# Chapter 415-112 WAC
# TEACHERS' RETIREMENT SYSTEM

**Last Update:** 8/11/26

**WAC**


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**DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER**

415-112-010 Description of teachers' retirement system. [Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-010, filed 2/15/78. Formerly WAC 462-04-010.] Repealed by WSR 99-21-031, filed 10/14/99, effective 11/14/99. Statutory Authority: RCW 41.50.050.

415-112-0151 Contract period—Definition. [Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-0151, filed 7/25/95, effective 8/25/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW.

415-112-0152 Day—Definition. [Statutory Authority: RCW 41.50.050. WSR 97-01-015, § 415-112-0152, filed 12/6/96, effective 1/6/97; WSR 95-16-053, § 415-112-0152, filed 7/25/95, effective 8/25/95.] Repealed by WSR 99-21-031, filed 10/14/99, effective 11/14/99. Statutory Authority: RCW 41.50.050.

415-112-0154 Ineligible position—Definition. [Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-0154, filed 7/25/95, effective 8/25/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW.

415-112-0156 Pension benefit—Definition. [Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-0156, filed 7/25/95, effective 8/25/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW.

415-112-0157 Public educational institution—Definition. [Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-0157, filed 7/25/95, effective 8/25/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW.

415-112-0158 Public school—Definition. [Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-0158, filed 7/25/95, effective 8/25/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW.

415-112-0159 Qualified to teach—Definition. [Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-0159, filed 7/25/95, effective 8/25/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW.

415-112-0160 Reportable compensation—Definition. [Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-0160, filed 1/6/97, effective 2/6/97.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW.

415-112-0161 School year—Definition. [Statutory Authority: RCW 41.50.050(5), 41.32.010, 41.32.498. WSR 01-23-053, § 415-112-0161, filed 11/20/01, effective 12/21/01. Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-0161, filed 7/25/95, effective 8/25/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW.

415-112-0162 Service in an administrative or supervisory capacity—Definition. [Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-0162, filed 7/25/95, effective 8/25/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW.

415-112-0163 Service in an instructional capacity—Definition. [Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-0163, filed 7/25/95, effective 8/25/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW.

415-112-0165 Spousal consent—Definition. [Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-0165, filed 7/25/95, effective 8/25/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW.

415-112-0167 System acronyms—Definition. [Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-112-0167, filed 12/12/00, effective 1/12/01. Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-0167, filed 7/25/95, effective 8/25/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW.

415-112-020 Public records. [Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-020, filed 2/15/78. Formerly WAC 462-05-001.] Repealed by WSR 05-12-042, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5).

415-112-030 Appeals—Forms and procedures. [Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-030, filed 2/15/78. Formerly WAC 462-08-010.] Repealed by WSR 99-21-031, filed 10/14/99, effective 11/14/99. Statutory Authority: RCW 41.50.050.

415-112-050 How does the department comply with Internal Revenue Code distribution rules? [Statutory Authority: RCW 41.50.050(5), chapter 41.32 RCW and IRS regulations. WSR 02-14-009, § 415-112-050, filed 6/20/02, effective 7/21/02.] Repealed by WSR 10-24-099, filed 12/1/10, effective 1/1/11. Statutory Authority: RCW 41.50.050(5).

415-112-060 What are the IRS limitations on maximum benefits and maximum contributions? [Statutory Authority: RCW 41.50.050(5), chapter 41.32 RCW and IRS regulations. WSR 02-14-009, § 415-112-060, filed 6/20/02, effective 7/21/02.] Repealed by WSR 10-24-099, filed 12/1/10, effective 1/1/11. Statutory Authority: RCW 41.50.050(5).

415-112-070 Assets for exclusive benefit of members and beneficiaries. [Statutory Authority: RCW 41.50.050(5), chapter 41.32 RCW and IRS regulations. WSR 02-14-009, § 415-112-070, filed 6/20/02, effective 7/21/02.] Repealed by WSR 10-24-099, filed 12/1/10, effective 1/1/11. Statutory Authority: RCW 41.50.050(5).

415-112-100 Minimum requirement for membership. [Statutory Authority: RCW 41.50.050. WSR 99-14-008, § 415-112-100, filed 6/24/99, effective 7/25/99. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-100, filed 2/15/78. Formerly WAC 462-16-010.] Repealed by WSR 05-12-042, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5).

415-112-110 Teachers' retirement system employees eligible for membership. [Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-110, filed 2/15/78. Formerly WAC 462-16-020.] Repealed by WSR 99-21-031, filed 10/14/99, effective 11/14/99. Statutory Authority: RCW 41.50.050.

415-112-135 Can I be a member if I work as an educational staff associate? [Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 02-18-046, § 415-112-135, filed 8/28/02, effective 9/30/02. Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-112-135, filed 12/12/00, effective 1/12/01. Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-135, filed 7/25/95, effective 8/25/95.] Repealed by WSR 05-12-042, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5).

415-112-200 Establishing credit for previous service. [Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-200, filed 2/15/78. Formerly WAC 462-20-005.] Repealed by WSR 06-18-006, filed 8/24/06, effective 9/24/06. Statutory Authority: RCW 41.50.050(5).

415-112-210 Withdrawal before final date for establishing additional credit. [Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-210, filed 2/15/78. Formerly WAC 462-20-010.] Repealed by WSR 06-18-006, filed 8/24/06, effective 9/24/06. Statutory Authority: RCW 41.50.050(5).

415-112-220 Withdrawal before making final payment to establish additional credit. [Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-220, filed 2/15/78. Formerly WAC 462-20-015.] Repealed by WSR 06-18-006, filed 8/24/06, effective 9/24/06. Statutory Authority: RCW 41.50.050(5).

415-112-230 Failure to make final payment to establish credit. [Statutory Authority: RCW 41.50.050(5) and 41.32.310. WSR 03-02-087, § 415-112-230, filed 12/31/02, effective 2/1/03. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-230, filed 2/15/78. Formerly WAC 462-20-020.] Repealed by WSR 06-18-006, filed 8/24/06, effective 9/24/06. Statutory Authority: RCW 41.50.050(5).

415-112-260 How is service credit evaluated for service in higher institutions? [Statutory Authority: RCW 41.50.050(5), 41.32.270, 41.32.010(26). WSR 05-12-042, § 415-112-260, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-260, filed 2/15/78. Formerly WAC 462-20-035.] Repealed by WSR 06-18-006, filed 8/24/06, effective 9/24/06. Statutory Authority: RCW 41.50.050(5).

415-112-310 Civilian Conservation Corps service. [Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-310, filed 2/15/78. Formerly WAC 462-20-065.] Repealed by WSR 05-12-042, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5).

415-112-320 Service as a Peace Corps volunteer. [Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-320, filed 2/15/78. Formerly WAC 462-20-070.] Repealed by WSR 05-12-042, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5).

415-112-410 Earnable compensation for Plan I TRS members. [Statutory Authority: RCW 41.32.010(11). WSR 88-11-031 (Order 88-12), § 415-112-410, filed 5/13/88. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-410, filed 2/15/78. Formerly WAC 462-24-020.] Repealed by WSR 97-03-016, filed 1/6/97, effective 2/6/97. Statutory Authority: RCW 41.50.050.

415-112-411 Earnable compensation for Plan II TRS members. [Statutory Authority: RCW 41.32.010(11). WSR 88-11-031 (Order 88-12), § 415-112-411, filed 5/13/88.] Repealed by WSR 97-03-016, filed 1/6/97, effective 2/6/97. Statutory Authority: RCW 41.50.050.

415-112-414 Back pay award or settlement—Definition—Allocated by the department for retirement system purposes. [Statutory Authority: RCW 41.32.010(11) and 41.32.160. WSR 87-17-060 (Order DRS 87-07), § 415-112-414, filed 8/19/87.] Repealed by WSR 97-03-016, filed 1/6/97, effective 2/6/97. Statutory Authority: RCW 41.50.050.

415-112-420 Determining the earnable compensation. [Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-420, filed 2/15/78. Formerly WAC 462-24-030.] Repealed by WSR 99-21-031, filed 10/14/99, effective 11/14/99. Statutory Authority: RCW 41.50.050.

415-112-444 Purpose and scope of earnable compensation rules. [Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-444, filed 1/6/97, effective 2/6/97.] Repealed by WSR 05-12-042, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5).

415-112-445 TRS reportable compensation table. [Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 03-06-042, § 415-112-445, filed 2/27/03, effective 4/1/03. Statutory Authority: RCW 41.50.050. WSR 98-09-059, § 415-112-445, filed 4/17/98, effective 5/18/98;

WSR 97-03-016, § 415-112-445, filed 1/6/97, effective 2/6/97.] Repealed by WSR 05-12-042, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5).

415-112-450 What compensation can be reported? [Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-450, filed 1/6/97, effective 2/6/97.] Repealed by WSR 05-12-042, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5).

415-112-460 Payments for services rendered. [Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-460, filed 4/21/00, effective 5/22/00; WSR 97-03-016, § 415-112-460, filed 1/6/97, effective 2/6/97.] Repealed by WSR 05-12-042, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5).

415-112-4605 Leave payments earned over time. [Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-4605, filed 4/21/00, effective 5/22/00; WSR 97-03-016, § 415-112-4605, filed 1/6/97, effective 2/6/97.] Repealed by WSR 05-12-108, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050(5).

415-112-470 Payments not for services rendered. [Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-470, filed 1/6/97, effective 2/6/97.] Repealed by WSR 05-12-042, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5).

415-112-483 Workers' compensation. [Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-483, filed 1/6/97, effective 2/6/97.] Repealed by WSR 05-12-108, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050(5).

415-112-491 Severance pay not earned over time—Contract buy out. [Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-491, filed 1/6/97, effective 2/6/97.] Repealed by WSR 05-12-108, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050(5).

415-112-501 Do I qualify for retirement from Plan 2? [Statutory Authority: RCW 41.50.050(5) and 41.32.765. WSR 05-12-108, § 415-112-501, filed 5/27/05, effective 6/27/05.] Repealed by WSR 13-08-055, filed 3/29/13, effective 5/1/13. Statutory Authority: RCW 41.50.050(5).

415-112-502 Do I qualify for retirement from Plan 3? [Statutory Authority: RCW 41.50.050(5) and 41.32.875. WSR 06-15-071, § 415-112-502, filed 7/13/06, effective 8/13/06; WSR 05-12-108, § 415-112-502, filed 5/27/05, effective 6/27/05.] Repealed by WSR 13-08-055, filed 3/29/13, effective 5/1/13. Statutory Authority: RCW 41.50.050(5).

415-112-510 Eligibility for retirement with less than five years of Washington service credit. [Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-510, filed 2/15/78. Formerly WAC 462-28-010.] Repealed by WSR 00-10-015, filed 4/21/00, effective 5/22/00. Statutory Authority: RCW 41.50.050.

415-112-530 Balance of monthly payment due on date of death. [Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-530, filed 2/15/78. Formerly WAC 462-28-035.] Repealed by WSR 06-18-006, filed 8/24/06, effective 9/24/06. Statutory Authority: RCW 41.50.050(5).

415-112-535 Definitions for administering RCW 41.32.570. [Statutory Authority: RCW 41.50.050 and 41.32.570. WSR 91-21-084, § 415-112-535, filed 10/18/91, effective 11/18/91.] Repealed by WSR 93-20-021, filed 9/24/93, effective 10/25/93. Statutory Authority: RCW 41.32.345 and 41.50.050.

415-112-540 How will returning to work affect my TRS Plan 1 monthly pension? [Statutory Authority: RCW 41.50.050. WSR 00-11-053, § 415-112-540, filed 5/12/00, effective 6/12/00; WSR 97-01-015, § 415-112-540, filed 12/6/96, effective 1/6/97. Statutory Authority: RCW 41.50.050 and 41.32.570. WSR 91-21-084, § 415-112-540, filed 10/18/91, effective 11/18/91. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-540, filed 2/15/78. Formerly WAC 462-28-040.] Repealed by WSR 02-02-060, filed 12/28/01, effective 1/1/02. Statutory Authority: RCW 41.50.050(5), 41.04.270, 41.26.030, 41.32.010, 41.32.025, 41.32.480, 41.32.500, 41.32.570, 41.32.765, 41.32.795, 41.32.802, 41.32.855, 41.32.860, 41.32.862, 41.35.010, 41.35.030, 41.35.060, 41.35.450, 41.35.640, 41.40.010, 41.40.023, 41.40.037, 41.40.150, 41.40.193, 41.40.680, 41.40.750, 41.40.801.

415-112-541 How will returning to work affect my TRS Plan 1 monthly pension? [Statutory Authority: RCW 41.50.050(5) and 41.32.570. WSR 05-03-006, § 415-112-541, filed 1/6/05, effective 2/6/05. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 02-18-046, § 415-112-541, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5), 41.04.270, 41.26.030, 41.32.010, 41.32.025, 41.32.480, 41.32.500, 41.32.570, 41.32.765, 41.32.795, 41.32.802, 41.32.855, 41.32.860, 41.32.862, 41.35.010, 41.35.030, 41.35.060, 41.35.450, 41.35.640, 41.40.010, 41.40.023, 41.40.037, 41.40.150, 41.40.193, 41.40.680, 41.40.750, 41.40.801. WSR 02-02-060, § 415-112-541, filed 12/28/01, effective 1/1/02.] Repealed by WSR 16-17-047, filed 8/11/16, effective 9/11/16. Statutory Authority: RCW 41.50.050(5).

415-112-542 How will returning to work affect my TRS Plan 2 or Plan 3 monthly retirement allowance? [Statutory Authority: RCW 41.50.050(5), 41.04.270, 41.26.030, 41.32.010, 41.32.025, 41.32.480, 41.32.500, 41.32.570, 41.32.765, 41.32.795, 41.32.802, 41.32.855, 41.32.860, 41.32.862, 41.35.010, 41.35.030, 41.35.060, 41.35.450, 41.35.640, 41.40.010, 41.40.023, 41.40.037, 41.40.150, 41.40.193, 41.40.680, 41.40.750, 41.40.801. WSR 02-02-060, § 415-112-542, filed 12/28/01, effective 1/1/02.] Repealed by WSR 16-17-047, filed 8/11/16, effective 9/11/16. Statutory Authority: RCW 41.50.050(5).

415-112-545 How can I qualify for an additional three hundred fifteen hours of service without having my TRS Plan 1 monthly pension reduced? [Statutory Authority: RCW 41.50.050. WSR 00-11-053, § 415-112-545, filed 5/12/00, effective 6/12/00; WSR 97-01-015, § 415-112-545, filed 12/6/96, effective 1/6/97.] Repealed by WSR 02-02-060, filed 12/28/01, effective 1/1/02. Statutory Authority: RCW 41.50.050(5), 41.04.270, 41.26.030, 41.32.010, 41.32.025, 41.32.480, 41.32.500, 41.32.570, 41.32.765, 41.32.795, 41.32.802, 41.32.855, 41.32.860, 41.32.862, 41.35.010, 41.35.030, 41.35.060, 41.35.450, 41.35.640, 41.40.010, 41.40.023, 41.40.037, 41.40.150, 41.40.193, 41.40.680, 41.40.750, 41.40.801.

415-112-550 Peace Corps volunteers not employed in public education. [Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-550, filed 2/15/78. Formerly WAC 462-28-045.] Repealed by WSR 05-12-108, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050(5).

415-112-561 Administration of early retirement. [Statutory Authority: RCW 41.50.050. WSR 93-20-020, § 415-112-561, filed 9/24/93, effective 10/25/93.] Repealed by WSR 99-12-041, filed 5/26/99, effective 6/26/99. Statutory Authority: RCW 41.50.050.

415-112-710 When are survivor benefits payable? [Statutory Authority: RCW 41.50.050. WSR 99-14-008, § 415-112-710, filed 6/24/99, effective 7/25/99. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-710, filed 2/15/78. Formerly WAC 462-36-020.] Repealed by WSR 05-12-108, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050(5).

415-112-715 Who gets the balance of my monthly retirement allowance if I die partway through a month? [Statutory Authority: RCW 41.50.050(5). WSR 06-18-006, § 415-112-715, filed 8/24/06, effective 9/24/06.] Repealed by WSR 21-10-036, filed 4/28/21, effective 5/29/21. Statutory Authority: RCW 41.50.050.

415-112-720 Background and purpose. [Statutory Authority: RCW 34.05.050 and 1990 c 249. WSR 91-03-016, § 415-112-720, filed 1/7/91, effective 2/7/91.] Repealed by WSR 96-01-047, filed 12/14/95, effective 1/14/96. Statutory Authority: RCW 2.10.146, 41.26.460, 41.32.530, 41.50.050, 41.32.785, 41.40.188 and 41.40.660.

415-112-722 Definitions for purposes of WAC 415-112-720 through 415-112-727. [Statutory Authority: RCW 34.05.050 and 1990 c 249. WSR 91-03-016, § 415-112-722, filed 1/7/91, effective 2/7/91.] Repealed by WSR 93-20-021, filed 9/24/93, effective 10/25/93. Statutory Authority: RCW 41.32.345 and 41.50.050.

415-112-725 Married member's benefit selection—Spousal consent required. [Statutory Authority: RCW 41.50.050(5), 41.32.530(2), 41.32.785(2), 41.32.851(2). WSR 02-03-120, § 415-112-725, filed 1/23/02, effective 3/1/02. Statutory Authority: RCW 41.50.050. WSR 99-14-008, § 415-112-725, filed 6/24/99, effective 7/25/99. Statutory Authority: RCW 2.10.146, 41.26.460, 41.32.530, 41.50.050, 41.32.785, 41.40.188 and 41.40.660. WSR 96-01-047, § 415-112-725, filed 12/14/95, effective 1/14/96. Statutory Authority: RCW 34.05.050 and 1990 c 249. WSR 91-03-016, § 415-112-725, filed 1/7/91, effective 2/7/91.] Repealed by WSR 05-12-108, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050(5).

415-112-727 Retirement benefit options. [Statutory Authority: RCW 41.50.050(5), 41.26.460, 41.32.530, 41.32.785, 41.32.851, 41.35.220, 41.40.188, 41.40.660, 41.40.845. WSR 01-10-045, § 415-112-727, filed 4/26/01, effective 6/1/01. Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-112-727, filed 12/12/00, effective 1/12/01. Statutory Authority: RCW 41.50.050. WSR 99-14-008, § 415-112-727, filed 6/24/99, effective 7/25/99. Statutory Authority: RCW 2.10.146, 41.26.460, 41.32.530, 41.50.050, 41.32.785, 41.40.188 and 41.40.660. WSR 96-01-047, § 415-112-727, filed 12/14/95, effective 1/14/96. Statutory Authority: RCW 34.05.050 and 1990 c 249. WSR 91-03-016, § 415-112-727, filed 1/7/91, effective 2/7/91.] Repealed by WSR 05-23-062, filed 11/14/05, effective 12/15/05. Statutory Authority: RCW 41.50.050(5).

415-112-800 Scope. [Statutory Authority: RCW 41.50.050. WSR 99-14-008, § 415-112-800, filed 6/24/99, effective 7/25/99. Statutory Authority: Chapter 41.32 RCW as amended by 1987 c 265. WSR 87-20-082 (Order 87-09), § 415-112-800, filed 10/7/87.] Repealed by WSR 05-12-108, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050(5).

415-112-810 Who qualifies for the alternate computation of earnable compensation in RCW 41.32.345? [Statutory Authority: RCW 41.50.050(5) and 41.32.345. WSR 04-21-080, § 415-112-810, filed 10/20/04, effective 11/20/04. Statutory Authority: RCW 41.32.345 and 41.50.050. WSR 93-20-021, § 415-112-810, filed 9/24/93, effective 10/25/93. Statutory Authority: Chapter 41.32 RCW as amended by 1987 c 265. WSR 87-20-082 (Order 87-09), § 415-112-810, filed 10/7/87.] Repealed by WSR 06-18-006, filed 8/24/06, effective 9/24/06. Statutory Authority: RCW 41.50.050(5).

415-112-820 What is a bona fide position for purposes of WAC 415-112-810? [Statutory Authority: RCW 41.50.050(5) and 41.32.010 (10)(a)(iv). WSR 05-21-051, § 415-112-820, filed 10/13/05, effective 11/13/05. Statutory Authority: RCW 41.50.050(5) and 41.32.345. WSR 04-21-080, § 415-112-820, filed 10/20/04, effective 11/20/04. Statutory Authority: RCW 41.32.345 and 41.50.050. WSR 93-20-021, § 415-112-820, filed 9/24/93, effective 10/25/93. Statutory Authority: Chapter 41.32 RCW as amended by 1987 c 265. WSR 87-20-082 (Order 87-09), § 415-112-820, filed 10/7/87.] Repealed by WSR 06-18-006, filed 8/24/06, effective 9/24/06. Statutory Authority: RCW 41.50.050(5).

415-112-830 How is earnable compensation adjusted for bona fide employees? [Statutory Authority: RCW 41.50.050(5) and 41.32.345. WSR 04-21-080, § 415-112-830, filed 10/20/04, effective 11/20/04. Statutory Authority: RCW 41.32.345 and 41.50.050. WSR 93-20-021, § 415-112-830, filed 9/24/93, effective 10/25/93.] Repealed by WSR 06-18-006, filed 8/24/06, effective 9/24/06. Statutory Authority: RCW 41.50.050(5).

