
SUBSTITUTE HOUSE BILL 1431

State of Washington

54th Legislature

1995 Regular Session

By House Committee on Appropriations (originally sponsored by Representative Silver; by request of Department of Retirement Systems)

Read first time 02/28/95.

1 AN ACT Relating to department of retirement system expenses;
2 amending RCW 41.50.255 and 43.41.180; providing an effective date; and
3 declaring an emergency.

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

5 **Sec. 1.** RCW 41.50.255 and 1993 sp.s. c 24 s 916 are each amended
6 to read as follows:

7 The director is authorized to pay from the interest earnings of the
8 trust funds of the public employees' retirement system, the teachers'
9 retirement system, the Washington state patrol retirement system, the
10 Washington judicial retirement system, the judges' retirement system,
11 or the law enforcement officers' and fire fighters' retirement system
12 lawful obligations of the appropriate system for legal expenses and
13 medical expenses which expenses are primarily incurred for the purpose
14 of protecting the appropriate trust fund or are incurred in compliance
15 with statutes governing such funds.

16 The term "legal expense" includes, but is not limited to, legal
17 services provided through the legal services revolving fund, fees for
18 expert witnesses, travel expenses, fees for court reporters, cost of
19 transcript preparation, and reproduction of documents.

1 The term "medical costs" includes, but is not limited to, expenses
2 for the medical examination or reexamination of members or retirees,
3 the costs of preparation of medical reports, and fees charged by
4 medical professionals for attendance at discovery proceedings or
5 hearings.

6 (~~During the period from July 1, 1993, until June 30, 1995,~~) The
7 director may also pay from the interest earnings of the trust funds
8 specified in this section costs incurred in investigating fraud and
9 collecting overpayments, including expenses incurred to review and
10 investigate cases of possible fraud against the trust funds and
11 collection agency fees and other costs incurred in recovering
12 overpayments.

13 **Sec. 2.** RCW 43.41.180 and 1993 c 500 s 2 are each amended to read
14 as follows:

15 (1)(a) The office of financial management is authorized to approve
16 the use of electronic and other technological means to transfer both
17 funds and information whenever economically feasible, to eliminate
18 paper documentation wherever possible, and to provide greater fiscal
19 responsibility. This authorization includes but is not limited to the
20 authority to approve use of electronic means to transfer payroll,
21 vendor payments, and benefit payments and acceptance of credit cards,
22 debit cards, and other consumer debt instruments for payment of taxes,
23 licenses, and fees. The office of financial management shall adopt
24 rules under RCW 43.41.110(13) to specify the manner in which electronic
25 and other technological means, including credit cards, are available to
26 state agencies.

27 (b) In order to reduce expenses of recovery of retirement system
28 overpayments, the department shall require, when authorizing transfers
29 or entering into agreements with financial institutions under this
30 section, that the financial institution be required to notify the
31 department of retirement systems of the death of a beneficiary within
32 thirty days of the financial institution receiving notice of the death
33 of the beneficiary. The department may provide penalties for late
34 notice by the financial institution to the department of retirement
35 systems; the penalty shall not exceed fifty dollars per day.

36 (2) No state agency may use electronic or other technological
37 means, including credit cards, without specific continuing
38 authorization from the office of financial management.

1 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
2 preservation of the public peace, health, or safety, or support of the
3 state government and its existing public institutions, and shall take
4 effect July 1, 1995.

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