covered by chapter 41.48 RCW, (c) are not excluded from
15 membership under this chapter or chapter 41.04 RCW, (d) are residents
16 of this state, and (e) make an irrevocable election to be excluded from
17 membership, in writing, which is submitted to the director within
18 thirty days after employment in an eligible position;

19 (16) Employees who are citizens of the United States and who reside
20 and perform duties for an employer outside of the United States:
21 PROVIDED, That unless otherwise excluded under this chapter or chapter
22 41.04 RCW, the employee may apply for membership (a) within thirty days
23 after employment in an eligible position and membership service credit
24 shall be granted from the first day of membership service, and (b)
25 after this thirty-day period, but membership service credit shall be
26 granted only if payment is made for the noncredited membership service
27 under RCW 41.50.165(2), otherwise service shall be from the date of
28 application;

29 (17) The city manager or chief administrative officer of a city or
30 town who serves at the pleasure of an appointing authority: PROVIDED,
31 That such persons shall have the option of applying for membership
32 within thirty days from date of their appointment to such positions.
33 Persons serving in such positions as of April 4, 1986, shall continue
34 to be members in the retirement system unless they notify the director
35 in writing prior to December 31, 1986, of their desire to withdraw from
36 membership in the retirement system. A member who withdraws from
37 membership in the system under this section shall receive a refund of
38 the member's accumulated contributions.

1 Persons serving in such positions who have not opted for membership
2 within the specified thirty days, may do so by paying the amount
3 required under RCW 41.50.165(2) for the period from the date of their
4 appointment to the date of acceptance into membership;

5 (18) Persons enrolled in state-approved apprenticeship programs,
6 authorized under chapter 49.04 RCW, and who are employed by local
7 governments to earn hours to complete such apprenticeship programs, if
8 the employee is a member of a union-sponsored retirement plan and is
9 making contributions to such a retirement plan or if the employee is a
10 member of a Taft-Hartley retirement plan.

11 **Sec. 27.** RCW 41.40.188 and 1996 c 175 s 6 are each amended to read
12 as follows:

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

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

31 (b) The department shall adopt rules that allow a member to select
32 a retirement option that pays the member a reduced retirement allowance
33 and upon death, such portion of the member's reduced retirement
34 allowance as the department by rule designates shall be continued
35 throughout the life of and paid to a person nominated by the member by
36 written designation duly executed and filed with the department at the
37 time of retirement. The options adopted by the department shall

1 include, but are not limited to, a joint and one hundred percent
2 survivor option and a joint and fifty percent survivor option.

3 (c) A member may elect to include the benefit provided under RCW
4 41.40.640 along with the retirement options available under this
5 section. This retirement allowance option shall be calculated so as to
6 be actuarially equivalent to the options offered under this subsection.

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

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

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

20 (ii) The spousal consent provisions of (a) of this subsection do
21 not apply.

22 **Sec. 28.** RCW 41.40.190 and 1990 c 249 s 8 are each amended to read
23 as follows:

24 In lieu of the retirement allowance provided in RCW 41.40.185, an
25 individual employed on or before April 25, 1973 may, after complying
26 with RCW 41.40.180 or 41.40.210, make an irrevocable election to
27 receive the retirement allowance provided by this section which shall
28 consist of:

29 (1) An annuity which shall be the actuarial equivalent of his or
30 her accumulated contributions at the time of his or her retirement; and

31 (2) A basic service pension of one hundred dollars per annum; and

32 (3) A membership service pension, subject to the provisions of
33 subdivision (4) of this section, which shall be equal to one one-
34 hundredth of his or her average final compensation for each year or
35 fraction of a year of membership service credited to his or her service
36 account; and

37 (4) A prior service pension which shall be equal to one-seventieth
38 of his or her average final compensation for each year or fraction of

1 a year of prior service not to exceed thirty years credited to his or
2 her service accounts. In no event shall any original member upon
3 retirement at age seventy with ten or more years of service credit
4 receive less than nine hundred dollars per annum as a retirement
5 allowance, nor shall any member upon retirement at any age receive a
6 retirement allowance of less than nine hundred dollars per annum if
7 such member has twelve or more years of service credit, or less than
8 one thousand and two hundred dollars per annum if such member has
9 sixteen or more years of service credit, or less than one thousand five
10 hundred and sixty dollars per annum if such member has twenty or more
11 years of service credit. In the event that the retirement allowance as
12 to such member provided by subdivisions (1), (2), (3), and (4) hereof
13 shall amount to less than the aforesaid minimum retirement allowance,
14 the basic service pension of the member shall be increased from one
15 hundred dollars to a sum sufficient to make a retirement allowance of
16 the applicable minimum amount.