415-112-835 How is the computation in WAC 415-112-830 modified for teachers in extended school year programs? [Statutory Authority: RCW 41.50.050(5) and 41.32.345. WSR 04-21-080, § 415-112-835, filed 10/20/04, effective 11/20/04.] Repealed by WSR 06-18-006, filed 8/24/06, effective 9/24/06. Statutory Authority: RCW 41.50.050(5).

415-112-840 Actuarial recomputation of retirement allowance upon retirement following reemployment. [Statutory Authority: RCW 41.50.050. WSR 94-09-040, § 415-112-840, filed 4/19/94, effective 5/20/94.] Repealed by WSR 05-12-043, filed 5/25/05, effective 6/25/05.

415-112-850 Interim retirement allowance—Employer final compensation report—Final computation of retirement allowance—Adjustment of retirement allowance for errors. [Statutory Authority: RCW 41.50.050 and Bowles v. Retirement Systems, 121 Wn.2d 52 (1993). WSR 94-11-009, § 415-112-850, filed 5/5/94, effective 6/5/94.] Repealed by WSR 05-12-108, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050(5).

415-112-920 TRS Plan 3 defined benefit retirement eligibility. [Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-920, filed 4/21/00, effective 5/22/00.] Repealed by WSR 05-12-108, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050(5).

415-112-950 Mandatory selection of investment program. [Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-950, filed 4/21/00, effective 5/22/00.] Repealed by WSR 01-01-059, filed 12/12/00, effective 1/12/01. Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW.

**WAC 415-112-015 Definitions.** All definitions in RCW 41.32.010 and WAC 415-02-030 apply to terms used in this chapter. Other terms relevant to the administration of chapter 41.32 RCW are defined in this chapter.

(1) **Accrual date** means the first date from which a member's or beneficiary's benefit is calculated. See WAC 415-112-520, RCW 41.32.795 and 41.32.855.

(2) **Annual leave** means leave provided by an employer for the purpose of taking regularly scheduled work time off with pay. Annual leave does not usually include leave for illness, personal business if in addition to and different than vacation leave, or other paid time off from work. However, if an employer authorizes only one type of leave, covering paid leave for vacation, illness, and any other excused absence from work, such leave will be considered annual leave for purposes of RCW 41.50.150.

(3) **Dual member** means a person who:

(a) Is or becomes a member of a retirement system, as defined in RCW 41.50.030 or 41.54.010(6), on or after July 1, 1988;

(b) Has been a member of one or more other systems; and

(c) Has never been retired for service from a retirement system and is not receiving a disability retirement or disability leave benefit from any retirement system listed in RCW 41.50.030 or 41.54.010(6). See WAC 415-113-041.

(4) **Ineligible position** means a position that does not meet the requirements of an eligible position as stated in RCW 41.32.010(37).

(5) **Pension benefit** means that portion of a retiree's monthly retirement allowance that is funded by the state of Washington and the retiree's former employer or employers.

(6) **Public educational institution** means a school district, the state school for the deaf, the state school for the blind, educational service districts, institutions of higher education, or community or technical colleges.

(7)(a) **Public school** as defined in RCW 41.32.010 includes school districts, educational service districts, the state school for the deaf, and the state school for the blind but does not include the office of the superintendent of public instruction.

(b) As applied to TRS employers other than those listed in (a) of this subsection, "public school" means an institution, fifty percent or more of whose employees are "qualified to teach," whose primary function is to educate students. See subsection (8) of this section.

(8) **Qualified to teach** as used under RCW 41.32.010(29) means:

(a) Having a valid certificate issued by the office of the superintendent of public instruction pursuant to WAC 181-79A-140;

(b) Having a valid permit to teach issued by a lawful authority of this state pursuant to WAC 181-79A-128; or

(c) Being employed under a contract to teach with an institution of higher education as defined in RCW 28B.10.016.

(9) **Service in an administrative or supervisory capacity** as used under RCW 41.32.010 and in this chapter:

(a) Means:

(i) Service in a managerial role relating to the administration of a public school; or

(ii) Service involving the exercise of direction over employees of the public school.

(b) Includes, but is not limited to, service as: Principal, assistant principal, superintendent, assistant superintendent, personnel manager and business manager.

(10) **Spousal consent** requires verified written evidence that the married member's spouse consents to the retirement option selected by the member. The spouse's signature on the retirement application filed with the department, duly executed and verified by notarization or other means acceptable to the department, constitutes "verified written evidence."

(11) **System acronyms** used in this chapter are defined as follows:

- "PERS" means the public employees' retirement system.
- "SERS" means the school employees' retirement system.
- "TRS" means the teachers' retirement system.

[Statutory Authority: RCW 41.50.050. WSR 20-13-065, § 415-112-015, filed 6/15/20, effective 7/16/20. Statutory Authority: RCW 41.50.050(5), 41.32.010 and chapter 41.32 RCW. WSR 08-10-025, § 415-112-015, filed 4/25/08, effective 5/26/08; WSR 05-12-042, § 415-112-015, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5). WSR 04-21-080, § 415-112-015, filed 10/20/04, effective 11/20/04. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 02-18-046, § 415-112-015, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-015, filed 7/25/95, effective 8/25/95. Statutory Authority: RCW 41.50.050 and Bowles v. Retirement Systems, 121 Wn.2d 52 (1993). WSR 94-11-009, § 415-112-015, filed 5/5/94, effective 6/5/94. Statutory Authority: RCW 41.32.345 and 41.50.050. WSR 93-20-021, § 415-112-015, filed 9/24/93, effective 10/25/93.]

**WAC 415-112-040 Actuarial factors and schedules.** See chapter 415-02 WAC starting with WAC 415-02-300 for information on how the department uses actuarial factors and schedules to calculate optional retirement allowances of members of the Washington state teachers' retirement system.

[Statutory Authority: RCW 41.50.050(5). WSR 13-18-034, § 415-112-040, filed 8/28/13, effective 10/1/13. Statutory Authority: RCW 41.50.050(5) and chapter 41.45 RCW. WSR 02-18-048, § 415-112-040, filed 8/28/02, effective 9/1/02. Statutory Authority: RCW 41.50.050. WSR 96-03-100, § 415-112-040, filed 1/19/96, effective 2/19/96. Statutory Authority: RCW 41.50.050 and 41.32.140. WSR 91-19-065, § 415-112-040, filed 9/16/91, effective 10/17/91; WSR 91-02-020, § 415-112-040, filed 12/21/90, effective 1/21/91.]

## MEMBERSHIP

**WAC 415-112-119 Purpose and scope of eligibility rules.** WAC 415-112-120 through 415-112-156 codifies the department's existing interpretation of statutes and existing administrative practice regarding eligibility for membership in TRS Plans 1, 2 and 3. The department has applied and will apply these rules to determine eligibility for membership occurring prior to the effective dates of these sections.

[Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 05-12-042, § 415-112-119, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-119, filed 7/25/95, effective 8/25/95.]

**WAC 415-112-120 What is the definition of a "teacher"?** Only teachers are eligible to establish membership in TRS.

(1) A teacher is a person who:

(a) Is qualified to teach under WAC 415-112-015(8); and is employed by a public school in an instructional, administrative, or supervisory capacity; or

(b) Otherwise meets the criteria in RCW 41.32.010(29).

(2) For example, persons employed in the following positions are included in the definition of teacher:

(a) Classroom teacher;

(b) Superintendent and assistant superintendent;

(c) Principal and assistant principal;

(d) Educational staff associate (see WAC 415-112-122);

(e) School librarian;

(f) Program administrator;

(g) School doctor.

(3) For example, persons employed in the following positions are not included in the definition of teacher:

(a) Custodian, bus driver, or cafeteria worker;

(b) Library technician;

(c) Administrative assistant or payroll clerk.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(29). WSR 05-12-042, § 415-112-120, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-120, filed 7/25/95, effective 8/25/95.]

**WAC 415-112-122 Am I eligible for TRS membership if I am an educational staff associate?** (1) For the purposes of this chapter, you are considered a teacher and are eligible for TRS membership if you:

(a) Possess a valid educational staff associate certificate issued by the office of the superintendent of public instruction under chapter 180-79A WAC; and

(b) Serve in an educational staff associate position in a public school consistent with subsection (2) of this section.

(2) Educational staff associate positions include, but are not limited to: Communications disorder specialist, occupational therapist, physical therapist, reading resource technician, school counselor, school nurse, school psychologist, school social worker and school librarian. Educational staff associate positions do not include positions such as custodian, groundskeeper, bus driver, cafeteria worker, library technician, administrative assistant, payroll clerk or any other position that does not require service in an instructional, administrative or supervisory capacity.

(3) If you established service credit in PERS prior to June 7, 1984, in an educational staff associate position, and were employed as such on or after June 7, 1984, you may transfer your membership to TRS within the time limits established in RCW 41.32.032.

(4) If you were enrolled in PERS prior to June 7, 1984, based on employment as an educational staff associate, and were converted to SERS membership under RCW 41.40.750, you may transfer your membership to TRS within the time limits established in RCW 41.32.032.

[Statutory Authority: RCW 41.50.050(5) and 41.32.032. WSR 05-12-042, § 415-112-122, filed 5/25/05, effective 6/25/05.]

**WAC 415-112-125 If I am eligible, how can I establish membership?** If you are a teacher as defined in WAC 415-112-120 and meet the conditions in the following table, you established TRS membership. Your plan status depends upon the date you established membership, as indicated in the following table:

| Period of Service | Type of Employment | Plan |
|---|---|---|
| Prior to 10/01/77[1/] | (1) You were mandated into membership, if:<br>(a) You were contracted to teach full time, as defined in RCW 41.32.240; and<br>(b) You were employed for ninety calendar days.<br>(2) If you were employed less than full time, you were a member if you:<br>(a) Worked the equivalent of ninety or more full-time days[2/] during a fiscal year; and<br>(b) Established membership under RCW 41.32.240 prior to 10/01/77. | Plan 1 |
| 10/01/77 through 06/06/90 | (1) If you were contracted to teach full time, you were required to be a member.<br>(2) If you were employed as a substitute teacher or less than full time, you were a member if you:<br>(a) Worked the equivalent of ninety or more full-time days[2/] during a fiscal year;<br>(b) Worked at least ninety hours during one month; and<br>(c) Established membership under RCW 41.32.240. | Plan 2 |
| 06/07/90 through 08/31/91 | (1) You were a member if you:<br>(a) Were employed in an eligible position as defined in RCW 41.32.010 (37)(a);<br>(b) Worked two consecutive months of ninety hours or more of compensated employment each month during an annual period September through August.<br>(2) If you were a substitute teacher, you were a member if you:<br>(a) Worked two consecutive months of ninety hours or more of compensated employment each month during an annual period September through August; and<br>(b) Established membership under RCW 41.32.013. | Plan 2 |

| Period of Service | Type of Employment | Plan |
|---|---|---|
| 09/01/91 through 06/30/96 | (1) If you were employed in an eligible position as defined in RCW 41.32.010 (37)(b), you were required to be a member.<br>(2) If you were employed as a substitute teacher, you were a member if you:<br>(a) Worked at least five months of seventy hours or more of compensated employment during an annual period September through August; and<br>(b) Established membership under RCW 41.32.013. | Plan 2 |
| 07/01/96 | (1) If you were employed in an eligible position as defined in RCW 41.32.010 (37)(b), you were required to be a member.<br>(2) If you were employed as a substitute teacher, you were a member if you:<br>(a) Worked at least five months of seventy hours or more of compensated employment during an annual period September through August; and<br>(b) Established membership under RCW 41.32.013. | Plan 3 |

1/ If you previously established Plan 1 membership as detailed above, you may reestablish Plan 1 membership after October 1, 1977.

2/ The equivalent of a full-time day is the sum of partial days, which, when added together, equal one full-time day.

[Statutory Authority: RCW 41.50.050(5), 41.32.240, 41.32.780, 41.32.835, 41.32.013. WSR 05-12-042, § 415-112-125, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5). WSR 04-21-080, § 415-112-125, filed 10/20/04, effective 11/20/04. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 02-18-046, § 415-112-125, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-125, filed 4/21/00, effective 5/22/00; WSR 95-16-053, § 415-112-125, filed 7/25/95, effective 8/25/95.]

**WAC 415-112-130 If I separate from, and then reenter employment, do I continue to participate in TRS?** This section applies to Plan 1, 2 and 3 members who separate employment without retiring.

(1) **As a Plan 1 member:**

(a) If you separate from service without withdrawing contributions, you will participate in Plan 1 again if you become reemployed with a TRS employer, even if you are not working as a teacher as defined in WAC 415-112-120.

(b) If you separate from service and withdraw your contributions, you will reestablish Plan 1 membership only if:

(i) You are a teacher, as defined in WAC 415-112-120, and meet the eligibility requirements in RCW 41.32.240; or

(ii) You are a member of another retirement system and repay your withdrawn contributions as a dual member under portability. See RCW 41.54.020(2).

(2) **As a Plan 2 member:** If you separate from service, you will participate in Plan 2 again if you become reemployed in an eligible TRS position with a TRS employer.

(3) **As a Plan 3 member:** If you separate from service, you will participate in Plan 3 again if you become reemployed in an eligible TRS position with a TRS employer.

[Statutory Authority: RCW 41.50.050(5), 41.32.240, 41.32.780, 41.32.835. WSR 05-12-042, § 415-112-130, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 02-18-046, § 415-112-130, filed 8/28/02, effective 9/30/02. Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-112-130, filed 12/12/00, effective 1/12/01. Statutory Authority: RCW 41.50.050. WSR 95-16-053, § 415-112-130, filed 7/25/95, effective 8/25/95.]

**WAC 415-112-140 Am I eligible for membership and service credit as a substitute teacher?** (1) If you have never been a member of the teachers' retirement system (TRS), you may establish membership in Plan 2 or Plan 3 if you worked as a teacher for seventy or more hours per month during at least five months within a single school year period of September 1st through August 31st, during the 1991-92 school year or later. You may apply for membership for work prior to the 1991-92 school year if it meets the membership requirements in effect when the work was performed. Your membership will begin when your first optional bill to purchase substitute teaching service credit is paid in full.

(2) If you have already established membership and have not withdrawn your contributions, you may be eligible to purchase service credit for working as a substitute teacher.

(a) TRS Plan 1. If you are a Plan 1 member, you may apply to the department for service credit as a substitute teacher for any school year during which you worked a minimum of twenty full-time days between July 1st and June 30th.

(b) TRS Plan 2 or Plan 3. If you are a Plan 2 or Plan 3 member, you may apply to the department for service credit as described in subsection (4) of this section, for any compensated employment as a substitute teacher that occurs after your first month of established service credit. You may apply for service credit for compensated employment as a substitute teacher that occurred prior to your first month of established service credit if it meets the requirements for membership as described in subsection (1) of this section.

(3) If you previously established membership and withdrew your contributions, you may purchase service credit as a substitute teacher if you meet the criteria in this subsection.

(a) TRS Plan 1. You may reestablish membership in TRS Plan 1 if you worked as a substitute teacher for the equivalent of ninety full-time days within a single school year period of July 1st through June 30th.

(b) TRS Plan 2. You may reestablish membership in TRS Plan 2 if you worked as a substitute teacher as described in subsection (1) of this section.

(c) TRS Plan 3. If you are a Plan 3 member and withdrew your contributions, you may apply to the department for service credit for any compensated employment as a substitute teacher that occurred after your first month of established service credit. You may apply for service credit for compensated employment as a substitute teacher that occurred prior to your first month of established service credit if it meets the requirements for membership as described in subsection (1) of this section.

(4) To apply, you must submit a substitute teacher's application for service credit.

(a) Applications must be submitted no earlier than the end of your plan's school year in which you worked. The school year ends on June 30th for Plan 1, and August 31st for Plans 2 and 3.

(b) If you are establishing membership in TRS for the first time, you must also submit a member information form to indicate your selection of Plan 2 or Plan 3.

(c) If you are an established Plan 3 member, you may also submit a member information form to indicate your contribution rate and investment options. If you request a bill for your time as a substitute without completing a form, your contribution rate and investment option will be made at the default rate and investment option.

(d) If you are purchasing service credit for a period prior to the 2004-05 school year, or for work performed for a higher education employer or for the Washington state center for childhood deafness and hearing loss or the school for the blind, you must also submit quarterly reports to DRS along with your application for service credit. Quarterly reports must show the exact hours worked and compensation earned each month, and must be signed by the employer.

(5) To receive substitute teacher's service credit, you must pay the appropriate member contributions.

(a) Upon receipt of your application materials, the department will determine the amount of service credit you are eligible to purchase and will provide an optional bill for the amount due. Your service credit will be applied when the bill is paid in full.

(b) You have six months following the end of the school year in which you worked to pay the member contributions interest-free. Interest will begin to accrue on the first day of the seventh month following the end of the school year. The school year ends on June 30th for Plan 1, and August 31st for Plans 2 and 3.

(i) TRS Plan 1 or Plan 2. If payment is received after the six month interest-free period, the amount due will include interest on both the Plan 1 or Plan 2 member and employer contributions.

(ii) TRS Plan 3. If payment is received after the six month interest-free period, the amount due will include interest on the Plan 3 employer contributions.

(6) Defined terms used. Definitions for the following terms used in this section may be found in the sections listed.

(a) "Member" - RCW 41.32.010(25).

(b) "Service" - RCW 41.32.010(43).

(c) "Substitute teacher" - RCW 41.32.010(48).

[Statutory Authority: RCW 41.50.050. WSR 24-11-018, § 415-112-140, filed 5/6/24, effective 6/6/24. Statutory Authority: RCW 41.50.050(5). WSR 17-02-032, § 415-112-140, filed 12/28/16, effective 1/28/17; WSR

13-08-055, § 415-112-140, filed 3/29/13, effective 5/1/13; WSR 04-21-080, § 415-112-140, filed 10/20/04, effective 11/20/04. Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-140, filed 4/21/00, effective 5/22/00; WSR 95-16-053, § 415-112-140, filed 7/25/95, effective 8/25/95.]

**WAC 415-112-145 When does my status as a TRS member terminate?** (1) Your TRS Plan 1 membership terminates:

(a) When you retire for service or disability;

(b) When you separate from service and withdraw your accumulated contributions; or

(c) Upon your death.

(2) Your TRS Plan 2 membership terminates:

(a) When you retire for service or disability;

(b) When you separate from service and withdraw your accumulated contributions; or

(c) Upon your death.

(3) Your TRS Plan 3 membership terminates:

(a) When you retire for service or disability;

(b) When you separate from service, withdraw your accumulated contributions, and irrevocably waive your one percent defined benefit according to the provisions of WAC 415-112-150; or

(c) Upon your death.

[Statutory Authority: RCW 41.50.050(5), 41.32.500, 41.32.820, 41.32.837, chapter 41.32 RCW. WSR 05-12-042, § 415-112-145, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-145, filed 4/21/00, effective 5/22/00; WSR 95-16-053, § 415-112-145, filed 7/25/95, effective 8/25/95.]

**WAC 415-112-150 May I waive my Plan 3 one percent retirement benefit?** (1) **Why would I want to waive my Plan 3 one percent retirement benefit?** Some state retirement systems have provisions that allow members to purchase service credit earned elsewhere. If you are employed by one of these states and wish to purchase service credit for time worked in Washington, you may be required by that state to show proof that you have waived all of your rights to retirement benefits from Washington as a condition for purchasing the service credit.

(2) **Do I qualify to waive my Plan 3 one percent retirement benefit?** You may irrevocably waive your Plan 3 one percent retirement benefit if:

(a) You are separated from all Plan 3 eligible employment;

(b) You withdrew your funds in your Plan 3 member account or are receiving distributions from your Plan 3 member account;

(c) Your spouse consents to the waiver if you are married;

(d) There is not a court order or administrative order that affects your right to waive your benefits; and

(e) You have not received, or are not receiving, a defined benefit payment.

(3) **How do I waive my one percent retirement benefit?** You may waive your right to this benefit by submitting a properly completed form, available through the department. The date of the waiver will be the date the department receives your form.

(4) **Will I get service credit for eligible time if it is discovered after I sign a waiver?** If periods of employment, prior to or

within the waived time period, are discovered after you sign a waiver, you will not be credited for the service. However, your employer will be billed for employer contributions for any such period.

(5) **May I retract or withdraw my waiver in the future?** No. You irrevocably give up all rights to any retirement benefits when you submit your signed waiver.

(6) **What are my retirement options if I return to work in a (PERS/SERS/TRS) eligible position?** You will be a member of Plan 3 and will begin accumulating service credit from your new date of hire. You will not be entitled to purchase back any of the Plan 3 service credit you waived.

[Statutory Authority: RCW 41.50.050(5) and 41.32.837. WSR 04-17-002, § 415-112-150, filed 8/4/04, effective 9/4/04.]

