

WAC 415-112-255 How do I purchase or restore Plan 1 service credit? This section applies to Plan 1 members who qualify by this chapter or chapter 41.32 RCW to purchase credit for previous service, or to restore service credit after withdrawing contributions or taking a lump sum payment in lieu of benefits. This section does not apply to service credit for substitute teaching. See WAC 415-112-140.

(1) **Do I qualify to purchase or restore service credit?** In addition to meeting the statutory requirements for the specific type of service you performed:

(a) You must be an active TRS member at the time you apply to purchase or restore service credit;

(b) If purchasing credit for previous service, you must return to TRS service for twenty or more full-time days or the equivalent within a fiscal year after providing that service; and

(c) You must purchase or restore the service credit according to the provisions of this section.

(2) **How do I apply to purchase or restore service credit?** You may apply to purchase service credit by submitting satisfactory proof of your service to the department.

(3) **What are the time limits for paying for service credit?** You must make payment according to this subsection or before retirement, whichever is sooner. You may make payment in full in one payment or make annual installment payments, consistent with the following deadlines:

(a) If you make payment in full in one payment, the entire amount is due no later than the end of the fifth fiscal year after which you return to TRS service. For example, if you return to service in April 2004, the deadline is June 30, 2008.

(b) If you make payment in annual installments:

(i) The first annual installment is due no later than the end of the fifth fiscal year after which you return to TRS service; and

(ii) The final annual installment is due no later than June 30 of the fourth year following the first annual installment. See RCW 41.32.310.

(4) **Does the deadline in subsection (3) of this section change if I separate from service before making full payment?**

(a) If you separate and withdraw your contributions (terminate membership) before making full payment, the deadline for purchasing service credit and for restoring service credit differ as follows:

(i) **Purchasing service credit for a previous period of service.** You must reestablish membership and then make payment in full by the original deadline.

(ii) **Restoring service credit after withdrawal of contributions or receipt of a lump sum payment taken in lieu of benefits.** The time limit will start over each time you reestablish membership if:

(A) You did not make any payments for the service credit and you withdrew from TRS before the first annual installment was due (see subsection (2)(a)(ii)(B) of this section); or

(B) You made at least the initial annual installment and withdrew before the end of the fourth fiscal year after the initial installment.

In cases other than (a)(ii)(A) or (B) of this subsection the original deadlines remain in place.

(b) If you separate, but do not withdraw your contributions, the original deadline applies. You may, however, continue to make payments while you are separated from service.

(5) What happens if I do not make payment in full by the deadline?

(a) If you were eligible to purchase or restore service credit and did not begin to do so prior to the deadline, you may purchase or restore the service credit at any time prior to retirement as long as you do not withdraw your contributions. You must pay the full actuarial value of the resulting increase in benefits. See RCW 41.50.165, WAC 415-02-370, and chapter 415-10 WAC.

(b) If you enter into an arrangement to purchase service credit and fail to make the final payment within the time limit established by law:

(i) The arrangement is terminated and all payments you made will be returned to you; and

(ii) You may purchase the service credit at any time prior to retirement as long as you do not withdraw your contributions. You must pay the full actuarial value of the resulting increase in benefits. See RCW 41.50.165, WAC 415-02-370 and chapter 415-10 WAC.

[Statutory Authority: RCW 41.50.050(5) and 41.32.310. WSR 06-18-006, § 415-112-255, filed 8/24/06, effective 9/24/06.]