

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE HOUSE BILL 1024**

Chapter 362, Laws of 1999

56th Legislature  
1999 Regular Session

PUBLIC EMPLOYEES' RETIREMENT SYSTEM--MEMBERS WITH THIRTY YEARS OF  
SERVICE AND LONG-TERM CARE

EFFECTIVE DATE: 7/25/99 - Except section 3 which becomes effective  
on 5/17/99.

Passed by the House April 21, 1999  
Yeas 97 Nays 0

CLYDE BALLARD  
**Speaker of the House of Representatives**

FRANK CHOPP  
**Speaker of the House of Representatives**

Passed by the Senate April 6, 1999  
Yeas 43 Nays 0

BRAD OWEN  
**President of the Senate**

Approved May 17, 1999

GARY LOCKE  
**Governor of the State of Washington**

CERTIFICATE

We, Dean R. Foster and Timothy A. Martin, Co-Chief Clerks of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1024** as passed by the House of Representatives and the Senate on the dates hereon set forth.

DEAN R. FOSTER  
**Chief Clerk**

TIMOTHY A. MARTIN  
**Chief Clerk**

FILED

May 17, 1999 - 3:28 p.m.

**Secretary of State  
State of Washington**

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**SUBSTITUTE HOUSE BILL 1024**

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AS AMENDED BY THE SENATE

Passed Legislature - 1999 Regular Session

**State of Washington                      56th Legislature                      1999 Regular Session**

**By** House Committee on Appropriations (originally sponsored by Representatives Carlson, H. Sommers, Alexander, D. Sommers, Lambert, Ogden, Conway, Wolfe, Bush, Kastama, G. Chandler, DeBolt, Carrell, Parlette, Talcott, K. Schmidt and Sump; by request of Joint Committee on Pension Policy)

Read first time 02/18/1999.

1            AN ACT Relating to certain retirement system members with more than  
2 thirty years of service; adding a new section to chapter 41.32 RCW;  
3 adding new sections to chapter 41.40 RCW; and declaring an emergency.

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

5            NEW SECTION.    **Sec. 1.** A new section is added to chapter 41.32 RCW  
6 under the subchapter heading "Plan 1" to read as follows:

7            A member may make the irrevocable election under this section no  
8 later than six months after attaining thirty years of service. The  
9 election shall become effective at the beginning of the calendar month  
10 following department receipt of employee notification.

11            (1) The sum of member contributions made for periods of service  
12 after the effective date of the election plus seven and one-half  
13 percent interest shall be paid to the member at retirement without a  
14 reduction in the member's monthly retirement benefit as determined  
15 under RCW 41.32.498.

16            (2) Upon retirement, the member's benefit shall be calculated using  
17 only the earnable compensation credited prior to the effective date of  
18 the member's election. Calculation of the member's average earnable  
19 compensation shall include eligible cash outs of annual leave based on

1 the member's salary and leave accumulations at the time of retirement,  
2 except that the amount of a member's average earnable compensation  
3 cannot be higher than if the member had not taken advantage of the  
4 election offered under this section.

5 (3) Members who have already earned thirty years of service credit  
6 prior to the effective date of this act may participate in the election  
7 by notifying the department in writing of their intention by December  
8 31, 1999.

9 The department shall continue to collect employer contributions as  
10 required in RCW 41.45.060.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.40 RCW  
12 under the subchapter heading "Plan 1" to read as follows:

13 A member may make the irrevocable election under this section no  
14 later than six months after attaining thirty years of service. The  
15 election shall become effective at the beginning of the calendar month  
16 following department receipt of employee notification.

17 (1) The sum of member contributions made for periods of service  
18 after the effective date of the election plus seven and one-half  
19 percent interest shall be paid to the member at retirement without a  
20 reduction in the member's monthly retirement benefit as determined  
21 under RCW 41.40.185.

22 (2) Upon retirement, the member's benefit shall be calculated using  
23 only the compensation earnable credited prior to the effective date of  
24 the member's election. Calculation of the member's average final  
25 compensation shall include eligible cash outs of sick and annual leave  
26 based on the member's salary and leave accumulations at the time of  
27 retirement, except that the amount of a member's average final  
28 compensation cannot be higher than if the member had not taken  
29 advantage of the election offered under this section.

30 (3) Members who have already earned thirty years of service credit  
31 prior to the effective date of this act may participate in the election  
32 by notifying the department in writing of their intention by December  
33 31, 1999.

34 The department shall continue to collect employer contributions as  
35 required in RCW 41.45.060.

36 NEW SECTION. **Sec. 3.** A new section is added to chapter 41.40 RCW  
37 under the subchapter heading "Plan 1" to read as follows:

1 (1) A retiree who receives state-funded long-term care services on  
2 or after June 1, 1998, is not eligible for the increase provided by  
3 section 8, chapter 340, Laws of 1998, if the increase would make the  
4 retiree ineligible for state-funded long-term care services. For the  
5 purposes of this section "state-funded long-term care services" means  
6 a state-funded adult family home, adult residential care, assisted  
7 living, enhanced adult residential care, in-home care, or nursing home  
8 service, as defined in RCW 74.39A.009, for which the retiree is  
9 required to contribute all income other than a specified amount  
10 reserved for the retiree's personal maintenance needs. Retirees who  
11 are subject to this section shall notify the department in writing.  
12 The department has no affirmative duty to identify retirees who are  
13 subject to this subsection.

14 (2) This section applies to all payments under section 8, chapter  
15 340, Laws of 1998, made on or after the effective date of this act,  
16 regardless of the date of retirement.

17 NEW SECTION. **Sec. 4.** Section 3 of this act is necessary for the  
18 immediate preservation of the public peace, health, or safety, or  
19 support of the state government and its existing public institutions,  
20 and takes effect immediately.

Passed the House April 21, 1999.

Passed the Senate April 6, 1999.

Approved by the Governor May 17, 1999.

Filed in Office of Secretary of State May 17, 1999.