17 (5) Notwithstanding the provisions of subsections (1) through (4)
18 of this section, the retirement allowance payable for service where a
19 member was elected or appointed pursuant to Articles II or III of the
20 Constitution of the state of Washington or RCW 48.02.010 and the
21 implementing statutes shall be a combined pension and annuity. Said
22 retirement allowance shall be equal to three percent of the average
23 final compensation for each year of such service. Any member covered
24 by this subsection who upon retirement has served ten or more years
25 shall receive a retirement allowance of at least one thousand two
26 hundred dollars per annum; such member who has served fifteen or more
27 years shall receive a retirement allowance of at least one thousand
28 eight hundred dollars per annum; and such member who has served twenty
29 or more years shall receive a retirement allowance of at least two
30 thousand four hundred dollars per annum: PROVIDED, That the initial
31 retirement allowance of a member retiring only under the provisions of
32 this subsection shall not exceed the average final compensation upon
33 which the retirement allowance is based. The minimum benefits provided
34 in this subsection shall apply to all retired members or to the
35 surviving spouse or domestic partner of deceased members who were
36 elected under the provisions of Article II of the Washington state
37 Constitution.

38 (6) Unless payment shall be made under RCW 41.40.270, a joint and
39 one hundred percent survivor benefit under RCW 41.40.188 shall

1 automatically be given effect as if selected for the benefit of the
2 surviving spouse or domestic partner upon the death in service, or
3 while on authorized leave of absence for a period not to exceed one
4 hundred and twenty days from the date of payroll separation, of any
5 member who is qualified for a service retirement allowance or has
6 completed ten years of service at the time of death, except that if the
7 member is not then qualified for a service retirement allowance, such
8 option II benefit shall be based upon the actuarial equivalent of the
9 sum necessary to pay the accrued regular retirement allowance
10 commencing when the deceased member would have first qualified for a
11 service retirement allowance.

12 **Sec. 29.** RCW 41.40.220 and 1995 c 144 s 2 are each amended to read
13 as follows:

14 Upon retirement for disability, as provided in RCW 41.40.200, a
15 member who has not attained age sixty shall receive the following
16 benefits, subject to the provisions of RCW 41.40.310 and 41.40.320:

17 (1) A disability retirement pension of two-thirds of his or her
18 average final compensation to his or her attainment of age sixty,
19 subject to the provisions of RCW 41.40.310. The disability retirement
20 pension provided by the employer shall not exceed forty-two hundred
21 dollars per annum, and

22 (2) Upon attainment of age sixty, the disabled member shall receive
23 a service retirement allowance as provided in RCW 41.40.210. The
24 department shall grant the disabled member membership service for the
25 period of time prior to age sixty he or she was out of such service due
26 to disability.

27 (3) During the period a disabled member is receiving a disability
28 pension, as provided for in subsection (1) of this section, his or her
29 contributions to the employees' savings fund shall be suspended and his
30 or her balance in the employees' savings fund, standing to his or her
31 credit as of the date his or her disability pension is to begin, shall
32 remain in the employees' savings fund. If the disabled member should
33 die before attaining age sixty, while a disability beneficiary, upon
34 receipt by the department of proper proof of death, the member's
35 accumulated contributions standing to his or her credit in the
36 employees' savings fund, shall be paid to the member's estate, or such
37 person or persons, trust, or organization as he or she shall have
38 nominated by written designation duly executed and filed with the

1 department. If there is no designated person or persons still living
2 at the time of the member's death, the accumulated contributions
3 standing to the member's credit in the employees' savings fund shall be
4 paid to his or her surviving spouse or domestic partner, or if there is
5 no surviving spouse or domestic partner, then to the member's legal
6 representative.

7 **Sec. 30.** RCW 41.40.235 and 1995 c 144 s 3 are each amended to read
8 as follows:

9 (1) Upon retirement, a member shall receive a nonduty disability
10 retirement allowance equal to two percent of average final compensation
11 for each service credit year of service: PROVIDED, That this allowance
12 shall be reduced by two percent of itself for each year or fraction
13 thereof that his or her age is less than fifty-five years: PROVIDED
14 FURTHER, That in no case may the allowance provided by this section
15 exceed sixty percent of average final compensation.

