

SB 5274 - H COMM AMD  
By Committee on Appropriations

ADOPTED 04/07/2017

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 43.43.120 and 2011 1st sp.s. c 5 s 6 are each  
4 amended to read as follows:

5 As used in this section and RCW 43.43.130 through 43.43.320,  
6 unless a different meaning is plainly required by the context:

7 (1) "Actuarial equivalent" shall mean a benefit of equal value  
8 when computed upon the basis of such mortality table as may be  
9 adopted and such interest rate as may be determined by the director.

10 (2) "Annual increase" means as of July 1, 1999, seventy-seven  
11 cents per month per year of service which amount shall be increased  
12 each subsequent July 1st by three percent, rounded to the nearest  
13 cent.

14 (3)(a) "Average final salary," for members commissioned prior to  
15 January 1, 2003, shall mean the average monthly salary received by a  
16 member during the member's last two years of service or any  
17 consecutive two-year period of service, whichever is the greater, as  
18 an employee of the Washington state patrol; or if the member has less  
19 than two years of service, then the average monthly salary received  
20 by the member during the member's total years of service.

21 (b) "Average final salary," for members commissioned on or after  
22 January 1, 2003, shall mean the average monthly salary received by a  
23 member for the highest consecutive sixty service credit months; or if  
24 the member has less than sixty months of service, then the average  
25 monthly salary received by the member during the member's total  
26 months of service.

27 (c) In calculating average final salary under (a) or (b) of this  
28 subsection, the department of retirement systems shall include:

29 (i) Any compensation forgone by the member during the 2009-2011  
30 fiscal biennium as a result of reduced work hours, mandatory or  
31 voluntary leave without pay, temporary reduction in pay implemented  
32 prior to December 11, 2010, or temporary layoffs if the reduced

1 compensation is an integral part of the employer's expenditure  
2 reduction efforts, as certified by the chief; and

3 (ii) Any compensation forgone by a member during the 2011-2013  
4 fiscal biennium as a result of reduced work hours, mandatory leave  
5 without pay, temporary layoffs, or reductions to current pay if the  
6 reduced compensation is an integral part of the employer's  
7 expenditure reduction efforts, as certified by the chief. Reductions  
8 to current pay shall not include elimination of previously agreed  
9 upon future salary reductions.

10 (4) "Beneficiary" means any person in receipt of retirement  
11 allowance or any other benefit allowed by this chapter.

12 (5)(a) "Cadet," for a person who became a member of the  
13 retirement system after June 12, 1980, is a person who has passed the  
14 Washington state patrol's entry-level oral, written, physical  
15 performance, and background examinations and is, thereby, appointed  
16 by the chief as a candidate to be a commissioned officer of the  
17 Washington state patrol.

18 (b) "Cadet," for a person who became a member of the retirement  
19 system before June 12, 1980, is a trooper cadet, patrol cadet, or  
20 employee of like classification, employed for the express purpose of  
21 receiving the on-the-job training required for attendance at the  
22 state patrol academy and for becoming a commissioned trooper. "Like  
23 classification" includes: Radio operators or dispatchers; persons  
24 providing security for the governor or legislature; patrol officers;  
25 drivers' license examiners; weighmasters; vehicle safety inspectors;  
26 central wireless operators; and warehouse workers.

27 (6) "Contributions" means the deduction from the compensation of  
28 each member in accordance with the contribution rates established  
29 under chapter 41.45 RCW.

30 (7) "Current service" shall mean all service as a member rendered  
31 on or after August 1, 1947.

32 (8) "Department" means the department of retirement systems  
33 created in chapter 41.50 RCW.

34 (9) "Director" means the director of the department of retirement  
35 systems.

36 (10) "Domestic partners" means two adults who have registered as  
37 domestic partners under RCW 26.60.040.

38 (11) "Employee" means any commissioned employee of the Washington  
39 state patrol.

1 (12) "Insurance commissioner" means the insurance commissioner of  
2 the state of Washington.

3 (13) "Lieutenant governor" means the lieutenant governor of the  
4 state of Washington.

5 (14) "Member" means any person included in the membership of the  
6 retirement fund.

7 (15) "Plan 2" means the Washington state patrol retirement system  
8 plan 2, providing the benefits and funding provisions covering  
9 commissioned employees who first become members of the system on or  
10 after January 1, 2003.

11 (16) "Prior service" shall mean all services rendered by a member  
12 to the state of Washington, or any of its political subdivisions  
13 prior to August 1, 1947, unless such service has been credited in  
14 another public retirement or pension system operating in the state of  
15 Washington.

16 (17) "Regular interest" means interest compounded annually at  
17 such rates as may be determined by the director.

18 (18) "Retirement board" means the board provided for in this  
19 chapter.

20 (19) "Retirement fund" means the Washington state patrol  
21 retirement fund.

22 (20) "Retirement system" means the Washington state patrol  
23 retirement system.

24 (21)(a) "Salary," for members commissioned prior to July 1, 2001,  
25 shall exclude any overtime earnings related to RCW 47.46.040, or any  
26 voluntary overtime, earned on or after July 1, 2001, and prior to  
27 July 1, 2017. On or after July 1, 2017, salary shall exclude overtime  
28 earnings in excess of seventy hours per year in total related to  
29 either RCW 47.46.040 or any voluntary overtime.

30 (b) "Salary," for members commissioned on or after July 1, 2001,  
31 shall exclude any overtime earnings related to RCW 47.46.040 or any  
32 voluntary overtime, earned prior to July 1, 2017, lump sum payments  
33 for deferred annual sick leave, unused accumulated vacation, unused  
34 accumulated annual leave, holiday pay, or any form of severance pay.  
35 On or after July 1, 2017, salary shall exclude overtime earnings in  
36 excess of seventy hours per year in total related to either RCW  
37 47.46.040 or any voluntary overtime.

38 (c) The addition of overtime earnings related to RCW 47.46.040 or  
39 any voluntary overtime earned on or after July 1, 2017, in this act

1 is a benefit improvement that increases the member maximum  
2 contribution rate under RCW 41.45.0631(1) by 1.10 percent.

3 (22) "Service" shall mean services rendered to the state of  
4 Washington or any political subdivisions thereof for which  
5 compensation has been paid. Full time employment for seventy or more  
6 hours in any given calendar month shall constitute one month of  
7 service. An employee who is reinstated in accordance with RCW  
8 43.43.110 shall suffer no loss of service for the period reinstated  
9 subject to the contribution requirements of this chapter. Only months  
10 of service shall be counted in the computation of any retirement  
11 allowance or other benefit provided for herein. Years of service  
12 shall be determined by dividing the total number of months of service  
13 by twelve. Any fraction of a year of service as so determined shall  
14 be taken into account in the computation of such retirement allowance  
15 or benefit.

16 (23) "State actuary" or "actuary" means the person appointed  
17 pursuant to RCW 44.44.010(2).

18 (24) "State treasurer" means the treasurer of the state of  
19 Washington.

20 Unless the context expressly indicates otherwise, words importing  
21 the masculine gender shall be extended to include the feminine gender  
22 and words importing the feminine gender shall be extended to include  
23 the masculine gender."

24 Correct the title.

EFFECT: Annually permits up to 70 hours of overtime related to Department of Transportation contracts or voluntary overtime to be included in "salary" for purposes calculating benefits in the Washington State Patrol Retirement System (WSPRS). The maximum member contribution rate to WSPRS, currently 7.34 percent of pay, is increased to 8.44 percent.

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