**WAC 415-112-155 If I work concurrently in a TRS position and PERS position, which system will I be in?** (1) If you work concurrently in a TRS and PERS position, your membership status and the nature of your positions will determine the system your employer will report you in. You will be reported in either TRS or PERS according to the following tables:

**Former TRS Plan 1 Members** [1/]

| Type of Employment [2/] | Type of Employer(s) | System You Will Be Reported In |
|---|---|---|
| A substitute or less than full-time teaching position and a PERS-eligible position | Same employer | PERS - For both positions. |
| | Separate TRS employers | PERS - For PERS position only. Your substitute part-time position is not reported unless you qualify for and choose to establish TRS membership under RCW 41.32.240.<br>If you choose to establish TRS membership, your employers will report you in TRS for both positions. Any previously reported service credit and compensation in PERS will be transferred to TRS. |
| | A TRS employer and non-TRS employer | PERS - For PERS position only. Your substitute part-time position is not reported unless you qualify for and choose to establish TRS membership under RCW 41.32.240.<br>If you choose to establish TRS membership, you must choose either to:<br>1. Have your TRS service reported in PERS and receive service credit in PERS for both positions;<br>or<br>2. Have your TRS service reported in TRS and not receive service credit for the PERS position. |
| A full-time teaching position and an eligible PERS position | Same employer | TRS - For both positions. |
| | Separate TRS employers | TRS - For both positions. |
| | A TRS employer and non-TRS employer | You must choose to:<br>1. Have your TRS service reported in PERS and receive service credit in PERS for both positions;<br>or<br>2. Have your TRS service reported in TRS and not receive service credit for the PERS position. |

**TRS Plan 1 Members**

| Type of Employment [2] | Type of Employer(s) | System You Will Be Reported In |
|---|---|---|
| A full-time or less than full-time TRS position and an eligible PERS position | Same employer | TRS - For both positions. |
| | Separate TRS employers | TRS - For both positions. |
| | A TRS employer and non-TRS employer | You must choose either to:<br>1. Have your TRS service reported in PERS and receive service credit in PERS for both positions;<br>or<br>2. Have your TRS service reported in TRS and not receive service credit for the PERS position. |
| A full-time or less than full-time TRS position and an ineligible PERS position | Same employer | TRS - For both positions. |
| | Separate TRS employers | TRS - For both positions. |
| | A TRS employer and non-TRS employer | TRS - For the TRS position only; your ineligible PERS position is not reportable. |

**TRS Plan 2 Members**

| Type of Employment [2] | Type of Employer(s) | System You Will Be Reported In |
|---|---|---|
| An eligible TRS position and an ineligible PERS position | Same employer | TRS - For both positions. |
| | Separate TRS employers | TRS - For TRS position only; your ineligible PERS position is not reported. |
| | A TRS employer and non-TRS employer | TRS - For TRS position only; your ineligible PERS position is not reported. |
| An eligible TRS position and an eligible PERS position | Same employer | TRS - For both positions. |
| | Separate TRS employers | TRS - For both positions. [3] |
| | A TRS employer and non-TRS employer | You must choose either to:<br>1. Have your TRS service reported in PERS and receive service credit in PERS for both positions;<br>or<br>2. Have your TRS service reported in TRS and not receive service credit for the PERS position. |

**PERS Members**

| Type of Employment [2] | Type of Employer(s) | System You Will Be Reported In |
|---|---|---|
| An eligible PERS position and an ineligible TRS or substitute position | Same employer | PERS - For both positions. |
| | Separate TRS employers | PERS - For the PERS position only. Your TRS service will not be reported unless you have met the eligibility criteria for TRS membership and choose to either:<br>1. Have your TRS service reported in PERS for both positions[4];<br>or<br>2. Establish TRS membership and have your service in both positions reported in TRS. Any previously reported service credit and compensation in PERS will be transferred to TRS. |
| | A TRS employer and non-TRS employer | PERS - For the PERS position only. You will not be reported for the TRS position unless you have met the eligibility criteria for TRS membership and choose to either:<br>1. Have your TRS service reported in PERS and receive service credit in PERS for both positions:<br>or<br>2. Have your TRS service reported in TRS and not receive service credit for the PERS position. |

**Neither TRS Nor PERS Member**

| Type of Employment [2/] | Type of Employer(s) | System You Will Be Reported In |
|---|---|---|
| An ineligible TRS and an ineligible PERS position | Same employer | TRS - For both positions if the positions combined, qualify as an eligible position. |
| | Separate employers, TRS or non-TRS | Neither position reported. |
| A substitute teaching position and an ineligible PERS position | Same employer | Neither position reported. However, if you qualify, you may choose to establish membership in TRS for your substitute teaching position under RCW 41.32.013 and WAC 415-112-140. |
| | Separate employers, TRS or non-TRS | Neither position reported. However, if you qualify, you may choose to establish membership in TRS for your substitute teaching position under RCW 41.32.013 and WAC 415-112-140. |

[1/] "Former TRS 1 member", as used here, means you terminate your membership by withdrawing your contributions.

[2/] Means during the same time period.

[3/] EXAMPLE: A TRS Plan 2 member teaches in an eligible position and during the summer, she works for a state agency in an eligible position under PERS. Because the member has established membership in TRS Plan 2 through employment as a teacher, her state agency employer must report her service and compensation from the PERS position to the Department in TRS Plan 2.

EXAMPLE: A TRS Plan 2 member is employed concurrently by School District A in an eligible TRS position and by School District B in an eligible PERS position. Because he is a TRS Plan 2 member, School District B employer must report his service and compensation from the PERS position to the Department in TRS Plan 2. If the member terminates his employment in the TRS position with School District A, School District B will report him in PERS for the PERS position.

[4/] This provision applies retroactively to July 1, 1996.

(2) **Defined terms used.** Definitions for the following terms used in this section may be found in the sections listed.

(a) "Eligible position" - RCW 41.32.010 (TRS); RCW 41.40.010 (PERS).

(b) "Employer" - RCW 41.40.010 (PERS); RCW 41.32.010 (TRS).

(c) "Full time" - RCW 41.32.240.

(d) "Ineligible position" - WAC 415-112-015 (TRS); RCW 41.40.010 (PERS).

(e) "Member" - RCW 41.40.010.

(f) "Membership" - RCW 41.40.023.

(g) "Report" - WAC 415-108-0104.

(h) "Service" - RCW 41.40.010.

[Statutory Authority: RCW 41.50.050(5) and chapters 41.32 and 41.40 RCW. WSR 05-03-001, § 415-112-155, filed 1/5/05, effective 2/5/05. Statutory Authority: RCW 41.50.050(5). WSR 04-21-080, § 415-112-155, filed 10/20/04, effective 11/20/04. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 02-18-046, § 415-112-155, filed 8/28/02, effective 9/30/02. Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-112-155, filed 12/12/00, effective 1/12/01. Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-155, filed 4/21/00, effective 5/22/00; WSR 95-16-053, § 415-112-155, filed 7/25/95, effective 8/25/95.]

**WAC 415-112-156 If I work concurrently in a TRS position and SERS position, which system will I be in?** (1) If you work concurrently in a TRS and SERS position, your membership status and the nature

of your positions will determine the system your employer will report you in. You will be reported in either TRS and SERS according to the following table:

**Former TRS Plan 1 Members[1/]**

| Type of Employment [2/] | Type of Employer(s) | System You Will Be Reported In |
|---|---|---|
| A substitute or less than full-time teaching position and a SERS-eligible position | Same SERS employer | SERS - For both positions. |
| | Separate SERS employers | SERS - For SERS position only. Your substitute part-time position is not reported unless you qualify for and choose to establish TRS membership under RCW 41.32.240.<br>If you choose to establish TRS membership, your employers will report you in TRS for both positions. Any previously reported service credit and compensation in SERS will be transferred to TRS. |
| A full-time teaching position and an eligible SERS position | Same employer | TRS - For both positions. |
| | Separate SERS employers | TRS - For both positions. |

**TRS Plan 1 Members**

| Type of Employment [2/] | Type of Employer(s) | System You Will Be Reported In |
|---|---|---|
| A full-time or less than full-time TRS position and an eligible SERS position | Same employer | TRS - For both positions. |
| | Separate SERS employers | TRS - For both positions. |
| A full-time or less than full-time TRS position and an ineligible SERS position | Same employer | TRS - For both positions. |
| | Separate SERS employers | TRS - For both positions. |

**TRS Plan 2 or 3 Members**

| Type of Employment [2/] | Type of Employer(s) | System You Will Be Reported In |
|---|---|---|
| An eligible TRS position and an ineligible SERS position | Same employer | TRS - For both positions. |
| | Separate SERS employers | TRS - For TRS position only; your ineligible SERS position is not reported. |
| An eligible TRS position and an eligible SERS position | Same employer | TRS - For both positions. |
| | Separate SERS employers | TRS - For both positions. [3/] |

**SERS Members**

| Type of Employment [2/] | Type of Employer(s) | System You Will Be Reported In |
|---|---|---|
| An eligible SERS position and an ineligible TRS or substitute position | Same employer | SERS - For both positions. |
| | Separate SERS employers | SERS - For the SERS position only, unless you qualify for and choose to establish membership in TRS under WAC 415-112-125(1).<br>If you choose to establish TRS membership, your employers will report you in TRS for both positions. Any previously reported service credit and compensation in SERS will be transferred to TRS. |

**Neither TRS Nor SERS Member**

| Type of Employment [2/] | Type of Employer(s) | System You Will Be Reported In |
|---|---|---|
| An ineligible TRS and an ineligible SERS position | Same employer | TRS - For both positions if the positions combined, qualify as an eligible position. |
| | Separate SERS employers | Neither position reported. |
| A substitute teaching position and an ineligible SERS position | Same employer | Neither position reported. However, if you qualify, you may choose to establish membership in TRS for your substitute teaching position under RCW 41.32.013 and WAC 415-112-140. |
| | Separate SERS employers | Neither position reported. However, if you qualify, you may choose to establish membership in TRS for your substitute teaching position under RCW 41.32.013 and WAC 415-112-140. |

[1/] "Former TRS 1 member," as used here, means you terminate your membership by withdrawing your contributions.

[2/] Means during the same time period.

[3/] EXAMPLE: A TRS 2 member is employed concurrently by School District A in an eligible TRS position and by School District B in an eligible SERS position. Because he is a TRS 2 member, School District B employer must report his service and compensation from the SERS position to the department in TRS 2. If the member terminates his employment in the TRS position with School District A, School District B will report him in SERS for the SERS position.

(2) **Defined terms used.** Definitions for the following terms used in this section may be found in the sections listed.

(a) "Eligible position" - RCW 41.35.010(SERS); RCW 41.32.010 (TRS).

(b) "Employer" - RCW 41.35.010 (SERS); RCW 41.32.010 (TRS).

(c) "Ineligible position" - RCW 41.35.010 (SERS); RCW 41.32.010 (TRS).

(d) "Member" - RCW 41.35.010 (SERS); RCW 41.32.010 (TRS).

(e) "Membership" - RCW 41.35.030 (SERS).

(f) "Report" - WAC 415-110-010 (SERS).

(g) "Service" - RCW 41.35.010 (SERS); RCW 41.32.010 (TRS).

[Statutory Authority: RCW 41.50.050(5). WSR 04-21-080, § 415-112-156, filed 10/20/04, effective 11/20/04. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 02-18-046, § 415-112-156, filed 8/28/02, effective 9/30/02. Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-112-156, filed 12/12/00, effective 1/12/01.]

**WAC 415-112-160 Judicial benefit multiplier program teachers' retirement system Plan 1.** (1) **What is the judicial benefit multiplier program?** The judicial benefit multiplier (JBM) program provides a higher benefit multiplier to teachers' retirement system (TRS) Plan 1 members who serve as supreme court justices or judges in the court of appeals or superior court.

(2) **What is a benefit multiplier?** In this section, "multiplier" is the percentage component used, with average final compensation (AFC) and years of service credit, in the calculation of a retirement benefit. Your multiplier will be three and one-half percent. This means you will receive three and one-half percent of your AFC for each year of service credit you earn under the JBM program.

(3) **Can I participate in the judicial benefit multiplier program?** You can participate in the JBM program if you are a supreme court justice or judge in the court of appeals or superior court and:

(a) You chose to be a member. If you were a TRS Plan 1 member in judicial service on December 31, 2006, and remained in judicial service on January 1, 2007, you had the opportunity to choose to participate in the JBM program during the open window from January 1, 2007, through December 31, 2007; or

(b) You are required to participate in the JBM program. If you entered TRS Plan 1 membership as a justice or a judge on or after January 1, 2007. If your current term began prior to your entry into the JBM program, you must purchase service credit from the beginning of your term at the JBM program rate; or

(c) If you were previously a TRS Plan 1 member and withdrew your contributions when you separated from employment, and you were then elected to judicial service on or after January 1, 2007, you may choose to become a member of PERS Plan 2 (unless you have prior PERS membership then you would become a member of that plan). If you choose to become a PERS member, you will be required to join the JBM program. Once you have established or reestablished your PERS membership, you may restore your withdrawn TRS contributions plus interest. If you choose to restore in TRS, you would then return to TRS Plan 1 membership and earn service credit prospectively under the JBM program as a TRS Plan 1 member. Any service you earned in PERS will remain in PERS and you would be a dual member.

(4) **What is the member contribution rate in the judicial benefit multiplier program?** Your contribution rate will be 12.26 percent of your earnable compensation. See RCW 41.45.203.

(5) **What is the employer contribution rate in the judicial benefit multiplier program?** Your employer will pay the employer contribution rate in effect for your plan.

(6) **Will my retirement benefit be capped in the judicial benefit multiplier program?** Yes, your total TRS monthly retirement benefit, including the service credit you earned in the JBM program and the service credit you earned prior to and subsequent to participating in this program, may not exceed 75 percent of your AFC.

Portability retirements. Your total monthly benefit will be calculated per RCW 41.54.070(2) to combine the benefits from both retirement systems.

(7) **May I choose to not participate in the judicial benefit multiplier program after I have made the election to participate?** No, your decision to participate in the JBM program is permanent.

(8) **May I join membership in DRS and not participate in the judicial benefit multiplier program?** No, if you are an elected official in a judicial position and choose to join membership in PERS in this elected position you will be required to also be in the judicial benefit multiplier program. If you are in a nonelected judicial position and the employment is eligible for membership you will be required to be in the judicial benefit multiplier program.

(9) **What if I am in the judicial benefit multiplier program and I have service credit that does not qualify for the higher multiplier?** Your retirement benefit will be calculated using the appropriate multiplier for the type of service credit and retirement plan in which it was earned. If you earn credit for service other than as a justice or a judge, the formulas in RCW 41.32.498 will apply to that portion of service credit.

**Example:** William is in TRS Plan 1 and has 20 years of service credit and an AFC of $10,000. William earned 10 years of service credit as an administrator for a school district and 10 years of service credit as a superior court judge in the JBM program. William's retirement benefit would be:

| | | |
|---|---|---|
| (Administrator service credit) 2% × 10 years (20%) × $10,000 | = | $2,000 |
| (Superior Court judge service credit) 3.5% × 10 years (35%) × $10,000 | = | $3,500 |
| **Total retirement benefit** | **=** | **$5,500** |

(10) **As a judicial benefit multiplier member, may I have the higher multiplier applied to prior service credit?** If you elected to participate in the JBM program, you may purchase the higher multiplier to be applied to prior judicial service credit. You may choose to have the higher multiplier applied to all, some, or none of your qualifying service credit. Only the service credit you earned as a justice or judge is eligible for the higher multiplier.

(11) **How do I have the higher multiplier applied to past judicial service credit?** If you elected to participate in the JBM program, you may request to increase the multiplier. The following rules apply:

(a) You may request to increase the multiplier when you apply for retirement.

(b) Your retirement date must be July 1, 2008, or later.

(c) You can only increase any remaining eligible months of past judicial service that have not already been increased.

(d) The cost formula is equal to five percent of your salary earned for each month of increase plus five and one-half percent annual interest, accumulated monthly. However, if the actuarial cost for increasing the selected number of past judicial service months is less, you will pay the lesser amount. The cost will be determined beginning with the salary for the latest judicial month being increased.

(e) The number of months you choose to increase cannot be an amount that would cause your retirement benefit to exceed 75 percent of your AFC.

(f) The higher multiplier for the service credit chosen will be applied to your retirement benefit calculation following full payment of your bill. The increase to your retirement benefit will be retroactive to your effective retirement date.

(g) You must pay your bill within 90 days of the date of the bill.

(h) You may make your payment:

(i) With an eligible rollover, a direct rollover, or a trustee-to-trustee transfer from an eligible retirement plan such as your deferred compensation account or judicial retirement account (JRA); or

(ii) With a personal check, cashier's check, or money order. Refer to Internal Revenue Service regulations for potential tax implications related to payments made with after-tax dollars.

(12) **If I participate in the judicial benefit multiplier program, may I also contribute to a judicial retirement account?** You and your employer will no longer contribute to your JRA, and your funds will remain in your account until you terminate employment. However, you may use your JRA funds to pay the cost of applying the higher multiplier to past service credit according to subsection (10) of this section.

(13) **How would a survivor option be applied on my retirement benefit under the judicial benefit multiplier program?** Your monthly re-

tirement benefit will be reduced by the appropriate survivor option factor (SOF) after your benefit is capped.

**Example:** Mary is in TRS Plan 1 and has 27 years of service in the JBM program and has an AFC of $10,000. Mary elected a survivor option 2 for her spouse, who is two years older. The SOF for option 2 is 0.918. Mary's retirement benefit is capped at 75% of her AFC. Mary's monthly retirement benefit is $6,885 calculated as:

| | | |
|---|---|---|
| 3.5% × 27 years | = 94.5% × $10,000 | = $9,450 |
| | Capped at 75% of $10,000 | = $7,500 |
| | $7,500 × 0.918 | = $6,885 |

(14) **If I die prior to retirement, can my survivor choose to increase past judicial service to the higher multiplier to use in the calculation of a survivor benefit?** If you die prior to retirement, your survivor may not choose to increase your past judicial service to a higher multiplier. However, any JBM service earned or past judicial service that you increase to the higher multiplier prior to your death will be used in the calculation of the retirement benefit.

(15) **May I participate in both the post 30-year program and the judicial benefit multiplier program?**

(a) If you opted into the post 30-year program under the provisions of RCW 41.32.4986 before becoming a participant in the JBM program, your post 30-year contributions will stop when you become a JBM program participant and begin contributions to the JBM program. The balance in your post 30-year contribution account will continue to accrue interest and will be available for refund at retirement. Contributions made under the JBM program will not be available for refund at your retirement including any contributions made on leave cash outs.

(b) You will not be eligible to enter the post 30-year program if you already participate in the JBM program.

(16) **How will my benefit be calculated if I am a participant in both the post 30-year program and the judicial benefit multiplier program?** If you are a member of both the post 30-year program and the JBM program, your benefit will have two parts. The first part will include the benefit you earned under the post 30-year program, and the second part will include the additional amount you earned under the JBM program. The two parts, added together, will provide you with one retirement benefit.

(a) The AFC determined when you opted into the post 30-year program will apply to the post 30-year part of your retirement benefit, and a different AFC, based on your JBM program service, will be used for the part of your retirement benefit earned under the JBM program.

(b) Your total retirement benefit cannot exceed 75 percent of the AFC used to determine the JBM part of your benefit.

(c) Leave cash outs allowed to be used in determining your AFC will be included in both AFCs used to calculate each part of your retirement benefit.

(17) **If I retire for disability, how will my benefit be capped?** Your benefit will be capped at 75 percent of your AFC.

(18) **If I participate in the judicial benefit multiplier program, may I purchase additional service credit when I retire?** Yes, you may purchase service credit under the provision of RCW 41.32.066. The amount you receive due to the purchase of service credit is in addition to your retirement benefit. See WAC 415-02-177.

(19) **How will an annuity withdrawal at retirement be applied to my benefit in the judicial benefit multiplier program?** Your monthly

retirement benefit is the sum of a pension portion and an annuity portion. The annuity portion of your benefit is determined by your age at retirement and the amount of contributions and interest in your retirement account. You may withdraw some or the entire annuity portion of your benefit. If you decide to withdraw all or part of the annuity portion, your benefit will be reduced by the annuity amount withdrawn.

**Example:** Vicky retires at age 60 with 20 years of service credit, an AFC of $10,000, and total contributions of $175,000. The annuity factor for age 60 is .0079310, so the value of the annuity portion of her benefit would be $1,388 ($175,000 × .0079310). Vicky earned 10 years of service credit as an administrator for a school district and 10 years of service credit as a Superior Court judge in the JBM program. If Vicky did not withdraw any of the annuity portion, her maximum monthly retirement benefit would be $5,500 calculated as:

| | | |
|---|---|---|
| (Administrator service credit) 2% × 10 years (20%) × $10,000 | = | $2,000 |
| (Superior Court judge service credit) 3.5% × 10 years (35%) × $10,000 | = | $3,500 |
| **Total retirement benefit** | **=** | **$5,500** |

If Vicky withdrew the entire annuity portion of her benefit, her maximum monthly retirement benefit would be $4,112 calculated as:

| | | |
|---|---|---|
| Total maximum retirement benefit | = | $5,500 |
| Less annuity portion | = | $1,388 |
| **Total maximum retirement benefit** | **=** | **$4,112** |

If the uncapped benefit exceeds 75 percent, the reduction for the annuity withdrawal would be applied to the capped benefit amount.

