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SENATE BILL 6380

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State of Washington 57th Legislature

2002 Regular Session

By Senators Winsley, Fraser, Carlson, Spanel, Jacobsen, Regala, Rasmussen, McAuliffe and Kohl-Welles; by request of Joint Committee on Pension Policy

Read first time 01/16/2002. Referred to Committee on Ways & Means.

1 AN ACT Relating to creating new survivor benefit division options  
2 for divorced members of the law enforcement officers' and fire  
3 fighters' retirement system, the teachers' retirement system, the  
4 school employees' retirement system, the public employees' retirement  
5 system, and the Washington state patrol retirement system; amending RCW  
6 41.26.160, 41.26.161, 41.26.162, 41.50.670, 41.50.700, 41.26.460,  
7 41.32.530, 41.32.785, 41.32.851, 41.35.220, 41.40.188, 41.40.660,  
8 41.40.845, 43.43.270, and 43.43.271; and adding a new section to  
9 chapter 41.26 RCW.

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

11 **Sec. 1.** RCW 41.26.160 and 1999 c 134 s 2 are each amended to read  
12 as follows:

13 (1) In the event of the duty connected death of any member who is  
14 in active service, or who has vested under the provisions of RCW  
15 41.26.090 with twenty or more service credit years of service, or who  
16 is on duty connected disability leave or retired for duty connected  
17 disability, the surviving spouse shall become entitled, subject to RCW  
18 41.26.162(2), to receive a monthly allowance equal to fifty percent of  
19 the final average salary at the date of death if active, or the amount

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

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

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

37 (4) In the event that there is no surviving spouse eligible to  
38 receive benefits under this section, and that there be no child or

1 children eligible to receive benefits under this section, then the  
2 accumulated contributions shall be paid to the estate of the member.

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

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

11 **Sec. 2.** RCW 41.26.161 and 1999 c 134 s 3 are each amended to read  
12 as follows:

13 (1) In the event of the nonduty connected death of any member who  
14 is in active service, or who has vested under the provisions of RCW  
15 41.26.090 with twenty or more service credit years of service, or who  
16 is on disability leave or retired, whether for nonduty connected  
17 disability or service, the surviving spouse shall become entitled,  
18 subject to RCW 41.26.162(2), to receive a monthly allowance equal to  
19 fifty percent of the final average salary at the date of death if  
20 active, or the amount of retirement allowance the vested member would  
21 have received at age fifty, or the amount of the retirement allowance  
22 such retired member was receiving at the time of death if retired for  
23 service or nonduty connected disability. The amount of this allowance  
24 will be increased five percent of final average salary for each child  
25 as defined in RCW 41.26.030(7), subject to a maximum combined allowance  
26 of sixty percent of final average salary: PROVIDED, That if the child  
27 or children is or are in the care of a legal guardian, payment of the  
28 increase attributable to each child will be made to the child's legal  
29 guardian or, in the absence of a legal guardian and if the member has  
30 created a trust for the benefit of the child or children, payment of  
31 the increase attributable to each child will be made to the trust.

32 (2) If at the time of the death of a vested member with twenty or  
33 more service credit years of service as provided in subsection (1) of  
34 this section or a member retired for service or disability, the  
35 surviving spouse has not been lawfully married to such member for one  
36 year prior to retirement or separation from service if a vested member,  
37 the surviving spouse shall not be eligible to receive the benefits  
38 under this section.

1 (3) If there be no surviving spouse eligible to receive benefits at  
2 the time of such member's death, then the child or children of such  
3 member shall receive a monthly allowance equal to thirty percent of  
4 final average salary for one child and an additional ten percent for  
5 each additional child subject to a maximum combined payment, under this  
6 subsection, of sixty percent of final average salary. When there cease  
7 to be any eligible children as defined in RCW 41.26.030(7), there shall  
8 be paid to the legal heirs of the member the excess, if any, of  
9 accumulated contributions of the member at the time of death over all  
10 payments made to survivors on his or her behalf under this chapter:  
11 PROVIDED, That payments under this subsection to children shall be  
12 prorated equally among the children, if more than one. If the member  
13 has created a trust for the benefit of the child or children, the  
14 payment shall be made to the trust.

15 (4) In the event that there is no surviving spouse eligible to  
16 receive benefits under this section, and that there be no child or  
17 children eligible to receive benefits under this section, then the  
18 accumulated contributions shall be paid to the estate of said member.

19 (5) If a surviving spouse receiving benefits under the provisions  
20 of this section thereafter dies and there are children as defined in  
21 RCW 41.26.030(7), payment to the spouse shall cease and the child or  
22 children shall receive the benefits as provided in subsection (3) of  
23 this section.

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

27 **Sec. 3.** RCW 41.26.162 and 1991 sp.s. c 12 s 2 are each amended to  
28 read as follows:

29 (1)(a) An ex spouse of a law enforcement officers' and fire  
30 fighters' retirement system retiree shall qualify as surviving spouse  
31 under RCW 41.26.160 if the ex spouse:

32 ((~~a~~)) (i) Has been provided benefits under any currently  
33 effective court decree of dissolution or legal separation or in any  
34 court order or court-approved property settlement agreement incident to  
35 any court decree of dissolution or legal separation entered after the  
36 member's retirement and prior to December 31, 1979; and

1       (~~(b)~~) (ii) Was married to the retiree for at least thirty years,  
2 including at least twenty years prior to the member's retirement or  
3 separation from service if a vested member.

4       (~~(2)~~) (b) If two or more persons are eligible for a surviving  
5 spouse benefit under this subsection, benefits shall be divided between  
6 the surviving spouses based on the percentage of total service credit  
7 the member accrued during each marriage.

8       (~~(3)~~) (c) This (~~section~~) subsection shall apply retroactively.

9       (2)(a) An ex spouse of a law enforcement officers' and fire  
10 fighters' retirement system plan 1 retiree who:

11       (i) Divorces the member before separation from service; and

12       (ii) Entered into the court order or court-approved property  
13 settlement agreement incident to the divorce of the member and ex  
14 spouse after July 1, 2003;

15 may be awarded a portion of the member's benefit and a portion of any  
16 spousal survivor's benefit pursuant to RCW 41.26.160 or 41.26.161 after  
17 the member's death if specified in the court order or court-approved  
18 property settlement.

19       (b) This subsection shall not apply retroactively.

20       NEW SECTION. Sec. 4. A new section is added to chapter 41.26 RCW  
21 under subchapter heading "plan 1" to read as follows:

22       (1) No later than July 1, 2003, the department shall adopt rules to  
23 allow a member who meets the criteria set forth in subsection (2) of  
24 this section to choose an actuarially equivalent benefit that pays the  
25 member a reduced retirement allowance and upon death, such portion of  
26 the member's reduced retirement allowance as the department by rule  
27 designates shall be continued throughout the life of a spouse  
28 ineligible for survivor benefits under RCW 41.26.160 or 41.26.161.

29       (2) To choose an actuarially equivalent benefit according to  
30 subsection (1) of this section, a member shall:

31       (a) Have the retirement allowance payable to the retiree not  
32 subject to periodic payments pursuant to a property division obligation  
33 as provided for in RCW 41.50.670;

34       (b) Have no qualified ex spouse under RCW 41.26.162(1); and

35       (c) Choose an actuarially reduced benefit during a one-year period  
36 beginning one year after the date of marriage to the survivor benefit-  
37 ineligible spouse.

1 (3) A member who married a spouse ineligible for survivor benefits  
2 under RCW 41.26.160 or 41.26.161 prior to the effective date of the  
3 rules adopted under this section and satisfies the conditions of  
4 subsection (2)(a) and (b) of this section has one year to designate  
5 their spouse as a survivor beneficiary following the adoption of the  
6 rules.

7 (4) No benefit provided to a child survivor beneficiary under RCW  
8 41.26.160 or 41.26.161 is affected or reduced by the member's selection  
9 of the actuarially reduced spousal survivor benefit provided by this  
10 section.

