

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE SENATE BILL 5818**

54th Legislature  
1996 Regular Session

Passed by the Senate March 4, 1996  
YEAS 45 NAYS 0

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**President of the Senate**

Passed by the House February 29, 1996  
YEAS 85 NAYS 0

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**Speaker of the  
House of Representatives**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5818** as passed by the Senate and the House of Representatives on the dates hereon set forth.

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**Secretary**

FILED

**Secretary of State  
State of Washington**

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**SUBSTITUTE SENATE BILL 5818**

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AS AMENDED BY THE HOUSE

Passed Legislature - 1996 Regular Session

**State of Washington                      54th Legislature                      1995 Regular Session**

**By Senate Committee on Ways & Means (originally sponsored by Senators Winsley, A. Anderson, C. Anderson and McAuliffe)**

Read first time 03/06/95.

1            AN ACT Relating to payment of benefits when a member dies before  
2 retirement; amending RCW 41.40.270; and creating a new section.

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

4            NEW SECTION.    **Sec. 1.** (1) If a member dies following a period of  
5 sick leave without having applied for a disability retirement under RCW  
6 41.32.550, the member's surviving spouse is eligible to receive, from  
7 the time of the member's death, a joint and one hundred percent  
8 retirement allowance under RCW 41.32.530, without the actuarial  
9 reduction otherwise required by RCW 41.32.520 (1)(b)(ii), if the  
10 following conditions are met:

11            (a) The member had been on sick leave due to an illness that would  
12 have qualified the member for permanent disability under RCW 41.32.550;  
13 and

14            (b) The illness was the cause of the member's death.

15            (2) This section applies to members who died between July 1, 1994,  
16 and September 1, 1994.

17            **Sec. 2.** RCW 41.40.270 and 1995 c 144 s 5 are each amended to read  
18 as follows:

1 (1) Should a member die before the date of retirement the amount of  
2 the accumulated contributions standing to the member's credit in the  
3 employees' savings fund, less any amount identified as owing to an  
4 obligee upon withdrawal of accumulated contributions pursuant to a  
5 court order filed under RCW 41.50.670, at the time of death:

6 (a) Shall be paid to the member's estate, or such person or  
7 persons, trust, or organization as the member shall have nominated by  
8 written designation duly executed and filed with the department; or

9 (b) If there be no such designated person or persons still living  
10 at the time of the member's death, or if a member fails to file a new  
11 beneficiary designation subsequent to marriage, remarriage, dissolution  
12 of marriage, divorce, or reestablishment of membership following  
13 termination by withdrawal or retirement, such accumulated  
14 contributions, less any amount identified as owing to an obligee upon  
15 withdrawal of accumulated contributions pursuant to a court order filed  
16 under RCW 41.50.670, shall be paid to the surviving spouse as if in  
17 fact such spouse had been nominated by written designation as  
18 aforesaid, or if there be no such surviving spouse, then to the  
19 member's legal representatives.

20 (2) Upon the death in service, or while on authorized leave of  
21 absence for a period not to exceed one hundred and twenty days from the  
22 date of payroll separation, of any member who is qualified but has not  
23 applied for a service retirement allowance or has completed ten years  
24 of service at the time of death, the designated beneficiary, or the  
25 surviving spouse as provided in subsection (1) of this section, may  
26 elect to waive the payment provided by subsection (1) of this section.  
27 Upon such an election, a joint and one hundred percent survivor option  
28 under RCW 41.40.188, calculated under the retirement allowance  
29 described in RCW 41.40.185 or 41.40.190, whichever is greater,  
30 actuarially reduced by the amount of any lump sum benefit identified as  
31 owing to an obligee upon withdrawal of accumulated contributions  
32 pursuant to a court order filed under RCW 41.50.670 shall automatically  
33 be given effect as if selected for the benefit of the designated  
34 beneficiary. If the member is not then qualified for a service  
35 retirement allowance, such benefit shall be based upon the actuarial  
36 equivalent of the sum necessary to pay the accrued regular retirement  
37 allowance commencing when the deceased member would have first  
38 qualified for a service retirement allowance.

1       (3) Subsection (1) of this section, unless elected, shall not apply  
2 to any member who has applied for service retirement in RCW 41.40.180,  
3 as now or hereafter amended, and thereafter dies between the date of  
4 separation from service and the member's effective retirement date,  
5 where the member has selected a survivorship option under RCW  
6 41.40.188. In those cases the beneficiary named in the member's final  
7 application for service retirement may elect to receive either a cash  
8 refund, less any amount identified as owing to an obligee upon  
9 withdrawal of accumulated contributions pursuant to a court order filed  
10 under RCW 41.50.670, or monthly payments according to the option  
11 selected by the member.

12       (4) For deaths occurring between July 1, 1995, and June 30, 1997,  
13 if a member who: (a) Has applied for nonduty disability under RCW  
14 41.40.230; (b) has submitted adequate evidence to support a disability  
15 determination; and (c) has selected a retirement under RCW 41.40.188,  
16 dies before receiving the first retirement payment, the beneficiary  
17 named in the member's final application for disability retirement may  
18 elect to receive either a cash refund, less any amount identified as  
19 owing to an obligee upon withdrawal of accumulated contributions  
20 pursuant to a court order filed under RCW 41.50.670, or monthly  
21 payments according to the option selected by the member.

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