**Example:** Brad retires at age 62 with 30 years of service credit, an AFC of $10,000 and total contributions of $200,000. The annuity factor for age 62 is .0081703 so the value of the annuity portion of Brad's benefit would be $1,634 ($200,000 × .0081703). Brad earned 15 years of service credit as a principal for a school district and 15 years of service credit as a Superior Court judge in the JBM program. His maximum retirement benefit would be $5,866 calculated as:

| | | |
|---|---|---|
| (Principal service credit) 2% × 15 years (30%) × $10,000 | = | $3,000 |
| (Superior Court judge service credit) 3.5% × 15 years (52.5%) × $10,000 | = | $5,250 |
| Uncapped benefit | = | $8,250 |
| Capped at 75% × $10,000 | = | $7,500 |
| **Total capped retirement benefit** | **=** | **$7,500** |
| Less annuity portion | = | -$1,634 |
| **Total maximum retirement benefit** | **=** | **$5,866** |

[Statutory Authority: RCW 41.50.050, 2.14.115, 41.32.581, 41.32.584, 41.32.587, 41.40.124, 41.40.127, 41.40.404, 41.40.408, 41.40.760, 41.40.763, 41.40.767, 41.40.770, 41.40.870, 41.40.873, 41.40.877, 41.40.880, 41.45.200, 41.45.203, and 41.45.207. WSR 24-01-024, § 415-112-160, filed 12/8/23, effective 1/8/24.]

## SERVICE CREDIT

**WAC 415-112-240 In TRS Plan 1, do I receive service credit for my first ninety days of service?** In TRS Plan 1, the service you provide during the ninety days of service required to establish member-

ship after July 1, 1964, qualifies as creditable service after you establish membership.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(26). WSR 05-12-042, § 415-112-240, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-240, filed 2/15/78. Formerly WAC 462-20-025.]

**WAC 415-112-250 Will I receive service credit for leave with pay?** (1) **Plan 1 members:** If you are otherwise eligible, you will receive service credit for any time you were on official leave from your position on or after July 1, 1960, provided that:

(a) You were listed as employed by your employer; and

(b) You were receiving compensation from your employer for the time of your leave.

(2) **Plan 2 members:** You may receive service credit in accordance with RCW 41.32.810.

(3) **Plan 3 members:** You may receive service credit in accordance with RCW 41.32.865.

[Statutory Authority: RCW 41.50.050(5), 41.32.267, 41.32.810, 41.32.865. WSR 05-12-042, § 415-112-250, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5), 41.32.267, 41.32.810, 41.32.850. WSR 02-03-120, § 415-112-250, filed 1/23/02, effective 3/1/02. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-250, filed 2/15/78. Formerly WAC 462-20-030.]

**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.]

**WAC 415-112-256 How do I purchase or restore Plan 2 or 3 service credit?** This section applies to Plan 2 and 3 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, you must:

(a) Be an active TRS member when you apply to purchase or restore the service credit; and

(b) Purchase 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 in full according to this subsection or before retirement, whichever is sooner.

(a) You must make payment in full, in one payment, within five years of returning to TRS service:

(i) To establish service credit for military service or unpaid authorized leave of absence. See RCW 41.32.810, 41.32.865 and 41.32.892.

(ii) To restore service credit after withdrawing contributions. See RCW 41.32.825.

(b) You must make payment in full, in one payment, within two years of returning to TRS service to restore service credit after a lump-sum distribution in lieu of a benefit payment. See RCW 41.32.762 and 41.32.870.

(4) **What are the consequences of separating from service before making full payment?**

(a) If you separate and withdraw your contributions (terminate membership) before making full payment, you must return to membership and make payment in full by the original deadline.

(b) If you separate but do not withdraw your contributions, you may purchase the service credit whether or not you return to service. The original deadline applies.

(5) **What happens if I do not make payment in full by the deadline?** If you were eligible to purchase or restore service credit and did not make payment in full by 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.

[Statutory Authority: RCW 41.50.050(5), 41.32.762, [41.32.]810, [41.32.]825, [41.32.]865, [41.32.]870. WSR 06-18-006, § 415-112-256, filed 8/24/06, effective 9/24/06.]

**WAC 415-112-270 In TRS Plan 1, may I receive service credit for professional preparation?** As a TRS Plan 1 member, you may be eligible for service credit for additional study at an institution of higher learning or a commercial or technical school where the courses supplement your professional preparation.

The department considers thirty-six quarter hours or twenty-four semester hours of credit, or the equivalent, as one year of service credit. Fewer academic credits may be converted into a fraction of a year of service credit.

[Statutory Authority: RCW 41.50.050(5), 41.32.330. WSR 05-12-042, § 415-112-270, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050. WSR 99-14-008, § 415-112-270, filed 6/24/99, effective 7/25/99. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-270, filed 2/15/78. Formerly WAC 462-20-040.]

**WAC 415-112-280 Credit for teaching United States military personnel.** A member who accepts teaching or educational employment involving service to United States military personnel may be allowed service credit for the same upon application after his return to Washington public school employment and payment of annuity fund contributions within the time limit provided by law, but the service for which credit is requested must be supervised and/or paid for by a public educational institution, and such service rendered for an employer located outside the state of Washington shall be subject to the limitations which govern the granting of credit for out-of-state service.

Military service credits for Plan II members will be governed by the provisions of chapter 293, Laws of 1977 ex. sess.

[Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-280, filed 2/15/78. Formerly WAC 462-20-045.]

**WAC 415-112-290 May I purchase Plan 1 service credit for out-of-state teaching?** (1) As a Plan 1 member, you may establish service credit for teaching out-of-state, which includes teaching out of the country, only if:

(a) You were on an official leave of absence granted by your employer when you provided the service; and

(b) You returned to public school service in Washington state.

(2) To establish such service credit, you must submit the following to the department within the time limits set in RCW 41.32.310:

(a) Proof of your out-of-state service;

(b) Proof of your official leave of absence; and

(c) Payment of contributions.

(3) You may establish a maximum of four years of service credit for teaching out-of-state. Except that, you may not qualify for retirement by counting more years of service credit for out-of-state teaching than for Washington state service, unless you established the out-of-state service credit prior to July 2, 1947.

[Statutory Authority: RCW 41.50.050(5), 41.32.065, and 41.32.300. WSR 10-14-112, § 415-112-290, filed 7/7/10, effective 8/7/10. Statutory Authority: RCW 41.50.050(5) and 41.32.300. WSR 05-12-042, § 415-112-290, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050. WSR 99-14-008, § 415-112-290, filed 6/24/99, effective 7/25/99. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-290, filed 2/15/78. Formerly WAC 462-20-055.]

**WAC 415-112-292 May I purchase TRS Plan 2 or Plan 3 service credit for public education experience gained by teaching out-of-state or for the federal government?** If you earned service credit for

teaching out-of-state or for the federal government, you may be eligible to purchase that public education experience as TRS service credit. The public education claimed must have been covered by a retirement or pension plan and must have been as a teacher, as defined by that retirement or pension plan.

(1) **Do I qualify to purchase TRS service credit for public education experience outside of the state of Washington?** You are eligible to purchase service credit under this section if you meet all the following requirements at the time of purchase:

(a) You are employed in a TRS Plan 2 or Plan 3 eligible position;

(b) You have at least two years of TRS service credit;

(c) You earned the education experience service credit by teaching in a public school in another state within the United States or with the United States federal government;

(d) The service was covered by a state, political subdivision of a state, or federal retirement plan;

(e) You are not receiving a benefit from the other system; and

(f) You are not eligible for an unreduced benefit from the other system.

(2) **Do I qualify to purchase public education experience service credit if I am a substitute teacher?** You may purchase service credit under this section if your employer is currently reporting you as an active substitute teacher and you meet the requirements in subsection (1)(b) through (f) of this section.

(3) **If I purchase TRS service credit for public education experience, how may it be used?** The service credit you purchase under this section will be treated the same as service credit you earn in TRS. It will be used in the calculation of your retirement allowance, to qualify for retirement or early retirement, and to meet the Plan 3 ten-year vesting requirement.

(4) **What is the cost of the service credit?** You must pay the actuarial value of the resulting increase in your retirement allowance. The following formula is used to calculate the cost:

Total Cost = Part 1 Cost + Part 2 Cost

Part 1: Annual Average Salary x Service Credit Years to Purchase x Factor 1

Part 2: Annual Average Salary x Current Service Credit Years x (Factor 1 – Factor 2)

Factor 1 takes into consideration your current age and service credit, *including* the service credit you are purchasing.

Factor 2 takes into consideration your current age and service credit, *excluding* the service credit you are purchasing.

Example of Cost to Purchase Service Credit:

TRS Plan 2 member, age 45, with 15 years of service credit and 5 years to be purchased for public education experience.

Part 1:

- Annual Average Salary: $40,000
- Years to Purchase: 5
- Factor 1: 0.1756*

Part 2:

- Annual Average Salary: $40,000
- Current Service Credit Years: 15
- Factor 2: 0.1494*

Total Cost to Purchase Service Credit:

$40,000 (Annual Average Salary) x 5 (Years To Purchase) x 0.1756 (Factor 1) = $35,120

$40,000 (Annual Average Salary) x 15 (Current Service Credit) x (0.1756 - 0.1494) (Factor 1 - Factor 2) = $15,720

Total Cost = $50,840 (Part 1 + Part 2)

*Factors used are for illustration purposes in this example only as actuarial factors change periodically.

(5) **How much TRS service credit may I purchase for out-of-state or federal public education experience?** If you meet the requirements in this section, you may purchase up to seven years (eighty-four months) of TRS service credit. You may purchase service credit in one-month increments but may not purchase a partial month of service credit.

(6) **May I purchase some service credit now and some at a later date?** No, you may not purchase some service credit now and some at a later date. You have one opportunity to purchase service credit under this section. You may purchase service credit from more than one retirement system provided you purchase it at the same time.

(7) **How do I purchase the service credit?** To purchase TRS Plan 2 or Plan 3 service credit for out-of-state or federal public education experience, you must do the following:

(a) You must complete an application provided by the department.

(i) You must complete, sign, and forward the application to your former retirement system(s).

(ii) Your former retirement system(s) must verify your service credit according to the instructions on the application.

(iii) If you are purchasing service credit from more than one retirement system, each retirement system must verify your service on a separate application.

(iv) Upon receipt of your properly completed application, the department will bill you for the service credit using the formula in subsection (4) of this section; the department will set a due date for the payment.

(b) You must make payment in full by the due date. If your payment is not received by the due date, your bill will become null and void. You may request a new bill from the department at a later date and it will reflect factors in effect at that time.

(i) You may make direct payment with either a personal or cashier's check. It may be possible to transfer funds from another eligible retirement account to pay your bill. However, DRS cannot accept funds in excess of the cost to make your purchase. You are advised to check with the administrator of your account to see if you can transfer those dollars.

(ii) Your employer may, at its option, pay some or all of the cost of the service credit.

(iii) If you are a Plan 2 member, your payment will be placed in your member account.

(iv) If you are a Plan 3 member, fifty percent of your payment will be placed in your defined contribution account and fifty percent will be placed in the trust fund from which your retirement allowance will be paid.

(8) **Do I need to give up my right to a benefit from my previous retirement system for the service credit I purchase in TRS?** No, you do

not need to give up your right to a benefit from your previous retirement system for the service credit you purchase in TRS. At the time you purchase TRS service credit, you only need to prove that you are not currently receiving a benefit from your previous system and that you are not currently eligible for an unreduced benefit. Your previous retirement system will be required to verify this information on your application.

(9) **May I purchase public education experience service credit to add to my TRS service credit and also use out-of-state teaching service credit to qualify for early retirement?** Yes, you may purchase public education experience to add to your TRS service credit and/or use out-of-state teaching to qualify for early retirement. However, you may not use the same out-of-state service for both programs. Please see WAC 415-112-295. For example, if you have seven years of eligible out-of-state service credit, you may purchase five years to increase your TRS service credit and use the remaining two years to qualify for early retirement.

[Statutory Authority: RCW 41.50.050(5). WSR 14-06-053, § 415-112-292, filed 2/27/14, effective 10/1/14; WSR 13-18-034, § 415-112-292, filed 8/28/13, effective 10/1/13. Statutory Authority: RCW 41.50.050(5), 41.32.065, and 41.32.300. WSR 10-14-112, § 415-112-292, filed 7/7/10, effective 8/7/10.]

**WAC 415-112-295 May I use out-of-state teaching service credit to determine eligibility for retirement?** See RCW 41.32.065.

(1) If you earned service credit in an out-of-state retirement system that covers teachers in public schools and do not purchase that service credit, you may use it to qualify for retirement.

(2) If you use out-of-state service credit to qualify for retirement, your retirement benefit:

(a) Will be based solely on your years of service credit in the Washington teachers' retirement system (TRS); and

(b) Will be actuarially reduced according to the age you would have been eligible to retire if you had not counted your out-of-state service credit.

**Example:** Jane is fifty-eight years old with twenty-four years of TRS Plan 1 service credit. She has one year of service credit in an out-of-state retirement system that covers public school teachers. A TRS Plan 1 member is eligible to retire at age fifty-five with twenty-five years of service credit. Jane may add her twenty-four years of TRS service credit with her one year of out-of-state service credit to qualify for retirement under this provision.

Jane's retirement benefit will be based solely on her twenty-four years of TRS Plan 1 service credit. If she retires at age fifty-eight, her benefit will be reduced by an early retirement factor. The early retirement factor, .8270, is based on the difference between her actual retirement age (age fifty-eight) and the earliest age she could have received an unreduced benefit based on her twenty-four years of TRS service credit (age sixty). Jane's average final compensation (AFC) is $5,500 and her benefit will be calculated as follows:

2% x years of service credit x AFC x factor

2% x 24 x $5,500 x .8270 = $2,183.28

[Statutory Authority: RCW 41.50.050(5), 41.32.065, and 41.32.300. WSR 10-14-112, § 415-112-295, filed 7/7/10, effective 8/7/10. Statutory Authority: RCW 41.50.050(5), 41.32.065. WSR 06-18-006, § 415-112-295, filed 8/24/06, effective 9/24/06.]

**WAC 415-112-300 What types of service do not qualify for TRS service credit?** Service credit is not earned for service:

(1) With the National Red Cross organization;

(2) As a teacher or educational advisor in the Civilian Conservation Corps camps; or

(3) As a Peace Corps volunteer.

[Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 05-12-042, § 415-112-300, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-300, filed 2/15/78. Formerly WAC 462-20-060.]

**WAC 415-112-330 How does the department calculate service credit for TRS Plan 1 employees?** For TRS Plan 1 calculations, one year of service credit consists of one hundred eighty days of instruction.

(1) As a TRS Plan 1 member employed by a school district, educational service district, school for the blind, or school for the deaf:

(a) Unless otherwise determined by a contract, bargaining agreement or employer policy:

(i) A classroom teacher will earn one day of service credit for each seven hours of compensated employment; and

(ii) A K-12 employee other than a classroom teacher will earn one day of service credit for every eight hours of compensated employment; and

(b) You will earn one full year of service credit for one hundred forty-four or more days of employment during a fiscal year; or a fractional year of service credit for at least twenty days but less than one hundred forty-four days of employment during a fiscal year. The fraction will use days employed as the numerator and one hundred eighty as the denominator.

(2) As a TRS Plan 1 member employed by a community or technical college:

(a) Unless otherwise determined by a contract, bargaining agreement or employer policy, you will earn one day of service credit for eight hours of compensated employment; and

(b) One full year of service credit when you have service for four-fifths of the adopted annual academic calendar; or a fractional year of service credit for at least twenty days but less than four-fifths of the annual academic calendar.

[Statutory Authority: RCW 41.50.050(5) and 41.32.270. WSR 04-21-080, § 415-112-330, filed 10/20/04, effective 11/20/04. Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-330, filed 4/21/00, effective 5/22/00; WSR 97-09-037, § 415-112-330, filed 4/14/97, effective 5/15/97. Statutory Authority: RCW 41.50.050 and 41.32.570. WSR 91-21-084, § 415-112-330, filed 10/18/91, effective 11/18/91. Statuto-

ry Authority: RCW 41.32.270 and 41.32.010 (11)(a)(ii). WSR 88-17-052 (Order 88-13), § 415-112-330, filed 8/17/88.]

**WAC 415-112-332 How does the department calculate service credit for Plan 2 and 3 members?** (1) How is my service credit calculated? RCW 41.32.010 (26)(b) provides three methods that may be used to calculate service credit for Plan 2 and 3 members:

(a) **Twelve-month method:** If you meet the following conditions, you will receive one service credit month for each month of a twelve-month period (September through August):

(i) You were employed at least nine calendar months starting in September; and

(ii) You earned earnable compensation for at least eight hundred ten hours during September through August.

The twelve service credit months earned under this subsection are credited to you on August 31.

(b) **Partial service credit method:** If you meet the following conditions, you will receive one-half of a service credit month for each month of a twelve-month period (September through August):

(i) You were employed at least nine calendar months starting in September; and

(ii) You earned earnable compensation for at least six hundred thirty hours, but less than eight hundred ten hours during September through August.

The six service credit months earned under this subsection are credited to you on August 31.

(c) **Month-by-month method:** You will receive service credit on a month-by-month basis as follows:

(i) One service credit month for each calendar month in which you earn earnable compensation for ninety or more hours;

(ii) One-half service credit month for each calendar month in which you earn earnable compensation for at least seventy hours but less than ninety hours; and

(iii) A quarter of a service credit month for each calendar month in which you earn earnable compensation for some but less than seventy hours.

(2)(a) **Twelve-month method.** If you qualify, the department will calculate your service credit using the twelve-month method.

**Example.**

| | |
|---|---|
| Sept. | 60 |
| Oct. | 60 |
| Nov. | 60 |
| Dec. | 60 |
| Jan. | 60 |
| Feb. | 60 |
| March | 160 |
| April | 160 |
| May | 160 |
| June | |
| July | |
| Aug. | |
| Total | 840 |

Mary is a Plan 3 member who worked nine months, for a total of 840 hours, as shown in the table. Using the twelve-month method, Mary receives one service credit month for each of twelve calendar months, for a total of twelve service credit months. The department will credit Mary with twelve service credit months on August 31. If Mary separates service at the end of May, she will receive nine service credit months. If she separates service at the end of June, she will receive ten service credit months.

(b) **Partial service credit method.** If you do not qualify for the twelve-month method, and you meet the requirements in subsection (1)(b) of this section, the department will calculate your service credit using the partial service credit method.

(c) **Month-by-month.** The month-by-month method will be used if you leave service before the end of the school year or otherwise do not meet the requirements for the twelve-month method or the partial service credit method.

(3) If you are employed by two or more employers, you will receive no more than one service credit month for any calendar month.

[Statutory Authority: RCW 41.50.050(5), 41.32.010 (26)(b). WSR 06-18-006, § 415-112-332, filed 8/24/06, effective 9/24/06.]

**WAC 415-112-335 Calculating service credit for part-time community and technical college employees.** Most community and technical colleges employ academic employees under contracts expressed in terms of a certain number of contact hours, which are usually limited to actual time spent in the classroom. Most academic positions require more time to be spent providing services to the college than are reflected in the contact hours. However, actual hours worked are not submitted by the academic employees nor recorded by the college. This subsection adopts a method for estimating hours of work in order to determine membership eligibility and service credit in plan I and plan II. This estimate is to be used solely for that purpose. The estimate is not a representation by the department of actual hours worked and is not to be used as a basis for calculating other benefits or salary for technical college and community college academic employees.

(1) **Plan I.** In order to estimate the number of days worked by a TRS I technical college or community college faculty academic employee for a particular month, the college will:

(a) Determine the number of working days in the month as defined by the college's adopted academic calendar;

(b) Determine the part-time workload for the employee. The part-time workload is the percentage of the part-time employees' weekly in-class teaching hours to the weekly in-class teaching hours required of a full-time instructor in that employee's discipline at the college; and

(c) Multiply the number of working days in the month by the academic employee's part-time workload.

The resulting number is an estimate of days worked by the academic employee during the month. The college will report this estimate to the department for the sole purpose of determining plan I service credit and/or membership eligibility.

(2) **Plan II.** Determining service credit for plan II requires the college to estimate hours worked rather than days worked. To estimate hours worked, the college uses the steps described in subsection (1) of this section and takes two additional steps:

(a) Determine the number of hours in a full-time work day. In the absence of a definition of the number of hours in a full-time work day in the collective bargaining agreement or elsewhere, the college will use seven hours;

(b) Multiply the estimated days worked as determined in subsection (1) of this section by the number of hours in a full-time work day.

The resulting number is an estimate of hours worked by the academic employee during the month. The college will report this estimate to the department for the sole purpose of determining plan II service credit and/or membership eligibility.

(3) **Definitions.** "In-class teaching hours" means contact classroom and lab hours in which full-time or part-time academic employees are performing contractually assigned teaching duties. The in-class teaching hours shall not include any duties performed in support of, or in addition to, those contractually assigned in-class teaching hours.

[Statutory Authority: RCW 41.50.050. WSR 97-09-037, § 415-112-335, filed 4/14/97, effective 5/15/97.]

