CERTIFICATION OF ENROLLMENT

SENATE BILL 6376

57th Legislature 2002 Regular Session

Passed by the Senate March 11, 2002 CERTIFICATE YEAS 40 NAYS 0 I, Tony M. Cook, Secretary of the Senate of the State of Washington, do hereby certify that the attached is SENATE BILL 6376 as passed by the President of the Senate Senate and the House of Representatives on the dates hereon Passed by the House March 5, 2002 YEAS 97 NAYS 0 set forth. Speaker of the Secretary House of Representatives Approved FILED

Governor of the State of Washington

Secretary of State

State of Washington

SENATE BILL 6376

AS AMENDED BY THE HOUSE

Passed Legislature - 2002 Regular Session

State of Washington 57th Legislature 2002 Regular Session

By Senators Regala, Winsley, Fraser, Carlson, Jacobsen, Rasmussen, Kastama and Oke; 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 the transfer of seasonal and military leave of
- 2 absence employees to the public employees' retirement system plan 3;
- 3 and amending RCW 41.40.795.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 41.40.795 and 2000 c 247 s 304 are each amended to 6 read as follows:
- 7 (1) As used in this section, unless the context clearly requires 8 otherwise:
- 9 (a) "Transfer period" means the time during which a member of one 10 of the groups of plan 2 members identified in subsection (2) of this 11 section may choose to irrevocably transfer from plan 2 to plan 3.
- (b) "Transfer basis" means the accumulated contributions present in a member's savings fund on March 1, 2002, less fifty percent of any contributions made pursuant to RCW 41.50.165(2), which is the basis for calculation of the plan 2 to plan 3 additional transfer payment.
- 16 (c) "Additional transfer payment date" means June 1, 2003, the date 17 of the additional transfer payment made according to subsection (6) of this section.

- 1 (2) Every plan 2 member employed by an employer in an eligible 2 position has the option during their transfer period to make an 3 irrevocable transfer to plan 3 according to the following schedule:
- 4 (a) For those members employed by state agencies and institutes of 5 higher education the transfer period means the period between March 1, 6 2002, and September 1, 2002.
 - (b) For those members employed by other organizations the transfer period means the period between September 1, 2002, and June 1, 2003.
- 9 (c) For those members employed by more than one employer within the 10 retirement system, and whose transfer period is different between one 11 employer and another, the member's transfer period is the last period 12 that is available from any of that member's employers within the 13 retirement system.
- 14 (3) All service credit in plan 2 shall be transferred to the 15 defined benefit portion of plan 3.
- (4)(a) Anyone who first became a state or higher education member of plan 2 before March 1, 2002, or a local government member of plan 2 before September 1, 2002, who wishes to transfer to plan 3 after their transfer period may transfer during the month of January in any following year, provided that the member earns service credit for that month.
- (b) Anyone who chose to become a state or higher education member of plan 2 on or after March 1, 2002, or a local government member of plan 2 on or after September 1, 2002, is prohibited from transferring to plan 3 under (a) of this subsection.
 - (5) The accumulated contributions in plan 2, less fifty percent of any contributions made pursuant to RCW 41.50.165(2) shall be transferred to the member's account in the defined contribution portion established in chapter 41.34 RCW, pursuant to procedures developed by the department and subject to RCW 41.34.090. Contributions made pursuant to RCW 41.50.165(2) that are not transferred to the member's account shall be transferred to the fund created in RCW 41.50.075(3), except that interest earned on all such contributions shall be transferred to the member's account.
 - (6) ((Anyone who requests to transfer under this section during their transfer period, and establishes)) Those members employed by state agencies and institutions of higher education who request to transfer under this section during their transfer period and establish service credit for June 2002, and those members employed by other

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- organizations and who establish service credit for either June 2002 or February 2003, shall have their member account:
- 3 (a) If a member's transfer period is that described in subsection 4 (2)(a) of this section, increased by one hundred ten percent of the transfer basis;
- 6 (b) If a member's transfer period is that described in subsection 7 (2)(b) of this section, increased by one hundred eleven percent of the 8 transfer basis; and
- 9 (c) Deposited into the member's individual account on the 10 additional transfer payment date.
- 11 (7) If a member who requests to transfer dies before June 1, 2003, 12 the additional payment provided by this section shall be paid to the 13 member's estate, or the person or persons, trust, or organization the 14 member nominated by written designation duly executed and filed with 15 the department.
- 16 (8) Anyone previously retired from plan 2 is prohibited from 17 transferring to plan 3.
- (9) The legislature reserves the right to discontinue the right to transfer under this section and to modify and to discontinue the right to an additional payment under this section for any plan 2 members who have not previously transferred to plan 3.

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