

WAC 415-111-440 Gainsharing. (1) What is gainsharing?

(a) When the average of investment returns on the net assets held in the Plan 2 and 3 pension funds exceeds ten percent over a four-year period, the amount in excess of ten percent is called extraordinary gains.

(b) A portion of the extraordinary gains is paid to qualified Plan 3 members, retirees and designated survivors and is called gain-sharing. The amount a person receives is calculated based on total service credit.

(c) Gainsharing payments are made in January of even-numbered years.

(d) Gainsharing is based on fiscal years (July 1 - June 30). If the retirement fund does not earn in excess of ten percent over the four-year period, there is no gainsharing payment.

(e) A gainsharing payment is credited to an investment program according to the investment allocations that you have on file. Gain-sharing payments appear on your first quarter statement in even-numbered years.

(2) Are my survivors eligible for my gainshare payments if I die?

(a) If you die in-service and your surviving spouse or eligible child or children choose to receive a monthly retirement allowance, they will be eligible to receive gainsharing payments. If you do not have a surviving spouse or minor child or children, your account will no longer receive gainsharing payments.

(b) If you die as the beneficiary receiving a survivorship benefit from a death-in-service member with gainsharing payments, your gainsharing payments will continue to your minor child or children until they reach the age of majority or die. If you do not have any minor children, your account will no longer receive gainsharing payments.

(c) If you die after retirement and you chose a survivorship benefit, the gainsharing payment will continue to your survivor. If you did not choose a survivorship benefit, your account will no longer receive gainsharing payments.

(3) What happens if I die before the first payment is made? If you have qualified for a gainsharing payment, but die prior to the payment being made, the payment will be paid to your estate, or the person or persons, trust, or organization you nominated by the most recent written designation filed with the department.

[Statutory Authority: RCW 41.50.050(5) and chapter 41.31A RCW. WSR 02-03-120, § 415-111-440, filed 1/23/02, effective 3/1/02.]