11 (5)(a) Any member who chose to receive a reduced retirement  
12 allowance under subsection (1) of this section is entitled to receive  
13 a retirement allowance adjusted in accordance with (b) of this  
14 subsection if:

15 (i) The retiree's survivor spouse designated in subsection (1) of  
16 this section predeceases the retiree; and

17 (ii) The retiree provides to the department proper proof of the  
18 designated beneficiary's death.

19 (b) The retirement allowance payable to the retiree from the  
20 beginning of the month following the date of the beneficiaries death  
21 shall be increased by the following:

22 (i) One hundred percent multiplied by the result of (b)(ii) of this  
23 subsection converted to a percent;

24 (ii) Subtract one from the reciprocal of the appropriate joint and  
25 survivor option factor.

26 **Sec. 5.** RCW 41.50.670 and 1998 c 341 s 513 are each amended to  
27 read as follows:

28 (1) Nothing in this chapter regarding mandatory assignment of  
29 benefits to enforce a spousal maintenance obligation shall abridge the  
30 right of an obligee to direct payments of retirement benefits to  
31 satisfy a property division obligation ordered pursuant to a court  
32 decree of dissolution or legal separation or any court order or court-  
33 approved property settlement agreement incident to any court decree of  
34 dissolution or legal separation as provided in RCW 2.10.180, 2.12.090,  
35 41.04.310, 41.04.320, 41.04.330, 41.26.053, 41.26.162, 41.32.052,  
36 41.35.100, 41.34.070(~~(+3)~~) (4), 41.40.052, 43.43.310, or 26.09.138, as  
37 those statutes existed before July 1, 1987, and as those statutes exist  
38 on and after July 28, 1991. The department shall pay benefits under

1 this chapter in a lump sum or as a portion of periodic retirement  
2 payments as expressly provided by the dissolution order. A dissolution  
3 order may not order the department to pay a periodic retirement payment  
4 or lump sum unless that payment is specifically authorized under the  
5 provisions of chapter 2.10, 2.12, 41.26, 41.32, 41.35, 41.34, 41.40, or  
6 43.43 RCW, as applicable.

7 (2) The department shall pay directly to an obligee the amount of  
8 periodic retirement payments or lump sum payment, as appropriate,  
9 specified in the dissolution order if the dissolution order filed with  
10 the department pursuant to subsection (1) of this section includes a  
11 provision that states in the following form:

12 If . . . . . (the obligor) receives periodic retirement payments  
13 as defined in RCW 41.50.500, the department of retirement systems shall  
14 pay to . . . . . (the obligee) . . . . . dollars from such payments  
15 or . . . percent of such payments. If the obligor's debt is expressed  
16 as a percentage of his or her periodic retirement payment and the  
17 obligee does not have a survivorship interest in the obligor's benefit,  
18 the amount received by the obligee shall be the percentage of the  
19 periodic retirement payment that the obligor would have received had he  
20 or she selected a standard allowance.

21 If . . . . . (the obligor) requests or has requested a withdrawal  
22 of accumulated contributions as defined in RCW 41.50.500, or becomes  
23 eligible for a lump sum death benefit, the department of retirement  
24 systems shall pay to . . . . . (the obligee) . . . . . dollars plus  
25 interest at the rate paid by the department of retirement systems on  
26 member contributions. Such interest to accrue from the date of this  
27 order's entry with the court of record.

28 (3) This section does not require a member to select a standard  
29 allowance upon retirement nor does it require the department to  
30 recalculate the amount of a retiree's periodic retirement payment based  
31 on a change in survivor option.

32 (4) A court order under this section may not order the department  
33 to pay more than seventy-five percent of an obligor's periodic  
34 retirement payment to an obligee.

35 (5) Persons whose court decrees were entered between July 1, 1987,  
36 and July 28, 1991, shall also be entitled to receive direct payments of  
37 retirement benefits to satisfy court-ordered property divisions if the  
38 dissolution orders comply or are modified to comply with this section  
39 and RCW 41.50.680 through 41.50.720 and, as applicable, RCW 2.10.180,

1 2.12.090, 41.26.053, 41.32.052, 41.35.100, 41.34.070, 41.40.052,  
2 43.43.310, and 26.09.138.

3 (6) The obligee must file a copy of the dissolution order with the  
4 department within ninety days of that order's entry with the court of  
5 record.

6 (7) A division of benefits pursuant to a dissolution order under  
7 this section shall be based upon the obligor's gross benefit prior to  
8 any deductions. If the department is required to withhold a portion of  
9 the member's benefit pursuant to 26 U.S.C. Sec. 3402 and the sum of  
10 that amount plus the amount owed to the obligee exceeds the total  
11 benefit, the department shall satisfy the withholding requirements  
12 under 26 U.S.C. Sec. 3402 and then pay the remainder to the obligee.  
13 The provisions of this subsection do not apply to amounts withheld  
14 pursuant to 26 U.S.C. Sec. 3402(i).

15 **Sec. 6.** RCW 41.50.700 and 1991 c 365 s 16 are each amended to read  
16 as follows:

17 (1) Except under subsection (3) of this section, the department's  
18 obligation to provide direct payment of a property division obligation  
19 to an obligee under RCW 41.50.670 shall cease upon the death of the  
20 obligee or upon the death of the obligor, whichever comes first.  
21 However, if an obligor dies and is eligible for a lump sum death  
22 benefit, the department shall be obligated to provide direct payment to  
23 the obligee of all or a portion of the withdrawal of accumulated  
24 contributions pursuant to a court order that complies with RCW  
25 41.50.670.

26 (2) The direct payment of a property division obligation to an  
27 obligee under RCW 41.50.670 shall be paid as a deduction from the  
28 member's periodic retirement payment. An obligee may not direct the  
29 department to withhold any funds from such payment.

30 (3) The department's obligation to provide direct payment to a  
31 nonmember ex spouse from a preretirement divorce meeting the criteria  
32 of RCW 41.26.162(2) or 43.43.270(2) may continue for the life of the  
33 member's surviving spouse qualifying for benefits under RCW 41.26.160,  
34 41.26.161, or 43.43.270(2). Upon the death of the member's surviving  
35 spouse qualifying for benefits under RCW 41.26.160, 41.26.161, or  
36 43.43.270(2), the department's obligation under this subsection shall  
37 cease.



1       **Sec. 7.** RCW 41.26.460 and 2000 c 186 s 1 are each amended to read  
2 as follows:

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

7       (a) Standard allowance. A member electing this option shall  
8 receive a retirement allowance payable throughout such member's life.  
9 However, if the retiree dies before the total of the retirement  
10 allowance paid to such retiree equals the amount of such retiree's  
11 accumulated contributions at the time of retirement, then the balance  
12 shall be paid to the member's estate, or such person or persons, trust,  
13 or organization as the retiree shall have nominated by written  
14 designation duly executed and filed with the department; or if there be  
15 no such designated person or persons still living at the time of the  
16 retiree's death, then to the surviving spouse; or if there be neither  
17 such designated person or persons still living at the time of death nor  
18 a surviving spouse, then to the retiree's legal representative.

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

29       (2)(a) A member, if married, must provide the written consent of  
30 his or her spouse to the option selected under this section, except as  
31 provided in (b) of this subsection. If a member is married and both  
32 the member and member's spouse do not give written consent to an option  
33 under this section, the department will pay the member a joint and  
34 fifty percent survivor benefit and record the member's spouse as the  
35 beneficiary. Such benefit shall be calculated to be actuarially  
36 equivalent to the benefit options available under subsection (1) of  
37 this section unless spousal consent is not required as provided in (b)  
38 of this subsection.

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

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

6 (ii) The spousal consent provisions of (a) of this subsection do  
7 not apply.

8 (3)(a) Any member who retired before January 1, 1996, and who  
9 elected to receive a reduced retirement allowance under subsection  
10 (1)(b) or (2) of this section is entitled to receive a retirement  
11 allowance adjusted in accordance with (b) of this subsection, if they  
12 meet the following conditions:

13 (i) The retiree's designated beneficiary predeceases or has  
14 predeceased the retiree; and

15 (ii) The retiree provides to the department proper proof of the  
16 designated beneficiary's death.