16 (2) If the recipient of a retirement allowance under this section
17 dies before the total of the retirement allowance paid to the recipient
18 equals the amount of the accumulated contributions at the date of
19 retirement, then the balance shall be paid to the member's estate, or
20 the person or persons, trust, or organization as the recipient has
21 nominated by written designation duly executed and filed with the
22 director or, if there is no designated person or persons still living
23 at the time of the recipient's death, then to the surviving spouse or
24 domestic partner or, if there is neither a designated person or persons
25 still living at the time of his or her death nor a surviving spouse or
26 domestic partner, then to his or her legal representative.

27 **Sec. 31.** RCW 41.40.250 and 1995 c 144 s 4 are each amended to read
28 as follows:

29 An individual who was a member on February 25, 1972, may upon
30 qualifying pursuant to RCW 41.40.230, make an irrevocable election to
31 receive the nonduty disability retirement allowance provided in
32 subsections (1) and (2) of this section subject to the provisions of
33 RCW 41.40.310 and 41.40.320. Upon attaining or becoming disabled after
34 age sixty the member shall receive a service retirement allowance as
35 provided for in RCW 41.40.190 except that the annuity portion thereof
36 shall consist of a continuation of the cash refund annuity previously

1 provided to him or her. The disability retirement allowance prior to
2 age sixty shall consist of:

3 (1) A cash refund annuity which shall be the actuarial equivalent
4 of the member's accumulated contributions at the time of his or her
5 retirement; and

6 (2) A pension, in addition to the annuity, equal to one one-
7 hundredth of the member's average final compensation for each year of
8 service. If the recipient of a retirement allowance under this section
9 dies before the total of the annuity portions of the retirement
10 allowance paid to him or her equals the amount of his or her
11 accumulated contributions at the date of retirement, then the balance
12 shall be paid to the member's estate, or the person or persons, trust,
13 or organization as he or she shall have nominated by written
14 designation duly executed and filed with the department, or if there is
15 no designated person or persons, still living at the time of his or her
16 death, then to his or her surviving spouse or domestic partner, or if
17 there is no designated person or persons still living at the time of
18 his or her death nor a surviving spouse or domestic partner, then to
19 his or her legal representatives.

20 **Sec. 32.** RCW 41.40.270 and 1996 c 227 s 2 are each amended to read
21 as follows:

22 (1) Should a member die before the date of retirement the amount of
23 the accumulated contributions standing to the member's credit in the
24 employees' savings fund, less any amount identified as owing to an
25 obligee upon withdrawal of accumulated contributions pursuant to a
26 court order filed under RCW 41.50.670, at the time of death:

27 (a) Shall be paid to the member's estate, or such person or
28 persons, trust, or organization as the member shall have nominated by
29 written designation duly executed and filed with the department; or

30 (b) If there be no such designated person or persons still living
31 at the time of the member's death, or if a member fails to file a new
32 beneficiary designation subsequent to marriage, remarriage, dissolution
33 of marriage, divorce, or reestablishment of membership following
34 termination by withdrawal or retirement, such accumulated
35 contributions, less any amount identified as owing to an obligee upon
36 withdrawal of accumulated contributions pursuant to a court order filed
37 under RCW 41.50.670, shall be paid to the surviving spouse or domestic
38 partner as if in fact such spouse or domestic partner had been

1 nominated by written designation as aforesaid, or if there be no such
2 surviving spouse or domestic partner, then to the member's legal
3 representatives.

4 (2) Upon the death in service, or while on authorized leave of
5 absence for a period not to exceed one hundred and twenty days from the
6 date of payroll separation, of any member who is qualified but has not
7 applied for a service retirement allowance or has completed ten years
8 of service at the time of death, the designated beneficiary, or the
9 surviving spouse or domestic partner as provided in subsection (1) of
10 this section, may elect to waive the payment provided by subsection (1)
11 of this section. Upon such an election, a joint and one hundred
12 percent survivor option under RCW 41.40.188, calculated under the
13 retirement allowance described in RCW 41.40.185 or 41.40.190, whichever
14 is greater, actuarially reduced by the amount of any lump sum benefit
15 identified as owing to an obligee upon withdrawal of accumulated
16 contributions pursuant to a court order filed under RCW 41.50.670 shall
17 automatically be given effect as if selected for the benefit of the
18 designated beneficiary. If the member is not then qualified for a
19 service retirement allowance, such benefit shall be based upon the
20 actuarial equivalent of the sum necessary to pay the accrued regular
21 retirement allowance commencing when the deceased member would have
22 first qualified for a service retirement allowance.