## EARNABLE COMPENSATION—MEMBER CONTRIBUTIONS

**WAC 415-112-400 Purpose and scope of TRS earnable compensation rules.** WAC 415-112-402 through 415-112-491 provide the department's interpretation of statutes and its administrative practice regarding classification of payments as earnable compensation in all TRS plans. The department has applied and will apply these rules to determine the proper characterization of payments occurring prior to the effective dates of these sections.

[Statutory Authority: RCW 41.50.050(5). WSR 04-21-080, § 415-112-400, filed 10/20/04, effective 11/20/04. Statutory Authority: RCW 41.50.050(5) and 41.32.270. WSR 02-03-120, § 415-112-400, filed 1/23/02, effective 3/1/02. Statutory Authority: RCW 41.50.050. WSR 99-14-008, § 415-112-400, filed 6/24/99, effective 7/25/99. Statutory Authority: RCW 41.50.050(6). WSR 79-10-024 (Order 79-02), § 415-112-400, filed 9/10/79. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-400, filed 2/15/78. Formerly WAC 462-24-010.]

**WAC 415-112-401 What types of payments are considered earnable compensation?** The following table indicates whether certain types of payments are earnable compensation under TRS Plan 1, 2 or 3 and provides a cross-reference to the specific WAC.

| Type of Payment | TRS 1 Earnable Compensation? | TRS 2/3 Earnable Compensation? |
|---|---|---|
| Annual Leave Cash Outs | Yes - WAC 415-112-415 | No - WAC 415-112-415 |
| Base Contract | Yes - WAC 415-112-4601 | Yes - WAC 415-112-4601 |
| Car Allowances | No - WAC 415-112-41301[1] | No - WAC 415-112-41301 |

| Type of Payment | TRS 1 Earnable Compensation? | TRS 2/3 Earnable Compensation? |
|---|---|---|
| Cafeteria Plans | Yes - WAC 415-112-4604 | Yes - WAC 415-112-4604 |
| Deferred Wages | Yes - WAC 415-112-4609 | Yes - WAC 415-112-4609 |
| Disability Payments | No - WAC 415-112-482 | No - WAC 415-112-482 |
| Employer Provided Vehicle | No - WAC 415-112-413[2] | No - WAC 415-112-413 |
| Employer Taxes/ Contributions | No - WAC 415-112-4609 | No - WAC 415-112-4609 |
| Evening/Summer School | Yes - WAC 415-112-4601 | Yes - WAC 415-112-4601 |
| Extracurricular Contracts | Yes - WAC 415-112-4601 | Yes - WAC 415-112-4601 |
| Fringe Benefits, including insurance | No - WAC 415-112-480 | No - WAC 415-112-480 |
| Illegal Payments | No - WAC 415-112-485 | No - WAC 415-112-485 |
| Legislative Leave | Yes - WAC 415-112-471 | Yes - WAC 415-112-471 |
| Longevity/Education Attainment Pay | Yes - WAC 415-112-4601 | Yes - WAC 415-112-4601 |
| National Board of Professional Teaching Standards Certification Bonus | Yes - WAC 415-112-4602 | Yes - WAC 415-112-4602 |
| Nonmoney Maintenance | Yes - WAC 415-112-412[3] | No - WAC 415-112-412 |
| Optional Payments | No - WAC 415-112-487 | No - WAC 415-112-487 |
| Performance Bonuses | Yes - WAC 415-112-4603 | Yes - WAC 415-112-4603 |
| Retroactive Salary Increase | Yes - WAC 415-112-4607 | Yes - WAC 415-112-4607 |
| Reimbursements | No - WAC 415-112-489 | No - WAC 415-112-489 |
| Reinstatement Payments | Yes - WAC 415-112-477 | Yes - WAC 415-112-477 |
| Retirement or Termination Bonuses | No - WAC 415-112-490 | No - WAC 415-112-490 |
| Severance Pay - Earned Over Time | Yes - WAC 415-112-4608 | No - WAC 415-112-4608 |
| Severance Pay - Not Earned Over Time | No - WAC 415-112-4608 | No - WAC 415-112-4608 |
| Sick Leave Cash Outs | No - WAC 415-112-417 | No - WAC 415-112-417 |
| Supplemental Contracts | Yes - WAC 415-112-4601 | Yes - WAC 415-112-4601 |
| Time Off with Pay | Yes - WAC 415-112-473 | Yes - WAC 415-112-473 |
| Union Leave[4] | Yes - WAC 415-112-475 | Yes - WAC 415-112-475 |
| Workers' Compensation | No - WAC 415-112-482 | No - WAC 415-112-482 |

1 A portion of the value of an employer car allowance may be reportable in Plan 1 only. See WAC 415-112-41301.

2 A portion of the value of an employer provided vehicle may be reportable in Plan 1 only. See WAC 415-112-413.

3 A portion of the value of nonmoney maintenance provided may be reportable in Plan 1 only. See WAC 415-112-412.

4 Only specific types of union leave are reportable. See WAC 415-112-475.

[Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 08-19-106, § 415-112-401, filed 9/17/08, effective 10/18/08; WSR 05-12-042, § 415-112-401, filed 5/25/05, effective 6/25/05.]

**WAC 415-112-402 What is earnable compensation?** (1) The department determines whether payments to an employee are earnable compensation based on the nature of the payment, **not** the name of the payment. The department considers the reason for the payment and whether the reason brings the payment within the statutory definition of earnable compensation.

(2) Earnable compensation must meet the definition in RCW 41.32.010(10). It must:

(a) Be paid by a TRS employer to an employee as salary or wages for services provided; or

(b) Qualify as earnable compensation under WAC 415-112-471 through 415-112-477, even though it was not paid for services provided. See RCW 41.32.010(10), 41.32.267, 41.32.810 and 41.32.865.

(3) In certain cases you may establish service credit for out-of-state teaching, military service, and professional preparation. However, any compensation you may have received for these periods is excluded from earnable compensation because it is not salary or wages from a TRS employer.

(4) Some types of compensation are defined as earnable compensation in one plan and not in another.

(5) An employer must report all of an employee's earnable compensation to the department. An employer must report compensation for the month in which it was earned. Compensation is earned when the service is provided, rather than when payment is made.

**Example:** A member is paid in July for work performed during June. The employer must report the compensation to the department as "June earnings."

[Statutory Authority: RCW 41.50.050(5), 41.32.010(10). WSR 05-12-042, § 415-112-402, filed 5/25/05, effective 6/25/05.]

**WAC 415-112-412 Are nonmoney payments from my employer earnable compensation?** (1) Nonmoney maintenance compensation, as defined in this section:

(a) Is earnable compensation to the extent authorized by this section, for Plan 1 members; and

(b) Is **not** earnable compensation for Plan 2 and 3 members.

(2) Nonmoney maintenance compensation is compensation legally provided to you in a form other than money. For example, nonmoney maintenance compensation may include the provision of materials such as living quarters, food, board, equipment, clothing, laundry, transportation, fuel, and utilities. To be considered nonmoney maintenance compensation, the materials must be provided for your personal use and/or the personal use of your dependents, not for a business use. The materials are **not** nonmoney maintenance compensation if:

(a) You use them solely in connection with your employer's business; or

(b) They are provided in lieu of reimbursement for your business expenses.

(3) To prove that the provision of materials constitutes nonmoney maintenance compensation:

(a) Your employer must substantiate by adequate records or other sufficient corroborating evidence that the materials were provided to you for your personal use as payment for your services to the employer.

(b) Your employer must substantiate that the fair market value of the materials provided is includable in your taxable income for federal income tax purposes.

(c) You may provide corroborating evidence to the department. Written documentation prepared at or near the time the materials were provided is generally preferred.

(d) In the absence of clear proof, the department will presume that employer-provided materials were not nonmoney maintenance compensation.

(4) If you are a member of TRS Plan 1, your employer must report nonmoney maintenance compensation to the department as earnable compensation. The amount reported as earnable compensation is the fair market value of materials legally provided by your employer. To substantiate the value of nonmoney maintenance compensation:

(a) Your employer must establish and regularly update a written schedule reflecting the monthly fair market value of the materials provided. Typically, the fair market value would be the cost of the item if it were acquired in a purchase or lease transaction. Your employer must be able to substantiate the accuracy of this schedule with adequate records.

(b) If you pay any amount to your employer in order to own or use the materials, your employer must report as earnable compensation the amount by which the fair market value exceeds the amount of your payment.

[Statutory Authority: RCW 41.50.050(5), 41.32.010(10). WSR 05-12-042, § 415-112-412, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050(5) and 41.32.010 (10)(b). WSR 02-03-120, § 415-112-412, filed 1/23/02, effective 3/1/02. Statutory Authority: RCW 41.50.050. WSR 95-22-006, § 415-112-412, filed 10/18/95, effective 11/18/95. Statutory Authority: RCW 41.32.010(11) and 41.32.160. WSR 87-17-060 (Order DRS 87-07), § 415-112-412, filed 8/19/87.]

**WAC 415-112-413 Vehicles—Does the value of my use of an employer vehicle qualify as earnable compensation?** (1) **TRS Plan 1 members:**

(a) Use of an employer vehicle for business purposes does not qualify as compensation earnable. If your employer's established policy prohibits the use of an employer vehicle for nonbusiness uses, all use of the vehicle will be deemed business use.

(b) Use of an employer vehicle for nonbusiness purposes qualifies as compensation earnable if:

(i) Your employer reports the value of this use as compensation earnable on a monthly basis. Monthly compensation earnable is the lesser of the following:

(A) Fair Market Lease Value x Percentage of Personal Use; or

(B) Miles of Personal Use x IRS Mileage Rate. The IRS Mileage Rate is the mileage rate adopted by the Internal Revenue Service for use by taxpayers in computing the value of the use of a vehicle; and

(ii) Your employer reports your personal use of the vehicle to the IRS as taxable income under IRC Section 61 and Treas. Reg. Section 1.61-21; or

(iii) Your employer maintains monthly records of your personal use.

These records must contain:

(A) Your employer's authorization of your personal use;

(B) The distance normally commuted each day during the month, if you use the vehicle to commute;

(C) The dates, mileage, and itinerary of each personal trip other than a commute trip; and

(D) Your total mileage for the month.

(E) The ratio of personal mileage to total mileage, expressed as a percent.

(c) The department presumes that your use of an employer vehicle is solely for business purposes.

(2) **TRS Plan 2 and Plan 3 members.** If you are a member of TRS Plan 2 or Plan 3, you are not entitled to count any of the value of an employer-provided vehicle as earnable compensation.

[Statutory Authority: RCW 41.50.050(5), 41.32.010(10), IRC Section 61. WSR 02-03-120, § 415-112-413, filed 1/23/02, effective 3/1/02. Statutory Authority: RCW 41.50.050. WSR 95-22-006, § 415-112-413, filed 10/18/95, effective 11/18/95. Statutory Authority: RCW 41.32.010(11) and 41.32.160. WSR 87-17-060 (Order DRS 87-07), § 415-112-413, filed 8/19/87.]

**WAC 415-112-41301 Are vehicle allowances earnable compensation?** (1)(a) **Plan 1.** Vehicle allowances may be earnable compensation for Plan 1 members according to this section.

(b) **Plans 2 and 3.** Vehicle allowances are **not** earnable compensation for members of Plans 2 and 3. Subsections (2) through (5) of this section apply to Plan 1 members only.

(2) For TRS Plan 1:

(a) A vehicle allowance is not earnable compensation if it is received in lieu of expenses you incur or expect to incur in using your own vehicle for business purposes.

(b) A vehicle allowance qualifies as earnable compensation to the extent that it exceeds your actual expenses. For instance, if you receive both a vehicle allowance and separate reimbursement for vehicle expenses each time you use a privately owned vehicle for business purposes, the vehicle allowance is earnable compensation.

(3) To prove that your vehicle allowance exceeded your actual expenses, your employer must maintain ongoing monthly records, documenting:

(a) The dates, if any, on which you used a privately owned vehicle in performing services for your employer;

(b) The miles you drove the vehicle on each of these trips;

(c) Your itinerary for each of these trips; and

(d) The amount of the allowance LESS the actual expenses, using IRS methodology. Under the IRS methodology, your actual expenses are the miles you drove multiplied by the IRS rate.

(i) The miles you drove are the number of miles you drove a privately owned vehicle for business purposes during the month.

(ii) "IRS rate" means the Internal Revenue Service mileage rate for use by taxpayers computing the value of the use of a vehicle.

(4) If a vehicle allowance exceeds your actual expenses, your employer must report the excess, calculated in subsection (3)(d) of this section.

(5) If any part of a vehicle allowance is included in the calculation of your retirement allowance, your employer will be billed for excess compensation under RCW 41.50.150.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-41301, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 99-14-008, § 415-112-41301, filed 6/24/99, effective 7/25/99; WSR 95-22-006, § 415-112-41301, filed 10/18/95, effective 11/18/95.]

**WAC 415-112-415 Are cash-outs for annual leave and personal leave included in earnable compensation and/or average final compensation?** (1)(a) **Plan 1.** Under RCW 41.32.010 (10)(a), cash-outs for up to two hundred forty hours of unused annual leave are included in earnable compensation[1] for Plan 1 members according to this section.

(b) **Plans 2 and 3.** Under RCW 41.32.010 (10)(b), cash-outs for unused annual leave and personal leave are not earnable compensation in Plans 2 and 3, and are **not** includable in average final compensation. Subsections (2) through (4) of this section apply to Plan 1 members only.

(2) For Plan 1 members, cash-outs for unused annual leave and personal leave may be included in average final compensation only if the leave was earned during the two fiscal years used to calculate your average final compensation under WAC 415-112-430.

(3) The department determines when your cashed-out leave was earned as follows:

(a) You accrue annual leave and personal leave at a prescribed rate, often a certain number of hours per month. Your accrued leave is stored until you use it.

(b) Except as provided in (c) of this subsection, the department applies a "first-in-first-out (FIFO)" methodology to determine what personal leave and annual leave you have used.

**Example:** John has accrued ten days of annual leave. He earned five days in 2000 and five days in 2001. In 2002, John uses five days of annual leave. He is deemed to have used the five days earned in 2000. The five days earned in 2001 remain unused.

(c) If the employer has a different methodology in place, the department will use the employer's methodology, rather than the FIFO methodology; provided that:

(i) The employer's methodology was clearly documented by a collective bargaining agreement, regulation, charter provision, ordinance, or other comparable written policy statement; and

(ii) The employer's methodology was applied consistently to all employees for all purposes.

(4) For purposes of determining average final compensation and excess compensation, the department will consider the hours of leave in the form in which the leave was earned. If an employer converts one form of leave to another form of leave, the department will disregard the conversion and bill the employer for the amount converted if it meets the definition of excess compensation in RCW 41.50.150.

[1]In certain cases, an employee may cash out personal leave and/or more than two hundred forty hours of annual leave. Although this cash-out is not earnable compensation, it may be used in the calculation of the employee's retirement allowance and the employer will be billed for the excess compensation. See WAC 415-02-140.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-415, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050 and 41.32.010(10). WSR 00-13-001, § 415-112-415, filed 6/7/00, effective 7/8/00. Statutory Authority: RCW 41.50.050. WSR 94-23-049, § 415-112-415, filed 11/10/94, effective 12/11/94. Statutory Authority: RCW 41.50.050 and Bowles v. Retirement Systems, 121 Wn.2d 52 (1993). WSR 94-11-009, § 415-112-415, filed 5/5/94, effective 6/5/94. Statutory Authority: RCW 41.32.010(11) and 41.32.160. WSR 87-17-060 (Order DRS 87-07), § 415-112-415, filed 8/19/87.]

**WAC 415-112-417 Are cash-outs for sick leave included in earnable compensation and/or average final compensation?** Cash-outs for unused sick leave are not earnable compensation in TRS Plans 1, 2, or 3, and are not includable in average final compensation.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-417, filed 5/27/05, effective 6/27/05.]

**WAC 415-112-430 How is average final compensation calculated?** (1) **Plan 1.** Except as provided in subsection (2) of this section, to calculate average final compensation for a member of TRS Plan 1, the department will:

(a) Determine the two consecutive fiscal years in which the member's total earnable compensation is the highest.

(b) Divide the total earnable compensation for this period by twenty-four to determine the member's average monthly compensation during this period.

(2) **Plan 1 alternative.** Certain members of TRS who have taught in an extended school year program may use an alternate two-year period for the calculation of average final compensation. An alternate period may be used only if a TRS member has rendered service under contract in an extended school year program at any time during the member's career, and under such contract, the member rendered some service in the extended school year program after June 30. The following process is used to determine whether the alternate period is advantageous to the member:

(a) If a member rendered contracted service in an extended school year program after June 30, the department will identify the last day of required service in the district's official calendar for the extended school year.

(b) The alternate period is a two-year period ending on the last day of service in the official calendar.

(c) The department will total the member's compensation for services rendered during the alternate period.

(d) The department will repeat steps (a) through (c) of this subsection for all alternate periods.

(e) To calculate the member's average final compensation, the department will use the member's highest two-year period, as calculated in either subsection (1)(a) or (2)(c) of this section.

(3) **Plans 2 and 3.** To calculate average final compensation for a member of TRS Plans 2 or 3, the department will:

(a) Determine the sixty consecutive service creditable months in which the member's total earnable compensation is the highest.

(b) Divide the total earnable compensation for this period by sixty to determine the member's average monthly compensation during this period.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010. WSR 04-12-020, § 415-112-430, filed 5/25/04, effective 6/25/04. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-430, filed 2/15/78. Formerly WAC 462-24-040.]

**WAC 415-112-432 Do I qualify for the alternate computation of earnable compensation in RCW 41.32.345?** RCW 41.32.345 provides an optional method of computing earnable compensation for part-time TRS Plan 1 members. This method is intended to ensure that a TRS Plan 1 member who earns a fractional year of service credit will receive benefits proportional to benefits received by a member who earns a full year of service credit.

(1) To be eligible for the alternate calculation, you must meet the requirements in subsection (2) or (3) of this section for:

(a) Each fiscal year for two consecutive fiscal years; or

(b) Each of the two twelve-month periods contained in an alternate period, provided that you meet the qualifications for using an alternate period for the calculation of your AFC under WAC 415-112-430(2).

(2) Service for a single employer. If you work for one and only one employer during the twelve-month period, you must satisfy the requirements of (a), (b), and (c) of this subsection.

(a) Written contract.

(i) If you work for a school district or educational service district, you must be under a part-time contract from the first teaching day to the last teaching day of the school's official calendar.

(ii) If you work for a community or technical college, school for the blind, or school for the deaf, you must be under part-time contracts for at least three of the four academic quarters (summer, fall, winter, or spring).

(b) Instructional position. You must spend more than seventy-five percent of your total hours of service as a classroom instructor (including office hours), a librarian, a psychologist, a social worker, a nurse, a physical therapist, an occupational therapist, a speech language pathologist or audiologist, or a counselor.

(c) Number of days. During the twelve-month period, you must be employed at least twenty days or the equivalent, but less than eighty percent of the days in your employer's official calendar. For purposes of this calculation, the department considers that the official calendar of a school district or educational service district has one hundred eighty days.

(3) Service for two or more employers. If you work for more than one employer during the twelve-month period, you must satisfy the requirements of (a), (b), and (c) of this subsection.

(a) Written contracts. You must be employed only under part-time contracts with a school district, educational service district, community or technical college, school for the deaf, or school for the blind for the equivalent of three of the four academic quarters (summer, fall, winter, or spring).

**Example 1.** Susan is employed part time with School District B from September 1 through December 31. She is employed with School District C from January 1 through June 20. Susan meets the "written contract" requirement of this subsection because she is under contract for the equivalent of three academic quarters (fall, winter, and spring).

**Example 2.** Bill is employed with School District B from September 1 through December 31. He is employed with Community College C for winter and spring quarters. Bill meets the "written contract" requirement of this subsection because he is under contract for the equivalent of three academic quarters (fall, winter, and spring).

(b) Instructional position. You must spend more than seventy-five percent of your total hours of service as a classroom instructor (including office hours), a librarian, a psychologist, a social worker, a nurse, a physical therapist, an occupational therapist, a speech language pathologist or audiologist, or a counselor.

(c) Number of days. During the twelve-month period, you must be employed at least twenty days or the equivalent, but less than eighty percent of the days in your employers' official calendars, as illustrated in the example. For purposes of this calculation, the department considers that the official calendar of a school district or educational service district has one hundred eighty days. The number of days in the official calendars of community and technical colleges may vary.

**Example:** Sue worked for 10 days at School District A, which is considered to have 180 days in its official calendar. She worked for 90 days at Community College B, which has 150 days in its official calendar.

She worked 5.6% (10/180) of School District A's official calendar plus 60% (90/150) of Community College B's official calendar for a total of 65.6%.

(4) The department may consider additional information to determine if you meet the requirements in this section. Upon the department's request, employers must provide, without limitation, the following information:

(a) For school district employees, the salary schedule and related workload provisions, if any, adopted pursuant to RCW 28A.405.200 by the school district; and

(b) Documentation indicating:

(i) Whether your position is included on the employing district's salary schedule, in workload provisions, or in a collective bargaining agreement;

(ii) Whether your position has duties, responsibilities, workload requirements, or methods of pay similar to those of positions found in the district's schedule, workload provisions, or collective bargaining agreement;

(iii) When your position was created, and how long you held the position;

(iv) Whether you have previously retired under the provisions of chapter 41.32 RCW.