17 (b) The retirement allowance payable to the retiree, as of July 1,  
18 1998, or the date of the designated beneficiary's death, whichever  
19 comes last, shall be increased by the percentage derived in (c) of this  
20 subsection.

21 (c) The percentage increase shall be derived by the following:

22 (i) One hundred percent multiplied by the result of (c)(ii) of this  
23 subsection converted to a percent;

24 (ii) Subtract one from the reciprocal of the appropriate joint and  
25 survivor option factor;

26 (iii) The joint and survivor option factor shall be from the table  
27 in effect as of July 1, 1998.

28 (d) The adjustment under (b) of this subsection shall accrue from  
29 the beginning of the month following the date of the designated  
30 beneficiary's death or from July 1, 1998, whichever comes last.

31 (4) No later than July 1, 2001, the department shall adopt rules  
32 that allow a member additional actuarially equivalent survivor benefit  
33 options, and shall include, but are not limited to:

34 (a)(i) A retired member who retired without designating a survivor  
35 beneficiary shall have the opportunity to designate their spouse from  
36 a postretirement marriage as a survivor during a one-year period  
37 beginning one year after the date of the postretirement marriage  
38 provided the retirement allowance payable to the retiree is not subject

1 to periodic payments pursuant to a property division obligation as  
2 provided for in RCW 41.50.670.

3 (ii) A member who entered into a postretirement marriage prior to  
4 the effective date of the rules adopted pursuant to this subsection and  
5 satisfies the conditions of (a)(i) of this subsection shall have one  
6 year to designate their spouse as a survivor beneficiary following the  
7 adoption of the rules.

8 (b) A retired member who elected to receive a reduced retirement  
9 allowance under this section and designated a nonspouse as survivor  
10 beneficiary shall have the opportunity to remove the survivor  
11 designation and have their future benefit adjusted.

12 (c) The department may make an additional charge, if necessary, to  
13 ensure that the benefits provided under this subsection remain  
14 actuarially equivalent.

15 (5) No later than July 1, 2003, the department shall adopt rules to  
16 permit:

17 (a) A court-approved property settlement incident to a court decree  
18 of dissolution made before retirement to provide that benefits payable  
19 to a member who meets the length of service requirements of RCW  
20 41.26.530(1) and the member's divorcing spouse be divided into two  
21 separate benefits payable over the life of each spouse.

22 The member shall have available the benefit options of subsection  
23 (1) of this section upon retirement, and if remarried at the time of  
24 retirement remains subject to the spousal consent requirements of  
25 subsection (2) of this section. Any reductions of the member's benefit  
26 subsequent to the division into two separate benefits shall be made  
27 solely to the separate benefit of the member.

28 The nonmember ex spouse shall be eligible to commence receiving  
29 their separate benefit upon reaching the ages provided in RCW 41.26.430  
30 and after filing a written application with the department.

31 (b) A court-approved property settlement incident to a court decree  
32 of dissolution made after retirement may only divide the benefit into  
33 two separate benefits payable over the life of each spouse if the  
34 nonmember ex spouse was selected as a survivor beneficiary at  
35 retirement.

36 The retired member may later choose the survivor benefit options  
37 available in subsection (4) of this section. Any actuarial reductions  
38 subsequent to the division into two separate benefits shall be made  
39 solely to the separate benefit of the member.

1       Both the retired member and the nonmember divorced spouse shall be  
2 eligible to commence receiving their separate benefits upon filing a  
3 copy of the dissolution order with the department in accordance with  
4 RCW 41.50.670.

5       (c) The department may make an additional charge or adjustment if  
6 necessary to ensure that the separate benefits provided under this  
7 subsection are actuarially equivalent to the benefits payable prior to  
8 the decree of dissolution.

9       **Sec. 8.** RCW 41.32.530 and 2000 c 186 s 2 are each amended to read  
10 as follows:

11       (1) Upon an application for retirement for service under RCW  
12 41.32.480 or retirement for disability under RCW 41.32.550, approved by  
13 the department, every member shall receive the maximum retirement  
14 allowance available to him or her throughout life unless prior to the  
15 time the first installment thereof becomes due he or she has elected,  
16 by executing the proper application therefor, to receive the actuarial  
17 equivalent of his or her retirement allowance in reduced payments  
18 throughout his or her life with the following options:

19       (a) Standard allowance. If he or she dies before he or she has  
20 received the present value of his or her accumulated contributions at  
21 the time of his or her retirement in annuity payments, the unpaid  
22 balance shall be paid to his or her estate or to such person, trust, or  
23 organization as he or she shall have nominated by written designation  
24 executed and filed with the department.

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

36       (c) Such other benefits shall be paid to a member receiving a  
37 retirement allowance under RCW 41.32.497 as the member may designate  
38 for himself, herself, or others equal to the actuarial value of his or

1 her retirement annuity at the time of his retirement: PROVIDED, That  
2 the board of trustees shall limit withdrawals of accumulated  
3 contributions to such sums as will not reduce the member's retirement  
4 allowance below one hundred and twenty dollars per month.

5 (d) A member whose retirement allowance is calculated under RCW  
6 41.32.498 may also elect to receive a retirement allowance based on  
7 options available under this subsection that includes the benefit  
8 provided under RCW 41.32.770. This retirement allowance option shall  
9 also be calculated so as to be actuarially equivalent to the maximum  
10 retirement allowance and to the options available under this  
11 subsection.

12 (2)(a) A member, if married, must provide the written consent of  
13 his or her spouse to the option selected under this section, except as  
14 provided in (b) of this subsection. If a member is married and both  
15 the member and the member's spouse do not give written consent to an  
16 option under this section, the department will pay the member a joint  
17 and fifty percent survivor benefit and record the member's spouse as  
18 the beneficiary. Such benefit shall be calculated to be actuarially  
19 equivalent to the benefit options available under subsection (1) of  
20 this section unless spousal consent is not required as provided in (b)  
21 of this subsection.

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

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

27 (ii) The spousal consent provisions of (a) of this subsection do  
28 not apply.

29 (3)(a) Any member who retired before January 1, 1996, and who  
30 elected to receive a reduced retirement allowance under subsection  
31 (1)(b) or (2) of this section is entitled to receive a retirement  
32 allowance adjusted in accordance with (b) of this subsection, if they  
33 meet the following conditions:

34 (i) The retiree's designated beneficiary predeceases or has  
35 predeceased the retiree; and

36 (ii) The retiree provides to the department proper proof of the  
37 designated beneficiary's death.

38 (b) The retirement allowance payable to the retiree, as of July 1,  
39 1998, or the date of the designated beneficiary's death, whichever

1 comes last, shall be increased by the percentage derived in (c) of this  
2 subsection.

3 (c) The percentage increase shall be derived by the following:

4 (i) One hundred percent multiplied by the result of (c)(ii) of this  
5 subsection converted to a percent;

6 (ii) Subtract one from the reciprocal of the appropriate joint and  
7 survivor option factor;

8 (iii) The joint and survivor option factor shall be from the table  
9 in effect as of July 1, 1998.

10 (d) The adjustment under (b) of this subsection shall accrue from  
11 the beginning of the month following the date of the designated  
12 beneficiary's death or from July 1, 1998, whichever comes last.

13 (4) No later than July 1, 2001, the department shall adopt rules  
14 that allow a member additional actuarially equivalent survivor benefit  
15 options, and shall include, but are not limited to:

16 (a)(i) A retired member who retired without designating a survivor  
17 beneficiary shall have the opportunity to designate their spouse from  
18 a postretirement marriage as a survivor during a one-year period  
19 beginning one year after the date of the postretirement marriage  
20 provided the retirement allowance payable to the retiree is not subject  
21 to periodic payments pursuant to a property division obligation as  
22 provided for in RCW 41.50.670.

23 (ii) A member who entered into a postretirement marriage prior to  
24 the effective date of the rules adopted pursuant to this subsection and  
25 satisfies the conditions of (a)(i) of this subsection shall have one  
26 year to designate their spouse as a survivor beneficiary following the  
27 adoption of the rules.

28 (b) A retired member who elected to receive a reduced retirement  
29 allowance under this section and designated a nonspouse as survivor  
30 beneficiary shall have the opportunity to remove the survivor  
31 designation and have their future benefit adjusted.