23 (3) Subsection (1) of this section, unless elected, shall not apply
24 to any member who has applied for service retirement in RCW 41.40.180,
25 as now or hereafter amended, and thereafter dies between the date of
26 separation from service and the member's effective retirement date,
27 where the member has selected a survivorship option under RCW
28 41.40.188. In those cases the beneficiary named in the member's final
29 application for service retirement may elect to receive either a cash
30 refund, less any amount identified as owing to an obligee upon
31 withdrawal of accumulated contributions pursuant to a court order filed
32 under RCW 41.50.670, or monthly payments according to the option
33 selected by the member.

34 (4) For deaths occurring between July 1, 1995, and June 30, 1997,
35 if a member who: (a) Has applied for nonduty disability under RCW
36 41.40.230; (b) has submitted adequate evidence to support a disability
37 determination; and (c) has selected a retirement under RCW 41.40.188,
38 dies before receiving the first retirement payment, the beneficiary
39 named in the member's final application for disability retirement may

1 elect to receive either a cash refund, less any amount identified as
2 owing to an obligee upon withdrawal of accumulated contributions
3 pursuant to a court order filed under RCW 41.50.670, or monthly
4 payments according to the option selected by the member.

5 **Sec. 33.** RCW 41.40.660 and 1996 c 175 s 7 are each amended to read
6 as follows:

7 (1) Upon retirement for service as prescribed in RCW 41.40.630 or
8 retirement for disability under RCW 41.40.670, a member shall elect to
9 have the retirement allowance paid pursuant to one of the following
10 options, calculated so as to be actuarially equivalent to 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
20 retiree's death, then to the surviving spouse or domestic partner; or
21 if there be neither such designated person or persons still living at
22 the time of death nor a surviving spouse or domestic partner, then to
23 the retiree's legal representative.

24 (b) The department shall adopt rules that allow a member to select
25 a retirement option that pays the member a reduced retirement allowance
26 and upon death, such portion of the member's reduced retirement
27 allowance as the department by rule designates shall be continued
28 throughout the life of and paid to a person nominated by the member by
29 written designation duly executed and filed with the department at the
30 time of retirement. The options adopted by the department shall
31 include, but are not limited to, a joint and one hundred percent
32 survivor option and a joint and fifty percent survivor option.

33 (2)(a) A member, if married, must provide the written consent of
34 his or her spouse to the option selected under this section, except as
35 provided in (b) of this subsection. If a member is married and both
36 the member and the member's spouse do not give written consent to an
37 option under this section, the department shall pay a joint and fifty
38 percent survivor benefit calculated to be actuarially equivalent to the

1 benefit options available under subsection (1) of this section unless
2 spousal consent is not required as provided in (b) of this subsection.

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

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

8 (ii) The spousal consent provisions of (a) of this subsection do
9 not apply.

10 **Sec. 34.** RCW 41.40.670 and 1995 c 144 s 7 are each amended to read
11 as follows:

12 (1) A member of the retirement system who becomes totally
13 incapacitated for continued employment by an employer as determined by
14 the department upon recommendation of the department shall be eligible
15 to receive an allowance under the provisions of RCW 41.40.610 through
16 41.40.740. The member shall receive a monthly disability allowance
17 computed as provided for in RCW 41.40.620 and shall have this allowance
18 actuarially reduced to reflect the difference in the number of years
19 between age at disability and the attainment of age sixty-five.

20 Any member who receives an allowance under the provisions of this
21 section shall be subject to comprehensive medical examinations as
22 required by the department. If these medical examinations reveal that
23 a member has recovered from the incapacitating disability and the
24 member is offered reemployment by an employer at a comparable
25 compensation, the member shall cease to be eligible for the allowance.

26 (2) The retirement for disability of a judge, who is a member of
27 the retirement system, by the supreme court under Article IV, section
28 31 of the Constitution of the state of Washington (Amendment 71), with
29 the concurrence of the department, shall be considered a retirement
30 under subsection (1) of this section.

