HOUSE BILL 1076

State of Washington 56th Legislature 1999 Regular Session

By Representatives Dunshee, Regala, O'Brien, Conway, Talcott, Wood, Linville and Lovick

Read first time 01/14/1999. Referred to Committee on Appropriations.

1 AN ACT Relating to service credit for military service by members 2 of the public employees' retirement system, plan II; and amending RCW 3 41.40.710.

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

5 **Sec. 1.** RCW 41.40.710 and 1996 c 61 s 4 are each amended to read 6 as follows:

7 (1) A member who is on a paid leave of absence authorized by a
8 member's employer shall continue to receive service credit as provided
9 for under the provisions of RCW 41.40.610 through 41.40.740.

10 (2) A member who receives compensation from an employer while on an authorized leave of absence to serve as an elected official of a labor 11 12 organization, and whose employer is reimbursed by the labor 13 organization for the compensation paid to the member during the period of absence, may also be considered to be on a paid leave of absence. 14 15 This subsection shall only apply if the member's leave of absence is 16 authorized by a collective bargaining agreement that provides that the 17 member retains seniority rights with the employer during the period of leave. The compensation earnable reported for a member who establishes 18 19 service credit under this subsection may not be greater than the salary

paid to the highest paid job class covered by the collective bargaining
 agreement.

3 (3) Except as specified in subsection (4) of this section, a member 4 shall be eligible to receive a maximum of two years service credit 5 during a member's entire working career for those periods when a member 6 is on an unpaid leave of absence authorized by an employer. Such 7 credit may be obtained only if:

8 (a) The member makes both the plan II employer and member 9 contributions plus interest as determined by the department for the 10 period of the authorized leave of absence within five years of 11 resumption of service or prior to retirement whichever comes sooner; or 12 (b) If not within five years of resumption of service but prior to 13 retirement, pay the amount required under RCW 41.50.165(2).

The contributions required under (a) of this subsection shall be based on the average of the member's compensation earnable at both the time the authorized leave of absence was granted and the time the member resumed employment.

18 (4) A member who leaves the employ of an employer to enter the 19 armed forces of the United States shall be entitled to retirement 20 system service credit for up to five years of military service. This 21 subsection shall be administered in a manner consistent with the 22 requirements of the federal uniformed services employment and 23 reemployment rights act.

(a) The member qualifies for service credit under this subsectionif:

(i) Within ninety days of the member's honorable discharge from the
United States armed forces, the member applies for reemployment with
the employer who employed the member immediately prior to the member
entering the United States armed forces; and

(ii) The member makes the employee contributions required under RCW
 41.40.650 within five years of resumption of service or prior to
 retirement, whichever comes sooner; or

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

(b) Upon receipt of member contributions under (a)(ii) of this
 subsection, the department shall establish the member's service credit
 and shall bill the employer for its contribution required under RCW

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1 41.40.650 for the period of military service, plus interest as 2 determined by the department.

3 (c) The contributions required under (a)(ii) of this subsection 4 shall be based on the compensation the member would have earned if not 5 on leave, or if that cannot be estimated with reasonable certainty, the 6 compensation reported for the member in the year prior to when the 7 member went on military leave.

8 (5) After completing twenty-five years of creditable service, any 9 member who is a veteran of the Vietnam conflict may have service in the armed forces credited to him or her as a member whether or not he or 10 she left the employ of an employer to enter the armed service: 11 PROVIDED, That in no instance under this subsection may military 12 service in excess of five years be credited: AND PROVIDED FURTHER, 13 14 That in each instance the member must restore all withdrawn accumulated contributions, which restoration must be completed within five years of 15 membership service following the first resumption of employment or 16 complete twenty-five years of creditable service. In no instance under 17 18 this subsection may military service be credited to any member who is 19 receiving full military retirement benefits pursuant to Title 10 United States Code. For the purposes of this section, "veteran of the Vietnam 20 conflict means a person who (a) served during the period beginning 21 August 5, 1964, and ending May 7, 1975, (b) received an honorable 22 discharge or received a discharge for physical reasons with an 23 24 honorable record, and (c) meets one or more of the criteria listed in RCW 41.04.005 (1) and (2). 25

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