32 (c) The department may make an additional charge, if necessary, to  
33 ensure that the benefits provided under this subsection remain  
34 actuarially equivalent.

35 (5) No later than July 1, 2003, the department shall adopt rules to  
36 permit:

37 (a) A court-approved property settlement incident to a court decree  
38 of dissolution made before retirement to provide that benefits payable  
39 to a member who meets the length of service requirements of RCW

1 41.32.470 and the member's divorcing spouse be divided into two  
2 separate benefits payable over the life of each spouse.

3 The member shall have available the benefit options of subsection  
4 (1) of this section upon retirement, and if remarried at the time of  
5 retirement remains subject to the spousal consent requirements of  
6 subsection (2) of this section. Any reductions of the member's benefit  
7 subsequent to the division into two separate benefits shall be made  
8 solely to the separate benefit of the member.

9 The nonmember ex spouse shall be eligible to commence receiving  
10 their separate benefit upon reaching the age provided in RCW  
11 41.32.480(2) and after filing a written application with the  
12 department.

13 (b) A court-approved property settlement incident to a court decree  
14 of dissolution made after retirement may only divide the benefit into  
15 two separate benefits payable over the life of each spouse if the  
16 nonmember ex spouse was selected as a survivor beneficiary at  
17 retirement.

18 The retired member may later choose the survivor benefit options  
19 available in subsection (4) of this section. Any actuarial reductions  
20 subsequent to the division into two separate benefits shall be made  
21 solely to the separate benefit of the member.

22 Both the retired member and the nonmember divorced spouse shall be  
23 eligible to commence receiving their separate benefits upon filing a  
24 copy of the dissolution order with the department in accordance with  
25 RCW 41.50.670.

26 (c) The separate single life benefits of the member and the  
27 nonmember ex spouse are not (i) subject to the minimum benefit  
28 provisions of RCW 41.32.4851, or (ii) the minimum benefit annual  
29 increase amount eligibility provisions of RCW 41.32.489 (2)(b) and  
30 (3)(a).

31 (d) The department may make an additional charge or adjustment if  
32 necessary to ensure that the separate benefits provided under this  
33 subsection are actuarially equivalent to the benefits payable prior to  
34 the decree of dissolution.

35 **Sec. 9.** RCW 41.32.785 and 2000 c 186 s 4 are each amended to read  
36 as follows:

37 (1) Upon retirement for service as prescribed in RCW 41.32.765 or  
38 retirement for disability under RCW 41.32.790, a member shall elect to

1 have the retirement allowance paid pursuant to the following options,  
2 calculated so as to be actuarially equivalent to each other.

3 (a) Standard allowance. A member electing this option shall  
4 receive a retirement allowance payable throughout such member's life.  
5 However, if the retiree dies before the total of the retirement  
6 allowance paid to such retiree equals the amount of such retiree's  
7 accumulated contributions at the time of retirement, then the balance  
8 shall be paid to the member's estate, or such person or persons, trust,  
9 or organization as the retiree shall have nominated by written  
10 designation duly executed and filed with the department; or if there be  
11 no such designated person or persons still living at the time of the  
12 retiree's death, then to the surviving spouse; or if there be neither  
13 such designated person or persons still living at the time of death nor  
14 a surviving spouse, then to the retiree's legal representative.

15 (b) The department shall adopt rules that allow a member to select  
16 a retirement option that pays the member a reduced retirement allowance  
17 and upon death, such portion of the member's reduced retirement  
18 allowance as the department by rule designates shall be continued  
19 throughout the life of and paid to a designated person. Such person  
20 shall be nominated by the member by written designation duly executed  
21 and filed with the department at the time of retirement. The options  
22 adopted by the department shall include, but are not limited to, a  
23 joint and one hundred percent survivor option and a joint and fifty  
24 percent survivor option.

25 (2)(a) A member, if married, must provide the written consent of  
26 his or her spouse to the option selected under this section, except as  
27 provided in (b) of this subsection. If a member is married and both  
28 the member and member's spouse do not give written consent to an option  
29 under this section, the department will pay the member a joint and  
30 fifty percent survivor benefit and record the member's spouse as the  
31 beneficiary. Such benefit shall be calculated to be actuarially  
32 equivalent to the benefit options available under subsection (1) of  
33 this section unless spousal consent is not required as provided in (b)  
34 of this subsection.

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

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



1 (ii) The spousal consent provisions of (a) of this subsection do  
2 not apply.

3 (3)(a) Any member who retired before January 1, 1996, and who  
4 elected to receive a reduced retirement allowance under subsection  
5 (1)(b) or (2) of this section is entitled to receive a retirement  
6 allowance adjusted in accordance with (b) of this subsection, if they  
7 meet the following conditions:

8 (i) The retiree's designated beneficiary predeceases or has  
9 predeceased the retiree; and

10 (ii) The retiree provides to the department proper proof of the  
11 designated beneficiary's death.

12 (b) The retirement allowance payable to the retiree, as of July 1,  
13 1998, or the date of the designated beneficiary's death, whichever  
14 comes last, shall be increased by the percentage derived in (c) of this  
15 subsection.

16 (c) The percentage increase shall be derived by the following:

17 (i) One hundred percent multiplied by the result of (c)(ii) of this  
18 subsection converted to a percent;

19 (ii) Subtract one from the reciprocal of the appropriate joint and  
20 survivor option factor;

21 (iii) The joint and survivor option factor shall be from the table  
22 in effect as of July 1, 1998.

23 (d) The adjustment under (b) of this subsection shall accrue from  
24 the beginning of the month following the date of the designated  
25 beneficiary's death or from July 1, 1998, whichever comes last.

26 (4) No later than July 1, 2001, the department shall adopt rules  
27 that allow a member additional actuarially equivalent survivor benefit  
28 options, and shall include, but are not limited to:

29 (a)(i) A retired member who retired without designating a survivor  
30 beneficiary shall have the opportunity to designate their spouse from  
31 a postretirement marriage as a survivor during a one-year period  
32 beginning one year after the date of the postretirement marriage  
33 provided the retirement allowance payable to the retiree is not subject  
34 to periodic payments pursuant to a property division obligation as  
35 provided for in RCW 41.50.670.

36 (ii) A member who entered into a postretirement marriage prior to  
37 the effective date of the rules adopted pursuant to this subsection and  
38 satisfies the conditions of (a)(i) of this subsection shall have one

1 year to designate their spouse as a survivor beneficiary following the  
2 adoption of the rules.

3 (b) A retired member who elected to receive a reduced retirement  
4 allowance under this section and designated a nonspouse as survivor  
5 beneficiary shall have the opportunity to remove the survivor  
6 designation and have their future benefit adjusted.

7 (c) The department may make an additional charge, if necessary, to  
8 ensure that the benefits provided under this subsection remain  
9 actuarially equivalent.

10 (5) No later than July 1, 2003, the department shall adopt rules to  
11 permit:

12 (a) A court-approved property settlement incident to a court decree  
13 of dissolution made before retirement to provide that benefits payable  
14 to a member who meets the length of service requirements of RCW  
15 41.32.815 and the member's divorcing spouse be divided into two  
16 separate benefits payable over the life of each spouse.

17 The member shall have available the benefit options of subsection  
18 (1) of this section upon retirement, and if remarried at the time of  
19 retirement remains subject to the spousal consent requirements of  
20 subsection (2) of this section. Any reductions of the member's benefit  
21 subsequent to the division into two separate benefits shall be made  
22 solely to the separate benefit of the member.

23 The nonmember ex spouse shall be eligible to commence receiving  
24 their separate benefit upon reaching the age provided in RCW  
25 41.32.765(1) and after filing a written application with the  
26 department.

27 (b) A court-approved property settlement incident to a court decree  
28 of dissolution made after retirement may only divide the benefit into  
29 two separate benefits payable over the life of each spouse if the  
30 nonmember ex spouse was selected as a survivor beneficiary at  
31 retirement.