31 (3)(a) If the recipient of a monthly retirement allowance under
32 this section dies before the total of the retirement allowance paid to
33 the recipient equals the amount of the accumulated contributions at the
34 date of retirement, then the balance shall be paid to the member's
35 estate, or the person or persons, trust, or organization as the
36 recipient has nominated by written designation duly executed and filed
37 with the director, or, if there is no designated person or persons
38 still living at the time of the recipient's death, then to the

1 surviving spouse or domestic partner, or, if there is no designated
2 person or persons still living at the time of his or her death nor a
3 surviving spouse or domestic partner, then to his or her legal
4 representative.

5 (b) If a recipient of a monthly retirement allowance under this
6 section died before April 27, 1989, and before the total of the
7 retirement allowance paid to the recipient equaled the amount of his or
8 her accumulated contributions at the date of retirement, then the
9 department shall pay the balance of the accumulated contributions to
10 the member's surviving spouse or domestic partner or, if there is no
11 surviving spouse or domestic partner, then in equal shares to the
12 member's children. If there is no surviving spouse or domestic
13 partner, or children, the department shall retain the contributions.

14 **Sec. 35.** RCW 41.40.700 and 1995 c 144 s 8 are each amended to read
15 as follows:

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

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

1 (a) A retirement allowance computed as provided for in RCW
2 41.40.630(1), actuarially reduced by the amount of any lump sum benefit
3 identified as owing to an obligee upon withdrawal of accumulated
4 contributions pursuant to a court order filed under RCW 41.50.670 and
5 actuarially adjusted to reflect a joint and one hundred percent
6 survivor option under RCW 41.40.660 and if the member was not eligible
7 for normal retirement at the date of death a further reduction as
8 described in RCW 41.40.630(2); if a surviving spouse or domestic
9 partner who is receiving a retirement allowance dies leaving a child or
10 children of the member under the age of majority, then such child or
11 children shall continue to receive an allowance in an amount equal to
12 that which was being received by the surviving spouse or domestic
13 partner, share and share alike, until such child or children reach the
14 age of majority; if there is no surviving spouse or domestic partner
15 eligible to receive an allowance at the time of the member's death,
16 such member's child or children under the age of majority shall receive
17 an allowance share and share alike calculated as herein provided making
18 the assumption that the ages of the spouse or domestic partner and
19 member were equal at the time of the member's death; or

20 (b) The member's accumulated contributions, less any amount
21 identified as owing to an obligee upon withdrawal of accumulated
22 contributions pursuant to a court order filed under RCW 41.50.670.

23 (3) If a member who is eligible for retirement or a member who has
24 completed at least ten years of service dies after October 1, 1977, and
25 is not survived by a spouse or domestic partner, or an eligible child,
26 then the accumulated contributions standing to the member's credit,
27 less any amount identified as owing to an obligee upon withdrawal of
28 accumulated contributions pursuant to a court order filed under RCW
29 41.50.670, shall be paid:

30 (a) To a person or persons, estate, trust, or organization as the
31 member shall have nominated by written designation duly executed and
32 filed with the department; or

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

36 **Sec. 36.** RCW 41.54.010 and 1993 c 517 s 8 are each amended to read
37 as follows:

1 The definitions in this section apply throughout this chapter
2 unless the context clearly requires otherwise.

3 (1) "Base salary" means salaries or wages earned by a member of a
4 system during a payroll period for personal services and includes wages
5 and salaries deferred under provisions of the United States internal
6 revenue code, but shall exclude overtime payments, nonmoney maintenance
7 compensation, and lump sum payments for deferred annual sick leave,
8 unused accumulated vacation, unused accumulated annual leave, any form
9 of severance pay, any bonus for voluntary retirement, any other form of
10 leave, or any similar lump sum payment.

11 (2) "Department" means the department of retirement systems.

12 (3) "Director" means the director of the department of retirement
13 systems.

14 (4) "Dual member" means a person who (a) is or becomes a member of
15 a system on or after July 1, 1988, (b) has been a member of one or more
16 other systems, and (c) has never been retired for service from a
17 retirement system and is not receiving a disability retirement or
18 disability leave benefit from any retirement system listed in RCW
19 41.50.030 or subsection (6) of this section.

20 (5) "Service" means the same as it may be defined in each
21 respective system. For the purposes of RCW 41.54.030, military service
22 granted under RCW 41.40.170(3) or 43.43.260 may only be based on
23 service accrued under chapter 41.40 or 43.43 RCW, respectively.