[Statutory Authority: RCW 41.32.345. WSR 06-18-006, § 415-112-432, filed 8/24/06, effective 9/24/06.]

**WAC 415-112-434 How is my earnable compensation adjusted if I meet the requirements in WAC 415-112-432 for two consecutive fiscal years?** If you meet the requirements in WAC 415-112-432 for each fiscal year for two consecutive fiscal years, you may choose to have your annual earnable compensation computed according to this section rather than WAC 415-112-430.

(1) The department will determine the number of hours you would have worked if you were employed on a regular full-time basis by multiplying the hours per day reported under (a) of this subsection, by the number of days reported under (b) of this subsection. For each contracted position you occupied during the fiscal year, your employer must provide written verification of:

(a) The number of hours in the employer's school day.

(i) Unless otherwise determined by a contract, bargaining agreement or employer policy, the department considers there are seven hours in a school day.

(ii) If you were employed in more than one position to meet the requirements in WAC 415-112-432, the department will average the number of hours reported by your employers; and

(b) The number of days in the employer's official calendar under a regular full-time contract:

(i) For K-12 teachers, the department will count only days identified in contracts adopted pursuant to RCW 28A.405.200. Days worked pursuant to supplemental contracts authorized by RCW 28A.405.240 and 28A.400.200(4) are not considered days required under a "regular full-time contract."

(ii) If you were employed in more than one position to meet the requirements in WAC 415-112-432, the department will average the number of days reported by your employers.

(2) The department will calculate your average hourly rate by dividing the compensation reported under (b) of this subsection, by the hours reported under (a) of this subsection. Your employer(s) must provide the following written information:

(a) Total hours you worked during the fiscal year under all employment contracts with the employer; and

(b) Total earnable compensation you earned during the fiscal year under all employment contracts with the employer.

(3) To determine your adjusted earnable compensation for each fiscal year, the department will multiply your average hourly wage determined in subsection (2) of this section, by the number of hours in an official calendar, as determined by subsection (1) of this section. The product is the compensation you would have received in the same position if employed on a regular full-time basis.

[Statutory Authority: RCW 41.32.345. WSR 06-18-006, § 415-112-434, filed 8/24/06, effective 9/24/06.]

**WAC 415-112-435 How is earnable compensation adjusted for TRS Plan 1 members in extended school year programs?** If you meet the re-

quirements in WAC 415-112-432 for each year in an alternate period as defined in WAC 415-112-430, you may choose to have your annual earnable compensation computed according to this section rather than WAC 415-112-430. If you meet the requirements in WAC 415-112-432 for both, an alternate period and two consecutive fiscal years, you may also have your earnable compensation calculated by fiscal years under WAC 415-112-434.

(1) For purposes of this section, the "alternate period" in WAC 415-112-430 (1)(b) will be divided into two consecutive twelve-month periods and each will be referred to as an "alternate year." Annual earnable compensation will be determined for each alternate year.

(2) The department will determine the number of hours you would have worked if you were employed on a regular full-time basis by multiplying the hours per day reported under (a) of this subsection, by the number of days reported under (b) of this subsection. For each contracted position you occupied during the alternate year, your employer must provide written verification of:

(a) The number of hours in the employer's school day.

(i) Unless otherwise determined by a contract, bargaining agreement or employer policy, the department considers there are seven hours in a school day.

(ii) If you were employed in more than one position to meet the requirements in WAC 415-112-432, the department will average the number of hours reported by your employers.

(b) The number of days in the employer's official calendar under a regular full-time contract:

(i) For K-12 teachers, the department will count only days identified in contracts adopted pursuant to RCW 28A.405.200. Days worked pursuant to supplemental contracts authorized by RCW 28A.405.240 and 28A.400.200(4) are not considered days required under a "regular full-time contract."

(ii) If you were employed in more than one position to meet the requirements in WAC 415-112-432, the department will average the number of days reported by your employers.

(3) The department will calculate your average hourly rate by dividing the compensation reported under (b) of this subsection, by the hours reported under (a) of this subsection. Your employer(s) must provide the following written information regarding your employment:

(a) Total hours you worked during the alternate year under all employment contracts with the employer; and

(b) Total earnable compensation you earned during the alternate year under all employment contracts with the employer.

(4) To determine your adjusted earnable compensation for the alternate year, the department will multiply your average hourly wage determined in subsection (3) of this section, by the number of hours in the official calendar, as determined by subsection (2) of this section. The product is the compensation you would have received in the same position if employed on a regular full-time basis.

[Statutory Authority: RCW 41.32.345. WSR 06-18-006, § 415-112-435, filed 8/24/06, effective 9/24/06.]

**WAC 415-112-440 May I withdraw my employee contributions?** (1) You may withdraw TRS contributions only upon termination of employment.

(2) You may not withdraw TRS contributions during any period in which you remain employed. For example:

(a) A teacher is considered to remain employed during the summer break that is often included in a school's official calendar. This is true whether the teacher is employed by the same employer or by different employers before and after the summer break.

(b) A teacher is considered to remain employed during a period of official leave from a Washington public school employer.

[Statutory Authority: RCW 41.50.050(5). WSR 04-21-080, § 415-112-440, filed 10/20/04, effective 11/20/04. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-440, filed 2/15/78. Formerly WAC 462-24-050.]

**WAC 415-112-4601 Are contract salary payments earnable compensation?** (1) **Base contract.** Payments authorized under a base contract may be earnable compensation.

(a) Payments made to classroom teachers for the provision of educational services are earnable compensation.

(b) Payments made to administrators and principals for the provision of administrative services are earnable compensation.

(c) Even though salaries are derived from a salary schedule that incorporates experience and educational attainment, to the extent that the salaries are paid for services provided, they are earnable compensation. Both experience and educational attainment are deemed to increase the quality of the service performed. See RCW 28A.405.200.

(d) Payments pursuant to the base contract that are not made in exchange for services performed are not earnable compensation.

(2) **Supplemental contract.** Payments authorized under a supplemental time, responsibility or incentives (TRI) contract may be earnable compensation. RCW 28A.400.200 allows the use of supplemental TRI contracts to compensate an employee for additional time, additional responsibility, or the achievement of stated incentives.

(a) Payments authorized by a supplemental contract for services requiring additional time are earnable compensation. Examples include payments for the provision of educational services during evening or summer school.

(b) Payments authorized by a supplemental contract for services requiring additional responsibility within the regularly scheduled working day are earnable compensation. Examples include payments linked to over enrollment or additional duties.

(c) Payments authorized by a supplemental contract for the achievement of stated incentives are earnable compensation. Examples include meeting performance goals specified by the employer.

(3) **Longevity or educational attainment.** Payments for longevity or educational attainment must be analyzed to determine whether they are paid for services provided. Salaries for all teachers and most administrators are determined by looking at the individual's teaching experience and educational attainment.

(a) A member who receives a salary increase based upon longevity or educational attainment receives a higher salary without working more hours. The higher salary indicates a higher level of service due to greater experience or more education. The payment is therefore a payment for additional service and is earnable compensation.

(b) Simply attaching the label "longevity" to a payment does not guarantee that it will be earnable compensation. If a payment descri-

bed as a longevity payment is actually based upon some other criteria, such as retirement or notification of intent to retire, the payment may not be reportable.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-4601, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-4601, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-4602 Are bonuses for National Board for Professional Teaching Standards certification earnable compensation?** Bonuses you receive for attaining National Board for Professional Teaching Standards certification are earnable compensation.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 08-19-106, § 415-112-4602, filed 9/17/08, effective 10/18/08; WSR 05-12-108, § 415-112-4602, filed 5/27/05, effective 6/27/05.]

**WAC 415-112-4603 Are performance bonuses earnable compensation?** Bonuses for meeting certain performance goals or working under unusual conditions, such as over enrollment, are earnable compensation because they are paid for services provided.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-4603, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-4603, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-4604 Is compensation applied toward cafeteria plans earnable compensation?** Compensation you receive and apply toward a benefit plan under I.R.C. Section 125 may be earnable compensation. If you have an absolute right to receive cash instead of the fringe benefit, the payment is earnable compensation. If you have no cash option, the value of the fringe benefit is not earnable compensation. Also see WAC 415-112-480.

[Statutory Authority: RCW 41.50.[0]50. WSR 25-09-022, s 415-112-4604, filed 4/7/25, effective 5/8/25. Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-4604, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-4604, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-4607 Are retroactive salary increases earnable compensation?** (1) A retroactive salary increase occurs when your rate of pay is increased and made retroactive to a prior date. You receive a lump sum payment for the increased amount earned during the earlier period.

**Example:** John's salary is $2000 per month. On April 10, his salary is increased to $2200 per month. The increase is made retroactive to January 1. On April 25, he receives a lump sum payment of $600, i.e., the $200 increase for January, February, and March. In April he also receives a paycheck at the new rate of $2200.

(2) A lump sum payment received pursuant to certain retroactive salary increases is earnable compensation. See subsection (3) of this section. The payment will be deemed to be earned in the period in which the work was done.

**Example:** When the $600 payment is reported to the department, John will receive an additional $200 of earnable compensation for each of January, February, and March.

(3) To qualify as earnable compensation, the retroactive salary increase must be made pursuant to:

(a) An order or conciliation agreement of a court or administrative agency charged with enforcing federal, state, or local statutes, ordinances, or regulations protecting employment rights;

(b) A bona fide settlement of a claim before a court or administrative agency for a retroactive salary increase;

(c) A collective bargaining agreement; or

(d) A legislative enactment.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-4607, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-4607, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-4608 Is severance pay earnable compensation?** (1) **Severance pay earned over time.**

(a) **Plan 1.** Severance pay must be earned over time in the same manner as annual leave or sick leave in order to be deferred compensation for services previously provided and to be reportable in Plan 1. Severance pay is earned over time if the employment contract(s) entered into at the beginning of the period of employment specify that a certain amount of severance pay will be earned in the coming year in consideration for services provided.

**Example:** Mr. Jones is a TRS Plan 1 member employed as a school administrator. Since the beginning of his term of employment with the district, his contract has specified that he will earn one week of severance pay for every year of his employment. The earned severance pay will be paid at the time of his separation. His severance pay is earnable compensation. When Mr. Jones retires, the two weeks severance pay that he earned during his two highest paid years (i.e., one week per year for two years) will be included in his TRS Plan 1 retirement calculation.

(b) **Plans 2 and 3.** All forms of severance pay are excluded from earnable compensation for Plans 2 and 3 by RCW 41.32.010(10).

(2) **Severance pay that is not earned over time.** Severance pay that is not earned over time is not earned for services provided and is not earnable compensation for Plan 1, 2 or 3.

**Example:** A school administrator and a school district negotiate a termination agreement. In the agreement, the school district agrees to pay the administrator a lump sum payment equal to two months salary as severance pay. The severance payment was not accrued over time in exchange for services provided, and therefore is not earnable compensation.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-4608, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-4608, filed 4/21/00, effective 5/22/00; WSR 98-09-059, § 415-112-4608, filed 4/17/98, effective 5/18/98; WSR 97-03-016, § 415-112-4608, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-4609 Are payroll deductions earnable compensation?** Amounts withheld from your salary or wages are earnable compensation. Examples include:

(1) Your employee contributions to TRS (compare WAC 415-112-480 regarding employer contributions);

(2) Amounts withheld for federal income tax purposes; and

(3) Other authorized voluntary deductions, such as the deferred compensation plan or 403(b) plan deferrals.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-4609, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 98-09-059, § 415-112-4609, filed 4/17/98, effective 5/18/98; WSR 97-03-016, § 415-112-4609, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-471 Is compensation reported for legislative leave?** If you take a leave without pay to serve in the legislature, you are entitled to service and earnable compensation credit according to this section.

(1) **Plan 1.** The salary you would have earned in the position from which you took leave of absence is earnable compensation if you serve at least five years in the legislature. Employer contributions are not required on this imputed payment. Employee contributions are required.

(2) **Plans 2 and 3.** You may choose between:

(a) The earnable compensation you would have earned had you not served in the legislature; or

(b) The actual earnable compensation received for service plus the legislative earnable compensation.

If you select option (a), you are responsible for paying the additional employer and employee contributions to the extent the earnable compensation reported is higher than it would have been under (b) of this subsection.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-471, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-471, filed 4/21/00, effective 5/22/00; WSR 97-03-016, § 415-112-471, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-473 Is paid leave, which is not earned over time, earnable compensation?** If paid leave is not based upon earned leave accumulated over time, the payment is not for services previously provided and is generally not earnable compensation. Exceptions identified in RCW 41.32.267, 41.32.810 and 41.32.865 are reportable, and contributions are due on these payments to the extent they meet both of the following conditions:

(1) The compensation reported is equal to the salary for the position from which you are on leave; and

(2) The payment is received from your employer, not from a third party. Except as provided in WAC 415-112-475, if you receive payment from your employer but your employer is reimbursed for the payment by a third party, the payment is not earnable compensation.

[Statutory Authority: RCW 41.50.050(5), 41.32.267, 41.32.810, 41.32.865. WSR 05-12-108, § 415-112-473, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-473, filed 4/21/00, effective 5/22/00; WSR 97-03-016, § 415-112-473, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-474 Is compensation from shared leave earnable compensation?** If you receive leave through the leave sharing program created by RCW 41.04.660, the compensation you receive from your employer for that leave is earnable compensation.

[Statutory Authority: RCW 41.50.050(5), 41.04.660. WSR 06-18-006, § 415-112-474, filed 8/24/06, effective 9/24/06.]

**WAC 415-112-475 Is the pay I receive from my employer when I am on union leave earnable compensation?** If you take an authorized leave of absence to serve as an elected official of a labor organization and you receive payment from your employer during your leave, the payments may be earnable compensation, even if the union reimburses your employer. To qualify as earnable compensation, the payments must meet the specific conditions in RCW 41.32.267 (Plan 1), RCW 41.32.810 (Plan 2), or RCW 41.32.865 (Plan 3).

[Statutory Authority: RCW 41.50.050(5), 41.32.267, 41.32.810, 41.32.865. WSR 05-12-108, § 415-112-475, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-475, filed 4/21/00, effective 5/22/00; WSR 97-03-016, § 415-112-475, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-477 Are payments for reinstatement or payment instead of reinstatement earnable compensation?** (1) When you receive payments upon reinstatement or instead of reinstatement, such payments are earnable compensation to the extent they are equivalent to the salary you would have earned by working in your position. RCW 41.32.010 defines these payments as earnable compensation even though they are not payments for services you provided to your employer. The payment will be prorated over the entire period that you were suspended, terminated, or otherwise absent from work.

(2) For purposes of subsection (1) of this section, "reinstatement" means that the employee is entitled to return to full employment rights by action of:

(a) The employer;

(b) A school district; or

(c) A court of law.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-477, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-477, filed 4/21/00, effective 5/22/00; WSR 97-03-016, § 415-112-477, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-480 Are fringe benefits earnable compensation?** Fringe benefits provided by an employer are not a salary or wage, and are not earnable compensation. Fringe benefits include, but are not limited to:

(1) Employer retirement contributions;

(2) Any type of insurance such as medical, dental or life insurance; and any employer contribution to meet the premium or charge for the insurance; or

(3) Any employer payments into a private fund to provide health or welfare benefits for you or your dependents, with the exception of compensation paid pursuant to a bona fide cafeteria plan, flexible benefit plan or similar arrangement as described in WAC 415-112-4604.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-480, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 03-06-042, § 415-112-480, filed 2/27/03, effective 4/1/03. Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-480, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-482 Are disability insurance or workers' compensation payments earnable compensation?** (1) Disability insurance payments are not earnable compensation, whether the payments come directly from the employer or from an insurance company.

(2) Workers' compensation payments are not earnable compensation.

**Example:** Susan, an employee on unpaid disability leave, submits her workers' compensation payments to her employer. The employer then issues Susan a check for the same amount through the payroll system. Even though the payment may have the appearance of compensation from the employer, it is not a payment for services provided and it is not earnable compensation.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-482, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-482, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-485 Are payments that are outside my employer's legal authority earnable compensation?** Payments made by an employer

that are outside the employer's legal authority are not earnable compensation.

**Example:** School districts are prohibited by RCW 28A.400.220 from increasing an employee's salary instead of providing a fringe benefit. If a district increased a person's salary instead of providing a district car, the teacher's increased salary payments would not be earnable compensation.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-485, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-485, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-487 Are optional payments considered earnable compensation?** If you receive an additional payment only on the condition of taking an action other than providing service to your employer, the payment is not earnable compensation.

**Example:** An employer offers to make a contribution to Joe's deferred compensation plan only if Joe agrees to have a portion of his salary deferred. Because Joe does not have a right to receive the contribution based solely on providing service, the payment is not earnable compensation.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-487, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-487, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-489 Are reimbursements for business expenses earnable compensation?** Reimbursements are not earnable compensation. Typical reimbursement payments include mileage reimbursements for use of a private car on employer business, or meal and lodging reimbursements for business trips.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-489, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-489, filed 1/6/97, effective 2/6/97.]

**WAC 415-112-490 Is a retirement bonus or incentive earnable compensation?** A payment made as an incentive to retire or terminate is not a payment for services provided, and is not earnable compensation.

**Example:** A collective bargaining agreement authorizes a school district to pay employees a higher salary during the last two years of employment if the employee gives written notice of his or her intent to retire. Because the payment is in exchange for the agreement to retire and not for services, the payment is not earnable compensation.

[Statutory Authority: RCW 41.50.050(5) and 41.32.010(10). WSR 05-12-108, § 415-112-490, filed 5/27/05, effective 6/27/05. Statutory

Authority: RCW 41.50.050. WSR 97-03-016, § 415-112-490, filed 1/6/97, effective 2/6/97.]

## SERVICE RETIREMENT

**WAC 415-112-500 Do I qualify for retirement from Plan 1?** You may retire from Plan 1:

(1) At age sixty with a minimum of five years of service. You may not use service credit you purchased for professional preparation or military service to meet the five-year minimum;

(2) At age fifty-five with a minimum of twenty-five years of service; or

(3) At any age with a minimum of thirty years of service.

See RCW 41.32.480.

[Statutory Authority: RCW 41.50.050(5) and 41.32.480. WSR 05-12-108, § 415-112-500, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-500, filed 2/15/78. Formerly WAC 462-28-005.]

**WAC 415-112-504 What are my TRS Plan 1 retirement benefit options?** Upon retirement from Plan 1 for service under RCW 41.32.480 or disability under RCW 41.32.550 (1)(c), you must choose to have your retirement benefit paid to you by one of the options described in this section. You may also select an optional supplemental cost-of-living (COLA) adjustment.

(1) **May I withdraw any of my contributions?** You may withdraw some or all of your accumulated contributions as follows:

(a) If you retire according to the provisions of RCW 41.32.498, you may withdraw some or all of your accumulated contributions at the time of retirement. Your monthly retirement benefit will be reduced according to the amount you withdraw.

(b) If you terminate service due to a disability under the conditions of RCW 41.32.550 (1)(a), you may withdraw all your accumulated contributions in a lump sum payment. You will receive no monthly retirement benefit.

(2) **Which option will pay my beneficiary a monthly benefit after my death?** Options described in subsection (3)(c) through (e) of this section will pay a monthly benefit to your survivor after your death. The person you name at the time of retirement to receive a monthly benefit after your death is referred to as your "survivor beneficiary." After your death, your survivor beneficiary will receive a monthly benefit for the duration of their life. Your monthly retirement benefit will be reduced to offset the cost of the survivor option. See WAC 415-02-380 for more information on how your monthly benefit will be affected if you choose a survivor option.

(3) **What are my benefit options?**

(a) **Maximum benefit (nonsurvivor option).** The department will pay you the maximum benefit allowed by statute. Under this option you will receive a monthly retirement benefit throughout your lifetime. Your monthly benefit will cease upon your death, and any remaining balance of accumulated contributions will be:

(i) Retained by the retirement fund if you retired for service under RCW 41.32.497 or 41.32.498; or

(ii) Paid according to subsection (10) of this section if you retired because of disability and were receiving a monthly retirement benefit under RCW 41.32.550 (1)(c).

(b) **Option one: Standard benefit for service retirement (nonsurvivor option).** The department will pay you a monthly retirement benefit throughout your lifetime. Your monthly benefit will cease upon your death, and any remaining balance of accumulated contributions will be paid according to subsection (10) of this section.

(i) This benefit option has a lower monthly benefit than the **maximum benefit** in (a) of this subsection because, with this option, any remaining accumulated contributions will be paid to your beneficiaries upon your death.

(ii) If you are retiring because of disability under RCW 41.32.550 (1)(c), you will not benefit from this option because your beneficiaries will receive any remaining accumulated contributions under the maximum benefit in (a) of this subsection.

(c) **Option two: Joint and 100 percent survivor benefit.** The department will pay you a reduced monthly retirement benefit throughout your lifetime. After your death, your survivor beneficiary will receive a gross monthly benefit equal to your gross monthly benefit.

(d) **Option three: Joint and 50 percent benefit.** The department will pay you a reduced monthly retirement benefit throughout your lifetime. After your death, your survivor beneficiary will receive a gross monthly benefit equal to 50 percent of your gross monthly benefit.