32 The retired member may later choose the survivor benefit options  
33 available in subsection (4) of this section. Any actuarial reductions  
34 subsequent to the division into two separate benefits shall be made  
35 solely to the separate benefit of the member.

36 Both the retired member and the nonmember divorced spouse shall be  
37 eligible to commence receiving their separate benefits upon filing a  
38 copy of the dissolution order with the department in accordance with  
39 RCW 41.50.670.

1       (c) The department may make an additional charge or adjustment if  
2 necessary to ensure that the separate benefits provided under this  
3 subsection are actuarially equivalent to the benefits payable prior to  
4 the decree of dissolution.

5       **Sec. 10.** RCW 41.32.851 and 2000 c 186 s 5 are each amended to read  
6 as follows:

7       (1) Upon retirement for service as prescribed in RCW 41.32.875 or  
8 retirement for disability under RCW 41.32.880, 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 Upon the death of the retired member, all benefits shall cease.

14       (b) The department shall adopt rules that allow a member to select  
15 a retirement option that pays the member a reduced retirement allowance  
16 and upon death, such portion of the member's reduced retirement  
17 allowance as the department by rule designates shall be continued  
18 throughout the life of and paid to such person or persons as the  
19 retiree shall have nominated by written designation duly executed and  
20 filed with the department at the time of retirement. The options  
21 adopted by the department shall include, but are not limited to, a  
22 joint and one hundred percent survivor option and joint and fifty  
23 percent survivor option.

24       ~~(2) ((A member, if married, must provide the written consent of his~~  
25 ~~or her spouse to the option selected under this section. If a member~~  
26 ~~is married and both the member and the member's spouse do not give~~  
27 ~~written consent to an option under this section, the department shall~~  
28 ~~pay a joint and fifty percent survivor benefit calculated to be~~  
29 ~~actuarially equivalent to the benefit options available under~~  
30 ~~subsection (1) of this section))~~ (a) A member, if married, must provide  
31 the written consent of his or her spouse to the option selected under  
32 this section, except as provided in (b) of this subsection. If a  
33 member is married and both the member and the member's spouse do not  
34 give written consent to an option under this section, the department  
35 shall pay a joint and fifty-percent survivor benefit calculated to be  
36 actuarially equivalent to the benefit options available under  
37 subsection (1) of this section unless spousal consent is not required  
38 as provided in (b) of this subsection.

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

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

6 (ii) The spousal consent provisions of (a) of this subsection do  
7 not apply.

8 (3) No later than July 1, 2001, the department shall adopt rules  
9 that allow a member additional actuarially equivalent survivor benefit  
10 options, and shall include, but are not limited to:

11 (a)(i) A retired member who retired without designating a survivor  
12 beneficiary shall have the opportunity to designate their spouse from  
13 a postretirement marriage as a survivor during a one-year period  
14 beginning one year after the date of the postretirement marriage  
15 provided the retirement allowance payable to the retiree is not subject  
16 to periodic payments pursuant to a property division obligation as  
17 provided for in RCW 41.50.670.

18 (ii) A member who entered into a postretirement marriage prior to  
19 the effective date of the rules adopted pursuant to this subsection and  
20 satisfies the conditions of (a)(i) of this subsection shall have one  
21 year to designate their spouse as a survivor beneficiary following the  
22 adoption of the rules.

23 (b) A retired member who elected to receive a reduced retirement  
24 allowance under this section and designated a nonspouse as survivor  
25 beneficiary shall have the opportunity to remove the survivor  
26 designation and have their future benefit adjusted.

27 (c) The department may make an additional charge, if necessary, to  
28 ensure that the benefits provided under this subsection remain  
29 actuarially equivalent.

30 (4) No later than July 1, 2003, the department shall adopt rules to  
31 permit:

32 (a) A court-approved property settlement incident to a court decree  
33 of dissolution made before retirement to provide that benefits payable  
34 to a member who meets the length of service requirements of RCW  
35 41.32.875(1) and the member's divorcing spouse be divided into two  
36 separate benefits payable over the life of each spouse.

37 The member shall have available the benefit options of subsection  
38 (1) of this section upon retirement, and if remarried at the time of  
39 retirement remains subject to the spousal consent requirements of

1 subsection (2) of this section. Any reductions of the member's benefit  
2 subsequent to the division into two separate benefits shall be made  
3 solely to the separate benefit of the member.

4 The nonmember ex spouse shall be eligible to commence receiving  
5 their separate benefit upon reaching the age provided in RCW  
6 41.32.875(1) and after filing a written application with the  
7 department.

8 (b) A court-approved property settlement incident to a court decree  
9 of dissolution made after retirement may only divide the benefit into  
10 two separate benefits payable over the life of each spouse if the  
11 nonmember ex spouse was selected as a survivor beneficiary at  
12 retirement.

13 The retired member may later choose the survivor benefit options  
14 available in subsection (3) of this section. Any actuarial reductions  
15 subsequent to the division into two separate benefits shall be made  
16 solely to the separate benefit of the member.

17 Both the retired member and the nonmember divorced spouse shall be  
18 eligible to commence receiving their separate benefits upon filing a  
19 copy of the dissolution order with the department in accordance with  
20 RCW 41.50.670.

21 (c) Any benefit distributed pursuant to chapter 41.31A RCW after  
22 the date of the dissolution order creating separate benefits for a  
23 member and nonmember ex spouse shall be paid solely to the member.

24 (d) The department may make an additional charge or adjustment if  
25 necessary to ensure that the separate benefits provided under this  
26 subsection are actuarially equivalent to the benefits payable prior to  
27 the decree of dissolution.

28 **Sec. 11.** RCW 41.35.220 and 2000 c 186 s 6 are each amended to read  
29 as follows:

30 (1) Upon retirement for service as prescribed in RCW 41.35.420 or  
31 41.35.680 or retirement for disability under RCW 41.35.440 or  
32 41.35.690, a member shall elect to have the retirement allowance paid  
33 pursuant to one of the following options, calculated so as to be  
34 actuarially equivalent to each other.

35 (a) Standard allowance. A member electing this option shall  
36 receive a retirement allowance payable throughout such member's life.

37 ((However,))

1        (i) For members of plan 2, if the retiree dies before the total of  
2 the retirement allowance paid to such retiree equals the amount of such  
3 retiree's accumulated contributions at the time of retirement, then the  
4 balance shall be paid to the member's estate, or such person or  
5 persons, trust, or organization as the retiree shall have nominated by  
6 written designation duly executed and filed with the department; or if  
7 there be no such designated person or persons still living at the time  
8 of the retiree's death, then to the surviving spouse; or if there be  
9 neither such designated person or persons still living at the time of  
10 death nor a surviving spouse, then to the retiree's legal  
11 representative.

12        (ii) For members of plan 3, upon the death of the retired member,  
13 the member's benefits shall cease.

14        (b) The department shall adopt rules that allow a member to select  
15 a retirement option that pays the member a reduced retirement allowance  
16 and upon death, such portion of the member's reduced retirement  
17 allowance as the department by rule designates shall be continued  
18 throughout the life of and paid to a person nominated by the member by  
19 written designation duly executed and filed with the department at the  
20 time of retirement. The options adopted by the department shall  
21 include, but are not limited to, a joint and one hundred percent  
22 survivor option and a joint and fifty percent survivor option.

23        (2)(a) A member, if married, must provide the written consent of  
24 his or her spouse to the option selected under this section, except as  
25 provided in (b) of this subsection. If a member is married and both  
26 the member and the member's spouse do not give written consent to an  
27 option under this section, the department shall pay a joint and fifty  
28 percent survivor benefit calculated to be actuarially equivalent to the  
29 benefit options available under subsection (1) of this section unless  
30 spousal consent is not required as provided in (b) of this subsection.

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

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

36        (ii) The spousal consent provisions of (a) of this subsection do  
37 not apply.

1 (3) No later than July 1, 2001, the department shall adopt rules  
2 that allow a member additional actuarially equivalent survivor benefit  
3 options, and shall include, but are not limited to:

4 (a)(i) A retired member who retired without designating a survivor  
5 beneficiary shall have the opportunity to designate their spouse from  
6 a postretirement marriage as a survivor during a one-year period  
7 beginning one year after the date of the postretirement marriage  
8 provided the retirement allowance payable to the retiree is not subject  
9 to periodic payments pursuant to a property division obligation as  
10 provided for in RCW 41.50.670.