24 (6) "System" means the retirement systems established under
25 chapters 41.32, 41.40, 41.44, and 43.43 RCW; plan II of the system
26 established under chapter 41.26 RCW; and the city employee retirement
27 systems for Seattle, Tacoma, and Spokane. The inclusion of an
28 individual first class city system is subject to the procedure set
29 forth in RCW 41.54.061.

30 (7) "Domestic partner" means the person designated by a state
31 employee in an affidavit filed under section 2 of this act.

32 **Sec. 37.** RCW 41.54.034 and 1996 c 55 s 2 are each amended to read
33 as follows:

34 (1) If a dual member dies in service in any system, the member's
35 service in all systems may be combined for the sole purpose of
36 determining the surviving spouse's or domestic partner's eligibility to
37 receive a death benefit from each of the member's current and prior
38 systems.

1 (2) Each system shall use its own criteria to:

2 (a) Determine the surviving spouse's or domestic partner's
3 eligibility for a death benefit; and

4 (b) Calculate the death benefit based on service actually
5 established in that system.

6 (3) The surviving spouse or domestic partner shall receive the same
7 benefit from each system that would have been received if the member
8 were active in the system at the time of death. The spouse or domestic
9 partner shall be allowed to substitute the member's base salary from
10 any system as the compensation used in calculating the allowance.

11 (4) This section shall not apply to the Washington state patrol
12 retirement system established under chapter 43.43 RCW.

13 **Sec. 38.** RCW 43.43.120 and 1983 c 81 s 1 are each amended to read
14 as follows:

15 As used in the following sections, unless a different meaning is
16 plainly required by the context:

17 (1) "Retirement system" means the Washington state patrol
18 retirement system.

19 (2) "Retirement fund" means the Washington state patrol retirement
20 fund.

21 (3) "State treasurer" means the treasurer of the state of
22 Washington.

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

25 (5) "Employee" means any commissioned employee of the Washington
26 state patrol.

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

32 (b) "Cadet," for a person who became a member of the retirement
33 system before June 12, 1980, is a trooper cadet, patrol cadet, or
34 employee of like classification, employed for the express purpose of
35 receiving the on-the-job training required for attendance at the state
36 patrol academy and for becoming a commissioned trooper. "Like
37 classification" includes: Radio operators or dispatchers; persons
38 providing security for the governor or legislature; patrolmen; drivers'

1 license examiners; weighmasters; vehicle safety inspectors; central
2 wireless operators; and warehousemen.

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

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

7 (9) "Retirement board" means the board provided for in this
8 chapter.

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

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

13 (12) "Service" shall mean services rendered to the state of
14 Washington or any political subdivisions thereof for which compensation
15 has been paid. Full time employment for seventy or more hours in any
16 given calendar month shall constitute one month of service. An
17 employee who is reinstated in accordance with RCW 43.43.110 shall
18 suffer no loss of service for the period reinstated subject to the
19 contribution requirements of this chapter. Only months of service
20 shall be counted in the computation of any retirement allowance or
21 other benefit provided for herein. Years of service shall be
22 determined by dividing the total number of months of service by twelve.
23 Any fraction of a year of service as so determined shall be taken into
24 account in the computation of such retirement allowance or benefit.

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

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

32 (15) "Average final salary" shall mean the average monthly salary
33 received by a member during the member's last two years of service or
34 any consecutive two-year period of service, whichever is the greater,
35 as an employee of the Washington state patrol; or if the member has
36 less than two years of service, then the average monthly salary
37 received by the member during the member's total years of service.

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

4 (17) Unless the context expressly indicates otherwise, words
5 importing the masculine gender shall be extended to include the
6 feminine gender and words importing the feminine gender shall be
7 extended to include the masculine gender.

8 (18) "Director" means the director of the department of retirement
9 systems.

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

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

14 (21) "Contributions" means the deduction from the compensation of
15 each member in accordance with the contribution rates established under
16 RCW 43.43.300.

17 (22) "Domestic partner" means the person designated by a member in
18 an affidavit filed under section 2 of this act.