(e) **Option four: Joint and two-thirds benefit.**[1] The department will pay you a reduced monthly retirement benefit throughout your lifetime. After your death, your survivor beneficiary will receive a gross monthly benefit equal to two-thirds (66.667 percent) of your gross monthly benefit.

(4) **Do I need my spouse's consent on the option I choose?** The option you select will determine whether spousal consent is required.

(a) If you are married and select a nonsurvivor benefit option, you must provide your spouse's consent, verified by a notarized signature or other means acceptable to the department. If you do not provide verified spousal consent, the department will pay you a monthly retirement benefit based on option three (joint and 50 percent benefit) with your spouse as the survivor beneficiary as required by RCW 41.32.530(2).

(b) If you are married and select a survivor benefit option for your spouse, spousal consent is not required. The department will pay you a monthly benefit based on the option you selected.

(c) If you are married and select a survivor benefit option for someone other than your spouse, spousal consent is required. If you do not provide spousal consent, verified by a notarized signature or other means acceptable to the department, the department will pay you a monthly retirement benefit based on option three (joint and 50 percent benefit) with your spouse as the survivor beneficiary as required by RCW 41.32.530(2).

(d) If your survivor beneficiary has been designated by a dissolution order according to subsection (6) of this section, which was filed with the department at least 30 days before your retirement date, spousal consent is not required.

(5) **How will naming a nonspousal survivor beneficiary affect my benefit options?** When you name a nonspouse survivor, your benefit options may be limited when your survivor is 11 or more years younger

than you. Your available options are based on the adjusted age difference between you and your survivor:

(a) **Age difference: Less than 11 years:** Eligible for Option 2 (100 percent), Option 3 (50 percent), or Option 4 (66.67 percent) survivor benefit option. These options are also all available if the age difference is 11 years or more, but the survivor's age is the higher number.

(b) **Age difference: 11–24 years:** Eligible for Option 3 (50 percent) or Option 4 (66.67 percent) survivor benefit options.

(c) **Age difference: 25 or more years:** Eligible for Option 3 (50 percent) survivor benefit option.

(d) If you retire before the age the IRS requires your required minimum distributions (RMDs) to begin, the age difference between you and your survivor will be reduced by the number of years between your age at retirement and your RMD age.

(i) If you were born before July 1, 1949, your RMD age is 70.

(ii) If you were born between July 1, 1949, and December 31, 1950, your RMD age is 72.

(iii) If you were born between January 1, 1951, and December 31, 1959, your RMD age is 73.

(iv) If you were born on or after January 1, 1960, your RMD age is 75.

If you retire after your RMD age, there is no adjustment to the age difference between you and your nonspouse survivor.

(e) **Example:** Janet was born January 5, 1961, and will retire September 1, 2026. She plans to name her son, born April 14, 1985, as her survivor beneficiary. The age difference between Janet and her son is 24 years. Janet's RMD age is 75, and she is retiring at age 65 so the age difference is reduced by 10 years (75 minus 65) for an adjusted age difference of 14 years (24 minus 10). Janet is eligible to choose between survivor Option 3 (50 percent) and Option 4 (66.67 percent) for her son.

(6) **Can a dissolution order require that a former spouse be designated as a survivor beneficiary?** Yes. A dissolution order may require that a former spouse be designated as a survivor beneficiary. The department is required to pay survivor benefits to a former spouse pursuant to a dissolution order that complies with RCW 41.50.790.

(7) **What is the supplemental COLA option?** In addition to choosing a retirement benefit option described in subsection (3) of this section, you may choose a supplemental annual COLA. If you select this option, your monthly retirement benefit will be reduced to offset the cost of this benefit.

(8) **What happens if I choose a benefit option with a survivor option and my survivor beneficiary dies before I do?** If your survivor beneficiary dies before you do, you may request to have your benefit increased as described in WAC 415-02-380.

(9) **May I change my benefit option after retirement?** Your choice of a benefit option is irrevocable with the following three exceptions:

(a) **Return to membership.** If you retire and then return to membership, you may choose a different retirement option upon your subsequent retirement. See RCW 41.32.044.

(b) **Postretirement marriage option.** If you select the maximum benefit option or the standard benefit option at the time of retirement and marry after retirement, you may select a benefit option with a survivor option and name your current spouse as survivor beneficiary, provided that:

(i) Your benefit is not subject to a property division obligation pursuant to a dissolution order. See WAC 415-02-500;

(ii) The selection is made during a one-year window, on or after the date of the first anniversary and before the second anniversary of your postretirement marriage;

(iii) You provide a copy of your certified marriage certificate to the department; and

(iv) You provide proof of your current spouse's birthdate.

(c) **Removal of a nonspouse survivor option.** If you select a survivor benefit option and name a nonspouse as survivor beneficiary at the time of retirement, you may remove that survivor beneficiary designation and have your benefit adjusted to a standard benefit. You may exercise this option one time only.

(10) **Who will receive the balance of my accumulated contributions, if any, after my death?**

(a) If you do not have a survivor beneficiary at the time of your death, and you die before the total of the retirement benefit paid equals the amount of your accumulated contributions at the time of retirement, the balance will be paid according to this subsection.

(i) Except as provided in (a)(ii) of this subsection, any remaining balance will be paid to the person or entity (i.e., trust, organization, or estate) you have nominated by written designation, executed and filed with the department.

(ii) If you retired for service and chose the maximum benefit option, any remaining balance will be retained by the retirement fund.

(b) If you have a survivor beneficiary at the time of your death, and your survivor beneficiary dies before the total of the retirement benefit paid equals the amount of your accumulated contributions at the time of retirement, the balance will be paid to the person or entity (i.e., trust, organization, or estate) your survivor beneficiary has nominated by written designation, executed and filed with the department.

(11) For more information, see RCW 41.32.530 and 41.32.550.

[1] Available to members retiring on or after January 1, 1996.

[Statutory Authority: RCW 41.50.050. WSR 26-17-035, s 415-112-504, filed 8/11/26, effective 8/12/26; WSR 20-13-065, § 415-112-504, filed 6/15/20, effective 7/16/20; WSR 20-06-040, § 415-112-504, filed 2/27/20, effective 3/29/20. Statutory Authority: RCW 41.50.050(5). WSR 13-18-034, § 415-112-504, filed 8/28/13, effective 10/1/13. Statutory Authority: RCW 41.50.050(5), 41.32.530, 41.32.550. WSR 05-23-062, § 415-112-504, filed 11/14/05, effective 12/15/05.]

**WAC 415-112-505 What are my TRS Plan 2 or Plan 3 retirement benefit options?** Upon retirement for service under RCW 41.32.765 or 41.32.875, or disability under RCW 41.32.790 or 41.32.880, you must choose to have the defined benefit portion of your retirement benefit paid to you by one of the options described in this section.

(1) **Which option will pay my beneficiary a monthly benefit after my death?** Options described in subsection (2)(b), (c), and (d) of this section will pay a monthly benefit to your survivor after your death. The person you name at the time of retirement to receive a monthly benefit after your death is referred to as your "survivor beneficiary." After your death, your survivor beneficiary will receive a monthly benefit for the duration of their life. Your monthly retirement

benefit will be reduced to offset the cost of the survivor option. See WAC 415-02-380 for more information on how your monthly benefit will be affected if you choose a survivor option.

(2) **What are my benefit options?**

(a) **Option one: Standard benefit for service retirement (nonsurvivor option).** The department will pay you a monthly retirement benefit throughout your lifetime. Your monthly benefit will cease upon your death, and any remaining balance of accumulated contributions will be paid according to subsection (8) of this section.

(b) **Option two: Joint and 100 percent survivor benefit.** The department will pay you a reduced monthly retirement benefit throughout your lifetime. After your death, your survivor beneficiary will receive a gross monthly benefit equal to your gross monthly benefit.

(c) **Option three: Joint and 50 percent survivor benefit.** The department will pay you a reduced monthly retirement benefit throughout your lifetime. After your death, your survivor beneficiary will receive a gross monthly benefit equal to 50 percent of your gross monthly benefit.

(d) **Option four: Joint and two-thirds survivor benefit.**[1] The department will pay you a reduced monthly retirement benefit throughout your lifetime. After your death, your survivor beneficiary will receive a gross monthly benefit equal to two-thirds (66.667 percent) of your gross monthly benefit.

(3) **Do I need my spouse's consent on the option I choose?** The option you select will determine whether spousal consent is required. For purposes of this section, a registered domestic partnership is treated the same as a spousal relationship.

(a) If you are married and select a nonsurvivor benefit option, you must provide your spouse's consent, verified by a notarized signature or other means acceptable to the department. If you do not provide verified spousal consent, the department will pay you a monthly retirement benefit based on option three (joint and 50 percent benefit) with your spouse as the survivor beneficiary as required by RCW 41.32.785(2) and 41.32.851(2).

(b) If you are married and select a survivor benefit option for your spouse, spousal consent is not required. The department will pay you a monthly benefit based on the option you selected.

(c) If you are married and select a survivor benefit option for someone other than your spouse, spousal consent is required. If you do not provide spousal consent, verified by a notarized signature or other means acceptable to the department, the department will pay you a monthly retirement benefit based on option three (joint and 50 percent benefit) with your spouse as the survivor beneficiary as required by RCW 41.32.785(2) and 41.32.851(2).

(d) If your survivor beneficiary has been designated by a dissolution order under RCW 41.50.790, which was filed with the department at least 30 days before your retirement date, spousal consent is not required.

(4) **How will naming a nonspousal survivor beneficiary affect my benefit options?** When you name a nonspouse survivor, your benefit options may be limited when your survivor is 11 or more years younger than you. Your available options are based on the adjusted age difference between you and your survivor:

(a) **Age difference: Less than 11 years:** Eligible for Option 2 (100 percent), Option 3 (50 percent), or Option 4 (66.67 percent) survivor benefit option. These options are also all available if the age

difference is 11 years or more, but the survivor's age is the higher number.

(b) **Age difference: 11–24 years:** Eligible for Option 3 (50 percent) or Option 4 (66.67 percent) survivor benefit options.

(c) **Age difference: 25 or more years:** Eligible for 50 percent survivor benefit option.

(d) If you retire before the age the IRS requires your required minimum distributions (RMDs) to begin, the age difference between you and your survivor will be reduced by the number of years between your age at retirement and your RMD age.

(i) If you were born before July 1, 1949, your RMD age is 70.

(ii) If you were born between July 1, 1949, and December 31, 1950, your RMD age is 72.

(iii) If you were born between January 1, 1951, and December 31, 1959, your RMD age is 73.

(iv) If you were born on or after January 1, 1960, your RMD age is 75.

If you retire after your RMD age, there is no adjustment to the age difference between you and your nonspouse survivor.

(e) **Example:** Janet was born January 5, 1961, and will retire September 1, 2026. She plans to name her son, born April 14, 1985, as her survivor beneficiary. The age difference between Janet and her son is 24 years. Janet's RMD age is 75, and she is retiring at age 65 so the age difference is reduced by 10 years (75 minus 65) for an adjusted age difference of 14 years (24 minus 10). Janet is eligible to choose between survivor Option 3 (50 percent) and Option 4 (66.67 percent) for her son.

(5) **Can a dissolution order require that a former spouse be designated as a survivor beneficiary?** Yes. A dissolution order may require that a former spouse be designated as a survivor beneficiary. The department is required to pay survivor benefits to a former spouse pursuant to a dissolution order that complies with RCW 41.50.790.

(6) **What happens if I choose a benefit option with a survivor option and my survivor beneficiary dies before I do?** If your survivor beneficiary dies before you do, you may request to have your benefit increased as described in WAC 415-02-380.

(7) **May I change my benefit option after retirement?** Your choice of a benefit option is irrevocable with the following four exceptions:

(a) **Return to membership.** If you retire and then return to membership, you may choose a different retirement option upon your subsequent retirement. See RCW 41.32.044.

(b) **Postretirement marriage option.** If you select the standard benefit option at the time of retirement and marry after retirement, you may select a benefit option with a survivor option and name your current spouse as survivor beneficiary, provided that:

(i) Your benefit is not subject to a property division obligation pursuant to a dissolution order. See WAC 415-02-500;

(ii) The selection is made during a one-year window, on or after the date of the first anniversary and before the second anniversary of your postretirement marriage;

(iii) You provide a copy of your certified marriage certificate to the department;

(iv) You provide proof of your current spouse's birthdate; and

(v) You exercise this option one time only.

(c) **Removal of a nonspouse survivor option.** If you select a benefit option with a survivor option and name a nonspouse as survivor beneficiary at the time of retirement, you may remove that survivor

beneficiary designation and have your benefit adjusted to a standard benefit. You may exercise this option one time only.

(d) **One-time change of survivor.** You may change your benefit option and/or designated survivor one time within 90 days from the date your first benefit payment is issued. Your change request must be in writing, and must comply with other requirements as described in this section. Your new benefit amount will be effective the first of the month following the receipt of your request by the department.

(8) **Who will receive the balance of my accumulated contributions, if any, after my death?**

(a) **Plan 2:**

(i) If you do not have a survivor beneficiary at the time of your death, and you die before the total of the retirement benefit paid equals the amount of your accumulated contributions at the time of retirement, the balance will be paid:

(A) To the person or entity (i.e., trust, organization, or estate) you have nominated by written designation, executed and filed with the department.

(B) If you have not designated a beneficiary, or if your designated beneficiary is no longer living, then to your surviving spouse.

(C) If not paid according to (a)(i)(A) or (B) of this subsection, then to your estate.

(ii) If you have a survivor beneficiary at the time of your death, and your survivor beneficiary dies before the total of the retirement benefit paid equals the amount of your accumulated contributions at the time of retirement, the balance will be paid:

(A) To the person or entity (i.e., trust, organization, or estate) your survivor beneficiary has nominated by written designation, executed and filed with the department.

(B) If your survivor beneficiary has not designated a beneficiary, or if the designated beneficiary is no longer living, then to your survivor beneficiary's spouse.

(C) If not paid according to (a)(ii)(A) or (B) of this subsection, then to your survivor beneficiary's estate.

(b) **Plan 3:** The defined benefit stops upon your death or upon the death of your survivor beneficiary, if applicable. As a Plan 3 member, you do not contribute to the defined benefit portion of your retirement benefit. The defined contribution portion of your benefit will be distributed according to WAC 415-111-310.

(9) For more information, see RCW 41.32.785 and 41.32.790 (Plan 2) and RCW 41.32.851 (Plan 3).

[1] Available to members retiring on or after January 1, 1996.

[Statutory Authority: RCW 41.50.050. WSR 26-17-035, s 415-112-505, filed 8/11/26, effective 8/12/26; WSR 25-18-099, s 415-112-505, filed 9/2/25, effective 10/3/25; WSR 22-01-061, § 415-112-505, filed 12/8/21, effective 1/8/22; WSR 20-13-065, § 415-112-505, filed 6/15/20, effective 7/16/20; WSR 20-06-040, § 415-112-505, filed 2/27/20, effective 3/29/20. Statutory Authority: RCW 41.50.050(5). WSR 13-18-034, § 415-112-505, filed 8/28/13, effective 10/1/13. Statutory Authority: RCW 41.50.050(5), 41.32.785, 41.32.851, and 41.32.790. WSR 08-10-025, § 415-112-505, filed 4/25/08, effective 5/26/08; WSR 05-23-062, § 415-112-505, filed 11/14/05, effective 12/15/05.]

**WAC 415-112-507 How do I apply for TRS retirement benefits?** You should apply for retirement benefits at least thirty days before your intended retirement date. You can apply online at the department's website or by submitting to the department:

(1) A completed and signed retirement application, verified by a notarized signature or other means acceptable to the department, including:

(a) Your selection of one of the benefit options described in WAC 415-112-493.

(b) Designation of a survivor beneficiary if you selected a benefit option with a survivor feature.

(c) If you are married, your spouse's consent may be required as described in WAC 415-112-504 (Plan 1) or WAC 415-112-505 (Plan 2 or Plan 3).

(2) Evidence of your birthdate, only if requested by the department, such as a photocopy of your birth certificate, passport or passport card, government-issued driver license or identification card, NEXUS card, naturalization certificate, certificate of armed services record U.S. DD-214, or other documentation acceptable to the department. If you are requested to submit evidence, the document you submit must include the month, day, and year of your birth.

(3) If you selected a benefit option with a survivor feature, acceptable evidence of your designated survivor beneficiary's birthdate which includes the month, day, and year of birth.

[Statutory Authority: RCW 41.50.050. WSR 20-13-065, § 415-112-507, filed 6/15/20, effective 7/16/20; WSR 20-06-040, § 415-112-507, filed 2/27/20, effective 3/29/20. Statutory Authority: RCW 41.50.050(5). WSR 16-21-059, § 415-112-507, filed 10/14/16, effective 11/14/16. Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 05-12-108, § 415-112-507, filed 5/27/05, effective 6/27/05.]

**WAC 415-112-509 When will the department approve my application for service retirement?** The department will approve your application for service retirement only after you:

(1) Submit a properly completed form according to the provisions of WAC 415-112-507;

(2) Meet the age and service requirements in WAC 415-112-500 for Plan 1, WAC 415-112-501 for Plan 2, or WAC 415-112-502 for Plan 3;

(3) Separate from service with all employers as defined in RCW 41.32.010(11);

(4) Have no written agreement to return to employment with an employer; and

(5) Pay in full for any service credit you wish to purchase or restore.

[Statutory Authority: RCW 41.50.050(5). WSR 06-18-006, § 415-112-509, filed 8/24/06, effective 9/24/06.]

**WAC 415-112-515 When does a member of the teachers' retirement system (TRS) enter retirement status?** A member of TRS enters retirement status when he or she:

(1) Has separated from service or employment as defined in RCW 41.32.010(48);

(2) Has no written agreement to return to employment; and

(3) Has applied for retirement, the accrual date has been determined under WAC 415-112-520, RCW 41.32.795, or 41.32.855, and the benefit begins to accrue.

**Example:** Judy is eligible for retirement on July 1st. She submits an application on June 1st with a July 1st retirement date. Her last day of employment is June 30th and she does not have an agreement to return to work.
Judy's retirement date (accrual date) is July 1st and the benefit begins to accrue. The first retirement payment will be paid at the end of July. Judy entered "retiree status" effective July 1st.

[Statutory Authority: RCW 41.50.050(5), 41.04.270, 41.26.030, 41.32.010, 41.32.025, 41.32.480, 41.32.500, 41.32.570, 41.32.765, 41.32.795, 41.32.802, 41.32.855, 41.32.860, 41.32.862, 41.35.010, 41.35.030, 41.35.060, 41.35.450, 41.35.640, 41.40.010, 41.40.023, 41.40.037, 41.40.150, 41.40.193, 41.40.680, 41.40.750, 41.40.801. WSR 02-02-060, § 415-112-515, filed 12/28/01, effective 1/1/02. Statutory Authority: RCW 41.50.050. WSR 99-14-008, § 415-112-515, filed 6/24/99, effective 7/25/99. Statutory Authority: RCW 41.50.050 and 41.32.570. WSR 91-21-084, § 415-112-515, filed 10/18/91, effective 11/18/91.]

**WAC 415-112-520 When do my monthly retirement payments begin?** (1) The department will issue your first retirement allowance payment at the end of the month in which you retire.

(2) If your accrual date is prior to the date your application is approved, you will receive a lump sum payment of the amount that has accrued prior to your first payment. Thereafter, you will receive the calculated monthly benefit.

[Statutory Authority: RCW 41.50.050(5). WSR 06-18-006, § 415-112-520, filed 8/24/06, effective 9/24/06. Statutory Authority: RCW 41.50.050. WSR 99-14-008, § 415-112-520, filed 6/24/99, effective 7/25/99. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-520, filed 2/15/78. Formerly WAC 462-28-020.]

**WAC 415-112-523 How does the department calculate my retirement allowance?** (1) When you apply for retirement, you will begin to receive a provisional retirement allowance.

(a) The department will calculate the provisional allowance based on:

(i) The data for service credit and earnable compensation in the department's system at the time it is calculated;

(ii) Projections of your salary for periods that have not yet been reported by your employer.

(b) The department will pay you the provisional allowance until your actual retirement allowance has been calculated.

(2) To compute your actual allowance, the department must receive a final compensation report from your employer.

The department may also require any of the following from your employer:

(a) Cash-out information (Plan 1 only).

(b) Earnings history.

(c) Copies of your employment contract(s).

(d) Copies of your employer's compensation policies.

(3) The department will make a final calculation of your actual retirement allowance by making a final determination of your service credit and average final compensation and by applying the correct formula to these values. Your actual retirement allowance may be higher or lower than your provisional allowance.

(4) If the amount of your actual allowance is different from your provisional allowance, the department will make the necessary adjustments.

(a) If you were underpaid, the department will pay you a lump sum payment equal to the difference of the total provisional payments you received and the total you would have received based on your actual allowance.

(b) If you were overpaid, the department will recover the overpayment either through a lump sum payment, monthly installment payments, or through an actuarial reduction of your actual allowance.

[Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 05-12-108, § 415-112-523, filed 5/27/05, effective 6/27/05.]