11 (ii) A member who entered into a postretirement marriage prior to  
12 the effective date of the rules adopted pursuant to this subsection and  
13 satisfies the conditions of (a)(i) of this subsection shall have one  
14 year to designate their spouse as a survivor beneficiary following the  
15 adoption of the rules.

16 (b) A retired member who elected to receive a reduced retirement  
17 allowance under this section and designated a nonspouse as survivor  
18 beneficiary shall have the opportunity to remove the survivor  
19 designation and have their future benefit adjusted.

20 (c) The department may make an additional charge, if necessary, to  
21 ensure that the benefits provided under this subsection remain  
22 actuarially equivalent.

23 (4) No later than July 1, 2003, the department shall adopt rules to  
24 permit:

25 (a) A court-approved property settlement incident to a court decree  
26 of dissolution made before retirement to provide that benefits payable  
27 to a member of plan 2 who meets the length of service requirements of  
28 RCW 41.35.420, or a member of plan 3 who meets the length of service  
29 requirements of RCW 41.35.680(1), and the member's divorcing spouse be  
30 divided into two separate benefits payable over the life of each  
31 spouse.

32 The member shall have available the benefit options of subsection  
33 (1) of this section upon retirement, and if remarried at the time of  
34 retirement remains subject to the spousal consent requirements of  
35 subsection (2) of this section. Any reductions of the member's benefit  
36 subsequent to the division into two separate benefits shall be made  
37 solely to the separate benefit of the member.

38 The nonmember ex spouse shall be eligible to commence receiving  
39 their separate benefit upon reaching the ages provided in RCW

1 41.35.420(1) for members of plan 2, or RCW 41.35.680(1) for members of  
2 plan 3, and after filing a written application with the department.

3 (b) A court-approved property settlement incident to a court decree  
4 of dissolution made after retirement may only divide the benefit into  
5 two separate benefits payable over the life of each spouse if the  
6 nonmember ex spouse was selected as a survivor beneficiary at  
7 retirement.

8 The retired member may later choose the survivor benefit options  
9 available in subsection (3) of this section. Any actuarial reductions  
10 subsequent to the division into two separate benefits shall be made  
11 solely to the separate benefit of the member.

12 Both the retired member and the nonmember divorced spouse shall be  
13 eligible to commence receiving their separate benefits upon filing a  
14 copy of the dissolution order with the department in accordance with  
15 RCW 41.50.670.

16 (c) Any benefit distributed pursuant to chapter 41.31A RCW after  
17 the date of the dissolution order creating separate benefits for a  
18 member and nonmember ex spouse shall be paid solely to the member.

19 (d) The department may make an additional charge or adjustment if  
20 necessary to ensure that the separate benefits provided under this  
21 subsection are actuarially equivalent to the benefits payable prior to  
22 the decree of dissolution.

23 **Sec. 12.** RCW 41.40.188 and 2000 c 186 s 7 are each amended to read  
24 as follows:

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

30 (a) Standard allowance. A member electing this option shall  
31 receive a retirement allowance payable throughout such member's life.  
32 However, if the retiree dies before the total of the retirement  
33 allowance paid to such retiree equals the amount of such retiree's  
34 accumulated contributions at the time of retirement, then the balance  
35 shall be paid to the member's estate, or such person or persons, trust,  
36 or organization as the retiree shall have nominated by written  
37 designation duly executed and filed with the department; or if there be  
38 no such designated person or persons still living at the time of the



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

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

13 (c) A member may elect to include the benefit provided under RCW  
14 41.40.640 along with the retirement options available under this  
15 section. This retirement allowance option shall be calculated so as to  
16 be actuarially equivalent to the options offered under this subsection.

17 (2)(a) A member, if married, must provide the written consent of  
18 his or her spouse to the option selected under this section, except as  
19 provided in (b) of this subsection. If a member is married and both  
20 the member and the member's spouse do not give written consent to an  
21 option under this section, the department shall pay a joint and fifty  
22 percent survivor benefit calculated to be actuarially equivalent to the  
23 benefit options available under subsection (1) of this section unless  
24 spousal consent is not required as provided in (b) of this subsection.

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

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

30 (ii) The spousal consent provisions of (a) of this subsection do  
31 not apply.

32 (3)(a) Any member who retired before January 1, 1996, and who  
33 elected to receive a reduced retirement allowance under subsection  
34 (1)(b) or (2) of this section is entitled to receive a retirement  
35 allowance adjusted in accordance with (b) of this subsection, if they  
36 meet the following conditions:

37 (i) The retiree's designated beneficiary predeceases or has  
38 predeceased the retiree; and

1 (ii) The retiree provides to the department proper proof of the  
2 designated beneficiary's death.

3 (b) The retirement allowance payable to the retiree, as of July 1,  
4 1998, or the date of the designated beneficiary's death, whichever  
5 comes last, shall be increased by the percentage derived in (c) of this  
6 subsection.

7 (c) The percentage increase shall be derived by the following:

8 (i) One hundred percent multiplied by the result of (c)(ii) of this  
9 subsection converted to a percent;

10 (ii) Subtract one from the reciprocal of the appropriate joint and  
11 survivor option factor;

12 (iii) The joint and survivor option factor shall be from the table  
13 in effect as of July 1, 1998.

14 (d) The adjustment under (b) of this subsection shall accrue from  
15 the beginning of the month following the date of the designated  
16 beneficiary's death or from July 1, 1998, whichever comes last.

17 (4) No later than July 1, 2001, the department shall adopt rules  
18 that allow a member additional actuarially equivalent survivor benefit  
19 options, and shall include, but are not limited to:

20 (a)(i) A retired member who retired without designating a survivor  
21 beneficiary shall have the opportunity to designate their spouse from  
22 a postretirement marriage as a survivor during a one-year period  
23 beginning one year after the date of the postretirement marriage  
24 provided the retirement allowance payable to the retiree is not subject  
25 to periodic payments pursuant to a property division obligation as  
26 provided for in RCW 41.50.670.

27 (ii) A member who entered into a postretirement marriage prior to  
28 the effective date of the rules adopted pursuant to this subsection and  
29 satisfies the conditions of (a)(i) of this subsection shall have one  
30 year to designate their spouse as a survivor beneficiary following the  
31 adoption of the rules.

32 (b) A retired member who elected to receive a reduced retirement  
33 allowance under this section and designated a nonspouse as survivor  
34 beneficiary shall have the opportunity to remove the survivor  
35 designation and have their future benefit adjusted.

36 (c) The department may make an additional charge, if necessary, to  
37 ensure that the benefits provided under this subsection remain  
38 actuarially equivalent.

1       (5) No later than July 1, 2003, the department shall adopt rules to  
2 permit:

3       (a) A court-approved property settlement incident to a court decree  
4 of dissolution made before retirement to provide that benefits payable  
5 to a member who meets the length of service requirements of RCW  
6 41.40.180(1) and the member's divorcing spouse be divided into two  
7 separate benefits payable over the life of each spouse.

8       The member shall have available the benefit options of subsection  
9 (1) of this section upon retirement, and if remarried at the time of  
10 retirement remains subject to the spousal consent requirements of  
11 subsection (2) of this section. Any reductions of the member's benefit  
12 subsequent to the division into two separate benefits shall be made  
13 solely to the separate benefit of the member.

14       The nonmember ex spouse shall be eligible to commence receiving  
15 their separate benefit upon reaching the age provided in RCW  
16 41.40.180(1) and after filing a written application with the  
17 department.

18       (b) A court-approved property settlement incident to a court decree  
19 of dissolution made after retirement may only divide the benefit into  
20 two separate benefits payable over the life of each spouse if the  
21 nonmember ex spouse was selected as a survivor beneficiary at  
22 retirement.

23       The retired member may later choose the survivor benefit options  
24 available in subsection (4) of this section. Any actuarial reductions  
25 subsequent to the division into two separate benefits shall be made  
26 solely to the separate benefit of the member.