19 **Sec. 39.** RCW 43.43.270 and 1989 c 108 s 1 are each amended to read
20 as follows:

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

23 (2) If a member should die while in service the member's lawful
24 spouse or domestic partner shall be paid an allowance which shall be
25 equal to fifty percent of the average final salary of the member. If
26 the member should die after retirement the member's lawful spouse or
27 domestic partner shall be paid an allowance which shall be equal to the
28 retirement allowance then payable to the member or fifty percent of the
29 final average salary used in computing the member's retirement
30 allowance, whichever is less. The allowance paid to the lawful spouse
31 or domestic partner shall continue as long as the spouse or domestic
32 partner lives: PROVIDED, That if a surviving spouse or domestic
33 partner who is receiving benefits under this subsection marries or
34 becomes a domestic partner of another member of this retirement system
35 who subsequently predeceases such spouse or domestic partner, the
36 spouse or domestic partner shall then be entitled to receive the higher
37 of the two survivors' allowances for which eligibility requirements
38 were met, but a surviving spouse or domestic partner shall not receive

1 more than one survivor's allowance from this system at the same time
2 under this subsection. To be eligible for an allowance the lawful
3 surviving spouse or domestic partner of a retired member shall have
4 been married to or been a domestic partner of the member prior to the
5 member's retirement and continuously thereafter until the date of the
6 member's death or shall have been married to or been a domestic partner
7 of the retired member at least two years prior to the member's death.

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

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

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

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

32 (a) If there is a surviving spouse or domestic partner, each child
33 shall be entitled to a benefit equal to five percent of the final
34 average salary of the member. The combined benefits to the surviving
35 spouse or domestic partner and all children shall not exceed sixty
36 percent of the final average salary of the member;

37 (b) If there is no surviving spouse or domestic partner, or the
38 spouse or domestic partner should die, the unmarried child or children
39 shall be entitled to receive a benefit equal to thirty percent of the

1 final average salary of the member or retired member for one child and
2 an additional ten percent for each additional child. The combined
3 benefits to the children under this subsection shall not exceed sixty
4 percent of the final average salary. Payments under this subsection
5 shall be prorated equally among the children, if more than one; and

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

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

13 **Sec. 40.** RCW 43.43.280 and 1994 c 197 s 35 are each amended to
14 read as follows:

15 (1) If a member dies before retirement, and has no surviving spouse
16 or domestic partner, or children under the age of eighteen years, all
17 contributions made by the member, including any amount paid under RCW
18 41.50.165(2), with interest as determined by the director, less any
19 amount identified as owing to an obligee upon withdrawal of accumulated
20 contributions pursuant to a court order filed under RCW 41.50.670,
21 shall be paid to such person or persons as the member shall have
22 nominated by written designation duly executed and filed with the
23 department, or if there be no such designated person or persons, then
24 to the member's legal representative.

25 (2) If a member should cease to be an employee before attaining age
26 sixty for reasons other than the member's death, or retirement, the
27 individual shall thereupon cease to be a member except as provided
28 under RCW 43.43.130 (2) (~~and~~), (3), and (4) and, the individual may
29 withdraw the member's contributions to the retirement fund, including
30 any amount paid under RCW 41.50.165(2), with interest as determined by
31 the director, by making application therefor to the department, except
32 that: A member who ceases to be an employee after having completed at
33 least five years of service shall remain a member during the period of
34 the member's absence from employment for the exclusive purpose only of
35 receiving a retirement allowance to begin at attainment of age sixty,
36 however such a member may upon written notice to the department elect
37 to receive a reduced retirement allowance on or after age fifty-five
38 which allowance shall be the actuarial equivalent of the sum necessary

1 to pay regular retirement benefits as of age sixty: PROVIDED, That if
2 such member should withdraw all or part of the member's accumulated
3 contributions, the individual shall thereupon cease to be a member and
4 this subsection shall not apply.

5 **Sec. 41.** RCW 43.43.285 and 1996 c 226 s 2 are each amended to read
6 as follows:

7 (1) A one hundred fifty thousand dollar death benefit shall be paid
8 to the member's estate, or such person or persons, trust or
9 organization as the member shall have nominated by written designation
10 duly executed and filed with the department. If there be no such
11 designated person or persons still living at the time of the member's
12 death, such member's death benefit shall be paid to the member's
13 surviving spouse or domestic partner as if in fact such spouse or
14 domestic partner had been nominated by written designation, or if there
15 be no such surviving spouse or domestic partner, then to such member's
16 legal representatives.

17 (2) The benefit under this section shall be paid only where death
18 occurs as a result of injuries sustained in the course of employment.
19 The determination of eligibility for the benefit shall be made
20 consistent with Title 51 RCW by the department of labor and industries.
21 The department of labor and industries shall notify the department of
22 retirement systems by order under RCW 51.52.050.

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