27       Both the retired member and the nonmember divorced spouse shall be  
28 eligible to commence receiving their separate benefits upon filing a  
29 copy of the dissolution order with the department in accordance with  
30 RCW 41.50.670.

31       (c) The separate single life benefits of the member and the  
32 nonmember ex spouse are not (i) subject to the minimum benefit  
33 provisions of RCW 41.40.1984, or (ii) the minimum benefit annual  
34 increase amount eligibility provisions of RCW 41.40.197 (2)(b) and  
35 (3)(a).

36       (d) The department may make an additional charge or adjustment if  
37 necessary to ensure that the separate benefits provided under this  
38 subsection are actuarially equivalent to the benefits payable prior to  
39 the decree of dissolution.

1       **Sec. 13.** RCW 41.40.660 and 2000 c 186 s 8 are each amended to read  
2 as follows:

3       (1) Upon retirement for service as prescribed in RCW 41.40.630 or  
4 retirement for disability under RCW 41.40.670, a member shall elect to  
5 have the retirement allowance paid pursuant to one of the following  
6 options, calculated so as to be actuarially equivalent to each other.

7       (a) Standard allowance. A member electing this option shall  
8 receive a retirement allowance payable throughout such member's life.  
9 However, if the retiree dies before the total of the retirement  
10 allowance paid to such retiree equals the amount of such retiree's  
11 accumulated contributions at the time of retirement, then the balance  
12 shall be paid to the member's estate, or such person or persons, trust,  
13 or organization as the retiree shall have nominated by written  
14 designation duly executed and filed with the department; or if there be  
15 no such designated person or persons still living at the time of the  
16 retiree's death, then to the surviving spouse; or if there be neither  
17 such designated person or persons still living at the time of death nor  
18 a surviving spouse, then to the retiree's legal representative.

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

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

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

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

3 (ii) The spousal consent provisions of (a) of this subsection do  
4 not apply.

5 (3)(a) Any member who retired before January 1, 1996, and who  
6 elected to receive a reduced retirement allowance under subsection  
7 (1)(b) or (2) of this section is entitled to receive a retirement  
8 allowance adjusted in accordance with (b) of this subsection, if they  
9 meet the following conditions:

10 (i) The retiree's designated beneficiary predeceases or has  
11 predeceased the retiree; and

12 (ii) The retiree provides to the department proper proof of the  
13 designated beneficiary's death.

14 (b) The retirement allowance payable to the retiree, as of July 1,  
15 1998, or the date of the designated beneficiary's death, whichever  
16 comes last, shall be increased by the percentage derived in (c) of this  
17 subsection.

18 (c) The percentage increase shall be derived by the following:

19 (i) One hundred percent multiplied by the result of (c)(ii) of this  
20 subsection converted to a percent;

21 (ii) Subtract one from the reciprocal of the appropriate joint and  
22 survivor option factor;

23 (iii) The joint and survivor option factor shall be from the table  
24 in effect as of July 1, 1998.

25 (d) The adjustment under (b) of this subsection shall accrue from  
26 the beginning of the month following the date of the designated  
27 beneficiary's death or from July 1, 1998, whichever comes last.

28 (4) No later than July 1, 2001, the department shall adopt rules  
29 that allow a member additional actuarially equivalent survivor benefit  
30 options, and shall include, but are not limited to:

31 (a)(i) A retired member who retired without designating a survivor  
32 beneficiary shall have the opportunity to designate their spouse from  
33 a postretirement marriage as a survivor during a one-year period  
34 beginning one year after the date of the postretirement marriage  
35 provided the retirement allowance payable to the retiree is not subject  
36 to periodic payments pursuant to a property division obligation as  
37 provided for in RCW 41.50.670.

38 (ii) A member who entered into a postretirement marriage prior to  
39 the effective date of the rules adopted pursuant to this subsection and

1 satisfies the conditions of (a)(i) of this subsection shall have one  
2 year to designate their spouse as a survivor beneficiary following the  
3 adoption of the rules.

4 (b) A retired member who elected to receive a reduced retirement  
5 allowance under this section and designated a nonspouse as survivor  
6 beneficiary shall have the opportunity to remove the survivor  
7 designation and have their future benefit adjusted.

8 (c) The department may make an additional charge, if necessary, to  
9 ensure that the benefits provided under this subsection remain  
10 actuarially equivalent.

11 (5) No later than July 1, 2003, the department shall adopt rules to  
12 permit:

13 (a) A court-approved property settlement incident to a court decree  
14 of dissolution made before retirement to provide that benefits payable  
15 to a member who meets the length of service requirements of RCW  
16 41.40.720 and the member's divorcing spouse be divided into two  
17 separate benefits payable over the life of each spouse.

18 The member shall have available the benefit options of subsection  
19 (1) of this section upon retirement, and if remarried at the time of  
20 retirement remains subject to the spousal consent requirements of  
21 subsection (2) of this section. Any reductions of the member's benefit  
22 subsequent to the division into two separate benefits shall be made  
23 solely to the separate benefit of the member.

24 The nonmember ex spouse shall be eligible to commence receiving  
25 their separate benefit upon reaching the age provided in RCW  
26 41.40.630(1) and after filing a written application with the  
27 department.

28 (b) A court-approved property settlement incident to a court decree  
29 of dissolution made after retirement may only divide the benefit into  
30 two separate benefits payable over the life of each spouse if the  
31 nonmember ex spouse was selected as a survivor beneficiary at  
32 retirement.

33 The retired member may later choose the survivor benefit options  
34 available in subsection (4) of this section. Any actuarial reductions  
35 subsequent to the division into two separate benefits shall be made  
36 solely to the separate benefit of the member.

37 Both the retired member and the nonmember divorced spouse shall be  
38 eligible to commence receiving their separate benefits upon filing a

1 copy of the dissolution order with the department in accordance with  
2 RCW 41.50.670.

3 (c) Any benefit distributed pursuant to chapter 41.31A RCW after  
4 the date of the dissolution order creating separate benefits for a  
5 member and nonmember ex spouse shall be paid solely to the member.

6 (d) The department may make an additional charge or adjustment if  
7 necessary to ensure that the separate benefits provided under this  
8 subsection are actuarially equivalent to the benefits payable prior to  
9 the decree of dissolution.

10 **Sec. 14.** RCW 41.40.845 and 2000 c 247 s 314 are each amended to  
11 read as follows:

12 (1) Upon retirement for service as prescribed in RCW 41.40.820 or  
13 retirement for disability under RCW 41.40.825, a member shall elect to  
14 have the retirement allowance paid pursuant to one of the following  
15 options, calculated so as to be actuarially equivalent to each other.

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

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

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

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

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

14 (ii) The spousal consent provisions of (a) of this subsection do  
15 not apply.

16 (3) The department shall adopt rules that allow a member additional  
17 actuarially equivalent survivor benefit options, and shall include, but  
18 are not limited to:

19 (a)(i) A retired member who retired without designating a survivor  
20 beneficiary shall have the opportunity to designate their spouse from  
21 a postretirement marriage as a survivor during a one-year period  
22 beginning one year after the date of the postretirement marriage  
23 provided the retirement allowance payable to the retiree is not subject  
24 to periodic payments pursuant to a property division obligation as  
25 provided for in RCW 41.50.670.

26 (ii) A member who entered into a postretirement marriage prior to  
27 the effective date of the rules adopted under this section and  
28 satisfies the conditions of (a)(i) of this subsection shall have one  
29 year to designate their spouse as a survivor beneficiary following the  
30 adoption of the rules.

31 (b) A retired member who elected to receive a reduced retirement  
32 allowance under this section and designated a nonspouse as survivor  
33 beneficiary shall have the opportunity to remove the survivor  
34 designation and have their future benefit adjusted.

35 (c) The department may make an additional charge, if necessary, to  
36 ensure that the benefits provided under this subsection remain  
37 actuarially equivalent.



1       (4) No later than July 1, 2002, the department shall adopt rules  
2 that allow a member additional actuarially equivalent survivor benefit  
3 options, and shall include, but are not limited to:

4       (a)(i) A retired member who retired without designating a survivor  
5 beneficiary shall have the opportunity to designate their spouse from  
6 a postretirement marriage as a survivor during a one-year period  
7 beginning one year after the date of the postretirement marriage  
8 provided the retirement allowance payable to the retiree is not subject  
9 to periodic payments pursuant to a property division obligation as  
10 provided for in RCW 41.50.670.

11       (ii) A member who entered into a postretirement marriage prior to  
12 the effective date of the rules adopted under this section and  
13 satisfies the conditions of (a)(i) of this subsection shall have one  
14 year to designate their spouse as a survivor beneficiary following the  
15 adoption of the rules.

16       (b) A retired member who elected to receive a reduced retirement  
17 allowance under this section and designated a nonspouse as survivor  
18 beneficiary shall have the opportunity to remove the survivor  
19 designation and have their future benefit adjusted.

20       (c) The department may make an additional charge, if necessary, to  
21 ensure that the benefits provided under this subsection remain  
22 actuarially equivalent.

23       (5) No later than July 1, 2003, the department shall adopt rules to  
24 permit:

25       (a) A court-approved property settlement incident to a court decree  
26 of dissolution made before retirement to provide that benefits payable  
27 to a member who meets the length of service requirements of RCW  
28 41.40.820(1) and the member's divorcing spouse be divided into two  
29 separate benefits payable over the life of each spouse.

30       The member shall have available the benefit options of subsection  
31 (1) of this section upon retirement, and if remarried at the time of  
32 retirement remains subject to the spousal consent requirements of  
33 subsection (2) of this section. Any reductions of the member's benefit  
34 subsequent to the division into two separate benefits shall be made  
35 solely to the separate benefit of the member.

36       The nonmember ex spouse shall be eligible to commence receiving  
37 their separate benefit upon reaching the age provided in RCW  
38 41.40.820(1) and after filing a written application with the  
39 department.

1       (b) A court-approved property settlement incident to a court decree  
2 of dissolution made after retirement may only divide the benefit into  
3 two separate benefits payable over the life of each spouse if the  
4 nonmember ex spouse was selected as a survivor beneficiary at  
5 retirement.

6       The retired member may later choose the survivor benefit options  
7 available in subsection (4) of this section. Any actuarial reductions  
8 subsequent to the division into two separate benefits shall be made  
9 solely to the separate benefit of the member.

10       Both the retired member and the nonmember divorced spouse shall be  
11 eligible to commence receiving their separate benefits upon filing a  
12 copy of the dissolution order with the department in accordance with  
13 RCW 41.50.670.

14       (c) The department may make an additional charge or adjustment if  
15 necessary to ensure that the separate benefits provided under this  
16 subsection are actuarially equivalent to the benefits payable prior to  
17 the decree of dissolution.

18       **Sec. 15.** RCW 43.43.270 and 2001 c 329 s 6 are each amended to read  
19 as follows:

20       For members commissioned prior to January 1, 2003:

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 shall be paid an allowance which shall be equal to fifty percent  
25 of the average final salary of the member. If the member should die  
26 after retirement the member's lawful spouse shall be paid an allowance  
27 which shall be equal to the retirement allowance then payable to the  
28 member or fifty percent of the final average salary used in computing  
29 the member's retirement allowance, whichever is less. The allowance  
30 paid to the lawful spouse shall continue as long as the spouse lives:  
31 PROVIDED, That if a surviving spouse who is receiving benefits under  
32 this subsection marries another member of this retirement system who  
33 subsequently predeceases such spouse, the spouse shall then be entitled  
34 to receive the higher of the two survivors' allowances for which  
35 eligibility requirements were met, but a surviving spouse shall not  
36 receive more than one survivor's allowance from this system at the same  
37 time under this subsection. To be eligible for an allowance the lawful  
38 surviving spouse of a retired member shall have been married to the

1 member prior to the member's retirement and continuously thereafter  
2 until the date of the member's death or shall have been married to the  
3 retired member at least two years prior to the member's death. The  
4 allowance paid to the lawful spouse may be divided with an ex spouse of  
5 the member by a dissolution order as defined in RCW 41.50.500(3)  
6 incident to a divorce occurring after July 1, 2002. The dissolution  
7 order must specifically divide both the member's benefit and any  
8 spousal survivor benefit, and must fully comply with RCW 41.50.670 and  
9 41.50.700.

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

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

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

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

1 retired member for one child and an additional ten percent for each  
2 additional child. The combined benefits to the children under this  
3 subsection shall not exceed sixty percent of the final average salary.  
4 Payments under this subsection shall be prorated equally among the  
5 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. 16.** RCW 43.43.271 and 2001 c 329 s 5 are each amended to read  
14 as follows:

15 (1) A member commissioned on or after January 1, 2003, upon  
16 retirement for service as prescribed in RCW 43.43.250 or disability  
17 retirement under RCW 43.43.040, shall elect to have the retirement  
18 allowance paid pursuant to the following options, calculated so as to  
19 be actuarially equivalent to each other.

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

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

1 adopted by the department shall include, but are not limited to, a  
2 joint and one hundred percent survivor option and a joint and fifty  
3 percent survivor option.

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

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

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

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

21 (3) No later than January 1, 2003, the department shall adopt rules  
22 that allow a member additional actuarially equivalent survivor benefit  
23 options, and shall include, but are not limited to:

24 (a)(i) A retired member who retired without designating a survivor  
25 beneficiary shall have the opportunity to designate their spouse from  
26 a postretirement marriage as a survivor during a one-year period  
27 beginning one year after the date of the postretirement marriage  
28 provided the retirement allowance payable to the retiree is not subject  
29 to periodic payments pursuant to a property division obligation as  
30 provided for in RCW 41.50.670.

31 (ii) A member who entered into a postretirement marriage prior to  
32 the effective date of the rules adopted pursuant to this subsection and  
33 satisfies the conditions of (a)(i) of this subsection shall have one  
34 year to designate their spouse as a survivor beneficiary following the  
35 adoption of the rules.

36 (b) A retired member who elected to receive a reduced retirement  
37 allowance under this section and designated a nonspouse as survivor  
38 beneficiary shall have the opportunity to remove the survivor  
39 designation and have their future benefit adjusted.

1 (c) The department may make an additional charge, if necessary, to  
2 ensure that the benefits provided under this subsection remain  
3 actuarially equivalent.

4 (4) No later than July 1, 2003, the department shall adopt rules to  
5 permit:

6 (a) A court-approved property settlement incident to a court decree  
7 of dissolution made before retirement to provide that benefits payable  
8 to a member who has completed at least five years of service and the  
9 member's divorcing spouse be divided into two separate benefits payable  
10 over the life of each spouse.

11 The member shall have available the benefit options of subsection  
12 (1) of this section upon retirement, and if remarried at the time of  
13 retirement remains subject to the spousal consent requirements of  
14 subsection (2) of this section. Any reductions of the member's benefit  
15 subsequent to the division into two separate benefits shall be made  
16 solely to the separate benefit of the member.

17 The nonmember ex spouse shall be eligible to commence receiving  
18 their separate benefit upon reaching the ages provided in RCW  
19 43.43.250(2) and after filing a written application with the  
20 department.

21 (b) A court-approved property settlement incident to a court decree  
22 of dissolution made after retirement may only divide the benefit into  
23 two separate benefits payable over the life of each spouse if the  
24 nonmember ex spouse was selected as a survivor beneficiary at  
25 retirement.

26 The retired member may later choose the survivor benefit options  
27 available in subsection (3) of this section. Any actuarial reductions  
28 subsequent to the division into two separate benefits shall be made  
29 solely to the separate benefit of the member.

30 Both the retired member and the nonmember divorced spouse shall be  
31 eligible to commence receiving their separate benefits upon filing a  
32 copy of the dissolution order with the department in accordance with  
33 RCW 41.50.670.

34 (c) The department may make an additional charge or adjustment if  
35 necessary to ensure that the separate benefits provided under this  
36 subsection are actuarially equivalent to the benefits payable prior to  
37 the decree of dissolution.

--- END ---