**WAC 415-112-525 What are the return to work rules for TRS Plan 1, Plan 2, and Plan 3?** (1) **How soon can I return to work after I retire without impacting my TRS retirement benefit?**

(a) You may begin working immediately after you retire without impacting your TRS retirement benefit if:

(i) You go to work for a private employer;

(ii) You are an independent contractor as defined in WAC 415-02-110; or

(iii) You are a TRS Plan 1 retiree, your only employment is as an elected official, and you end your TRS membership under RCW 41.32.263.

(b) If you retire and then return to work for a public employer except as provided in (a) of this subsection, sooner than 30 consecutive calendar days from your accrual date (effective retirement date), your retirement allowance will be reduced until you remain absent for at least 30 consecutive calendar days. See RCW 41.32.570 (TRS Plan 1), 41.32.802 (TRS Plan 2), or 41.32.862 (TRS Plan 3).

(c) If you retire and remain absent at least 30 consecutive calendar days from your accrual date, if you meet the definition of separation in WAC 415-02-115, you may return to work in any position for any employer whose retirement plan is administered by the department of retirement systems (DRS) or a public institution of higher education, without impacting your TRS retirement benefit until you reach your applicable annual hour limit.

(d) If you worked prior to retirement in an ineligible position and continue to work in the same ineligible position beyond retirement, this will not be considered a violation of the 30 consecutive days in (b) and (c) of this subsection assuming that separation from your employer as defined in WAC 415-02-115 was satisfied.

(e) Examples:

(i) Pat works for Evergreen School District and fully separates employment at the age of 60. Pat then moves to Spokane and begins employment with the Spokane Library District in a position that is not eligible for retirement benefits. This employment continues and the position remains ineligible for retirement benefits. At age 65 Pat is eligible to begin collecting the TRS retirement benefit earned while

working at Evergreen School District, without terminating employment from Spokane Library District.

(ii) Skyler works for Odessa School District until age 65 in a retirement eligible position, then begins working part time for the same school in a position that is not eligible for retirement. Skyler is not eligible to begin receiving their retirement benefit because they have not yet separated from employment with the employer they participated in the retirement system with.

(iii) Parker works for Spokane Public Schools until age 63 at which point, they separate employment and have their name placed on the on-call substitute teacher list at a number of local school districts. Parker substitutes occasionally for the Deer Park, Mead, and Cheney schools. At age 65 they are eligible to begin collecting the TRS benefit that was earned while working at the Spokane Public Schools without terminating employment from the substitute positions.

(iv) Taylor works for two different employers over the same period of time. The position with employer one is a retirement eligible position and the position with employer two does not meet the requirements for retirement eligibility. Prior to age 65 Taylor separates from employment with employer one but continues to work for employer two in the ineligible position. When Taylor reaches age 65 they are eligible to begin receiving their retirement benefit because they have separated from employment with the employer they participated in the retirement system with.

(2) **What is the annual hour limit?** All retirees including those retired under the alternate early retirement factors after separating from employment and being absent at least 30 consecutive calendar days as described in subsection (1)(c) of this section, your annual hour limit will be based on the position you return to.

(a) **No limit.** You may work as many hours as you want without affecting your retirement benefit if:

(i) You go to work for a private employer;

(ii) You are an independent contractor as defined in WAC 415-02-110; or

(iii) You are a TRS Plan 1 retiree, and:

(A) Your only employment is as an elected official, and you end your TRS membership under RCW 41.32.263; or

(B) You go to work for a nonpublic educational institution.

(iv) You are a TRS Plan 2 or Plan 3 member working as an on-call substitute teacher.

(b) **Eight hundred sixty-seven-hour limit.** You may work up to 867 hours in a year (July through June for TRS Plan 1, January through December for TRS Plan 2 and Plan 3) before your retirement benefit is suspended.

(c) **One thousand forty-hour limit.** From March 23, 2022, through January 1, 2030, you may work up to 1,040 hours in a year, (July through June for TRS Plan 1, January through December for TRS Plan 2 and Plan 3) in a position that is eligible for a DRS retirement plan, in:

(i) A nonadministrative position at a school district before your retirement allowance is suspended; or

(ii) An administrative position (as a district superintendent or an in-school administrator) before your retirement allowance is suspended if, you retired before January 1, 2022, and returned to a TRS position at a second-class school district.

(3) **What hours count toward the limit?**

(a) **Counted toward the annual hour limit:** All compensated hours that are worked in an eligible position, including the use of earned sick leave, vacation days, paid holidays, compensatory time, and cash-outs of compensatory time.

(b) **Not counted toward the annual hour limit:** Cashouts of unused sick and vacation leave.

(4) **What happens if I work more than the annual hour limit?**

(a) If you work more than the annual hour limit, your retirement benefit will be suspended. The suspension will be effective the day after you exceed the hour limit. DRS will prorate your retirement benefit for the month in which you exceed the limit.

(b) Your retirement benefit will be restarted beginning the next year (July for TRS Plan 1, January for TRS Plan 2 or Plan 3) or the day after you terminate all eligible employment, whichever occurs first.

(c) DRS will recover any overpayments made to you for the month(s) in which you exceeded the hour limit and received a retirement benefit. See RCW 41.50.130.

(5) **Can I return to TRS membership?**

(a) You may choose to return to membership if you are employed by a public educational institution and are otherwise eligible. Membership will be prospective from the first day of the month following the month in which you request to return to membership. See RCW 41.32.044.

(b) If you reenter TRS membership and later choose to retire again, DRS will recalculate your retirement benefit under the applicable statutes and regulations. You will be subject to the return to work rules in place at the time of your reretirement.

(c) If you are a retiree from another retirement system administered by DRS, you may choose to enter TRS membership if you are eligible. See WAC 415-112-546. The option to enter membership is prospective from the first day of the month following the month in which you request membership. See RCW 41.04.270 and 41.35.030.

(6) **What if I retired from TRS and another DRS retirement system?**

If you return to work after retirement from TRS and another DRS retirement system, see WAC 415-113-300 to determine the effect of returning to work.

Note: You may have a choice of returning to membership. See the following WAC sections for more information: 415-108-725, 415-110-725, 415-112-546, 415-106-725, and 415-104-111.

(7) **Terms used.**

(a) "Accrual date" - WAC 415-112-520; RCW 41.32.795, 41.32.855.

(b) "Eligible position" - RCW 41.32.010.

(c) "Employer" - RCW 41.32.010.

(d) "Nonadministrative position" - WAC 415-02-030.

(e) "Second-class school district" - RCW 28A.300.065.

(f) "Year."

(i) For TRS Plan 1, a "year" is July 1st through June 30th.

(ii) For TRS Plan 2 and Plan 3, a "year" is January 1st through December 31st.

[Statutory Authority: RCW 41.50.050 and 2025 c 284. WSR 25-19-015, s 415-112-525, filed 9/4/25, effective 9/5/25. Statutory Authority: RCW 41.50.050, 2022 c 110, 2023 c 99, and 2023 c 410. WSR 23-24-091, § 415-112-525, filed 12/5/23, effective 12/7/23. Statutory Authority: RCW 41.50.050. WSR 20-01-079, § 415-112-525, filed 12/11/19, effective 1/11/20. Statutory Authority: RCW 41.50.050(5). WSR 16-17-047, § 415-112-525, filed 8/11/16, effective 9/11/16. Statutory Authority:

RCW 41.50.050(5), 41.04.270, 41.26.030, 41.32.010, 41.32.025, 41.32.480, 41.32.500, 41.32.570, 41.32.765, 41.32.795, 41.32.802, 41.32.855, 41.32.860, 41.32.862, 41.35.010, 41.35.030, 41.35.060, 41.35.450, 41.35.640, 41.40.010, 41.40.023, 41.40.037, 41.40.150, 41.40.193, 41.40.680, 41.40.750, 41.40.801. WSR 02-02-060, § 415-112-525, filed 12/28/01, effective 1/1/02.]

**WAC 415-112-544 How does the department calculate the retirement allowance of a TRS Plan 2 or Plan 3 member who retires, reenters TRS membership, and then retires again?** This rule establishes a method to actuarially recompute your defined benefit retirement allowance if you are a Plan 2 or Plan 3 member who retires, reenters TRS membership causing your retirement allowance to stop, and then retires again.

(1) **The department will:**

(a) Recompute your retirement allowance pursuant to RCW 41.32.760 (Plan 2) or 41.32.840 (Plan 3) using:

(i) Your total years of career service, including service earned prior to your initial retirement and service earned after reentering membership; and

(ii) Any increase in your average final compensation resulting from your reentry into membership; and

(iii) An actuarial reduction of your retirement allowance to offset the cost of your benefit option if it includes a survivor feature. See WAC 415-112-505.

(b) Your benefit will be calculated in two separate parts based on service credit earned in each working period and any early retirement factors applicable based on the age of retirement for that period.

(i) The first part will include:

(A) Service credit that was used in the original retirement calculation.

(B) Any early retirement reduction factor that was in place at the time of the initial retirement.

(C) The highest salary considering the entire work history.

(D) Any previously earned cost-of-living adjustments.

(ii) The second part of the calculation will include:

(A) Only service credit earned during the return to membership working period.

(B) Any appropriate early retirement reduction factors in place at the time of reretirement.

(C) Any survivor factor in place at the time of reretirement will be applied to both retirement periods. You must return to work for at least 24 consecutive months to become eligible for any survivor benefit option other than the option you chose in your initial retirement (RCW 41.32.044).

(D) The highest salary considering the entire work history.

Example: Pat became a Plan 2 member before May 1, 2013. Pat had 30 years of service when they initially retired at age 55 with an AFC of $5,000. An early retirement factor of .8 was applied to this initial retirement. Pat returned to membership at age 62 and worked for an additional three years and then reretired with a newly calculated AFC of $8,000. No early retirement factor is applicable. Pat also selected a survivorship option at reretirement that will provide them .92 of their calculated retirement benefit.

The two parts of their retirement calculation would be as follows:

Retirement 1: 2% x 30 years x $8,000 x .8 x .92 = $3,532.80
Retirement 2: 2% x 3 years x $8,000 x .92 = $441.60

Part 1 will also include any cost-of-living adjustments previously applied prior to Pat returning to membership. Any early retirement factor applicable to retirement 2 will take into consideration total service credit earned over entire career.

(2) Under no circumstances will you receive a retirement allowance creditable to a month during which you earned service credit.

[Statutory Authority: RCW 41.50.050. WSR 26-09-063, s 415-112-544, filed 4/13/26, effective 5/14/26. Statutory Authority: RCW 41.50.050(5), 41.32.800, 41.32.860, 41.32.802, 41.32.862. WSR 08-20-068, § 415-112-544, filed 9/25/08, effective 10/26/08; WSR 05-12-043, § 415-112-544, filed 5/25/05, effective 6/25/05.]

**WAC 415-112-546 If I have retired from another retirement system or am eligible to retire, am I excluded from participating in TRS?** (1) If you have **retired** from another retirement system authorized by the laws of this state, you cannot participate in TRS membership unless:

(a) You established membership in TRS prior to March 19, 1976;

(b) You accrued less than fifteen years of service credit in the other retirement system; or

(c) You are a LEOFF Plan 2 retiree returning to work in a TRS eligible position and choose to participate in TRS membership. See WAC 415-104-111.

(2) If you are **eligible for normal retirement** from another retirement system listed in RCW 41.50.030, you cannot participate in TRS membership unless:

(a) You established membership in TRS prior to March 19, 1976;

(b) You accrued less than fifteen years of service credit in the other retirement system; or

(c) You are a dual member as described in RCW 41.54.010.

(3) If you are **receiving a disability allowance** from another retirement system listed in RCW 41.50.030, you cannot participate in TRS membership unless you are a LEOFF Plan 2 retiree returning to work in a TRS eligible position and choose to participate in TRS membership. See WAC 415-104-111.

(4) **Defined terms used.** Definitions for the following terms used in this section are:

(a) "Membership" – RCW 41.32.032.

(b) "Service" – RCW 41.32.010.

(c) "Normal retirement" – A member is eligible for normal retirement when they have met their plan's age and/or service credit requirements for a full retirement benefit. Normal retirement does not include early retirement with a reduced benefit, or early retirement with employment restrictions prior to full retirement age. See the following plan definitions of normal retirement:

Public Employees' Retirement System (PERS) Plan 1 – RCW 41.40.180;

Public Employees' Retirement System (PERS) Plan 2 – RCW 41.40.630(1);

Public Employees' Retirement System (PERS) Plan 3 – RCW 41.40.820(1);

Public Safety Employees' Retirement System (PSERS) – RCW 41.37.210 (1) and (2);

School Employees' Retirement System (SERS) Plan 2 - RCW 41.35.420(1);
School Employees' Retirement System (SERS) Plan 3 - RCW 41.35.680(1);
Teachers' Retirement System (TRS) Plan 1 - RCW 41.32.480(1);
Teachers' Retirement System (TRS) Plan 2 - RCW 41.32.765(1);
Teachers' Retirement System (TRS) Plan 3 - RCW 41.32.875(1);
Washington State Patrol Retirement System (WSPRS) - RCW 43.43.250(2).

[Statutory Authority: RCW 41.50.050(5). WSR 18-08-040, § 415-112-546, filed 3/28/18, effective 4/28/18. Statutory Authority: RCW 41.50.050(5), 41.04.270, and 41.26.500. WSR 09-19-046, § 415-112-546, filed 9/10/09, effective 10/11/09.]

**WAC 415-112-555 What is the TRS Plan 1 minimum allowance?** RCW 41.32.4851 entitles certain TRS Plan 1 retirees and beneficiaries to a minimum monthly allowance. Subsection (3) of this section provides the amount of the minimum allowance and explains how it may be adjusted.

(1) **Do I qualify for the minimum allowance?** Except as provided in subsection (2) of this section:

(a) You qualify if your current monthly allowance, excluding any amount you receive for an additional (optional) annuity based on extra contributions, is less than the minimum allowance calculated under subsection (3) of this section, and:

(i) You have twenty-five or more years of TRS Plan 1 service credit and have been retired at least twenty years; or

(ii) You have twenty or more years of TRS Plan 1 service credit and have been retired at least twenty-five years.

(b) You qualify if you are a TRS Plan 1 member's survivor beneficiary under WAC 415-112-504 and your current monthly allowance is less than the minimum allowance calculated under subsection (3) of this section, provided:

(i) The member had twenty-five or more years of TRS Plan 1 service credit and retired at least twenty years ago; or

(ii) The member had twenty or more years of TRS Plan 1 service credit and retired at least twenty-five years ago.

(2) **Do I qualify if I am receiving a temporary disability benefit?** You do not qualify to receive the minimum allowance provided by this rule if you are currently receiving a temporary disability benefit under RCW 41.32.540.

(3) **How much is the minimum allowance in RCW 41.32.4851, and how is it adjusted?**

(a) **Minimum allowance.** The minimum allowance prior to July 1, 2006, was $1000. On July 1, 2006, and each July 1 thereafter, the minimum allowance increases by three percent, rounded to the nearest cent.

(b) **Adjustment.** The minimum allowance in (a) of this subsection will be adjusted each July by the same factors that were otherwise used in the calculation of your monthly allowance, including, but not limited to:

(i) Annuity withdrawal;

(ii) Early retirement;

(iii) Automatic cost-of-living (COLA) increases chosen at retirement;

(iv) Joint survivor option chosen at retirement;

(v) Survivor percentage. See Example 2 in this subsection.

Example 1: Bob retired in August 1986 with twenty-five years of service credit. Bob chose benefit option three, so that his wife, Betty, would receive a monthly allowance equal to 50% of his allowance after his death. In August 2006, Bob became eligible for the minimum allowance, calculated as follows:

| | | |
|---|---|---|
| Minimum allowance in August 2006 = | | $1,030.00 |
| **Minimum allowance, actuarially reduced for benefit option three** | $1,030 x 0.87 (This is an example of an actuarial factor for illustration purposes only. Actuarial factors periodically change.) = | **$896.10** |

Example 2: When Bob died in August 2009, Betty's allowance was calculated using the minimum allowance in effect on the date of Bob's death. The minimum allowance was adjusted by the same factors used to calculate Bob's allowance at retirement and also by the survivor percentage (50%) chosen when Bob retired.

| | | |
|---|---|---|
| Minimum allowance in August 2009 | (includes a 3% per year increase) | $1,125.51 |
| Actuarially reduced for benefit option three = | $1,125.51 x 0.87 = | $979.19 |
| **Betty's adjusted minimum allowance** | (50% of the allowance Bob was receiving) | **$489.60** |

(4) **If the minimum allowance is less than my current monthly allowance, will my monthly allowance be reduced?** The department will compare the amount of the minimum allowance calculated under subsection (3) of this section with your current monthly allowance. You will always receive the higher of the two benefits.

(5) **If I qualify for the minimum allowance, when will I begin to receive it?**

(a) If your eligibility is based on meeting the requirements of subsection (1)(a)(i) or (b)(i) of this section, and:

(i) You were eligible on July 1, 2004, you began receiving the minimum allowance in effect at that time, in lieu of your regular monthly allowance, in July 2004.

(ii) You become eligible after July 1, 2004, you will begin receiving the minimum allowance, in lieu of your regular monthly allowance, the month in which you qualify.

(b) If your eligibility is based on meeting the requirements of subsection (1)(a)(ii) or (b)(ii) of this section, and:

(i) You were eligible on July 1, 2006, you began receiving the minimum allowance in effect at that time, in lieu of your regular monthly allowance, in July 2006.

(ii) You become eligible after July 1, 2006, you will begin receiving the minimum allowance, in lieu of your regular monthly allowance, the month in which you qualify.

(6) **Will I receive cost-of-living adjustments (COLAs)?** You will not receive the uniform COLA (based on your years of service credit) while you are receiving the minimum allowance.

(7) **How long will I continue to receive the minimum allowance?** You will receive the minimum allowance calculated under subsection (3) of this section for your lifetime or until your regular retirement allowance, plus COLAs and other eligible adjustments, exceeds your minimum allowance. At that time you will automatically start receiving the higher benefit.

Example:

| | Regular Allowance (including COLAs and other eligible adjustments) | Adjusted Minimum Allowance | Actual Amount Paid |
|---|---|---|---|
| July 1, 2006 | $882.38 (allowance + COLAs) | **$896.10** ($1,030 x .87) | $896.10 |

| | Regular Allowance (including COLAs and other eligible adjustments) | Adjusted Minimum Allowance | Actual Amount Paid |
|---|---|---|---|
| July 1, 2007 | $914.63 ($882.38 + COLA) | **$922.98** ($1,060.90 x .87) | $922.98 |
| July 1, 2008 | $946.88 ($914.63 + COLA) | **$950.67** ($1,092.73 x .87) | $950.67 |
| July 1, 2009 | $979.13 ($946.88 + COLA) | **$979.19** ($1,125.51 x .87) | $979.19 |
| July 1, 2010 | **$1,011.38** ($979.13 + COLA) | $1,008.57 ($1,159.28 x .87) | $1,011.38 (reverts to regular allowance including COLAs) |

[Statutory Authority: RCW 41.50.050(5). WSR 13-18-034, § 415-112-555, filed 8/28/13, effective 10/1/13; WSR 07-10-013, § 415-112-555, filed 4/20/07, effective 5/21/07. Statutory Authority: RCW 41.50.050(5) and 41.32.4851. WSR 04-20-004, § 415-112-555, filed 9/23/04, effective 10/24/04.]

## DISABILITY BENEFITS

**WAC 415-112-600 Am I eligible for temporary disability benefits?** As a member or the beneficiary of a deceased member of TRS Plan 1, you are covered for benefits under the temporary disability program according to the provisions of RCW 41.32.540.

[Statutory Authority: RCW 41.50.050(5). WSR 04-21-080, § 415-112-600, filed 10/20/04, effective 11/20/04. Statutory Authority: RCW 41.50.050. WSR 99-14-008, § 415-112-600, filed 6/24/99, effective 7/25/99. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-600, filed 2/15/78. Formerly WAC 462-32-010.]

**WAC 415-112-610 What temporary disability benefits are due upon death of a member?** When a member applies for temporary disability benefits, the member may designate a beneficiary. Any temporary disability benefits that have accrued and are payable upon the death of the member will be paid to the deceased member's designated beneficiary or to the member's estate if there is no designated beneficiary.

[Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 05-12-108, § 415-112-610, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-610, filed 2/15/78. Formerly WAC 462-32-020.]

**WAC 415-112-620 When will my disability retirement allowances begin to accrue?** (1) If you qualify for a disability retirement allowance without first qualifying for temporary disability benefits, your retirement allowance will start according to the provisions governing service retirement in WAC 415-112-520.

(2) If you qualify for a disability retirement allowance after having first qualified for TRS Plan 1 temporary disability benefits, your disability retirement allowance will start the first of the month following termination of your temporary disability allowance, and will

otherwise be consistent with WAC 415-112-520, which governs service retirement.

[Statutory Authority: RCW 41.50.050(5) and chapter 41.32 RCW. WSR 05-12-108, § 415-112-620, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-620, filed 2/15/78. Formerly WAC 462-32-050.]

**WAC 415-112-630 How will returning to work affect my Plan 1 disability retirement benefits?** The provisions of RCW 41.32.570 with regard to service in public education by a retired teacher applies equally to TRS Plan 1 members retired for disability.

[Statutory Authority: RCW 41.50.050(5) and 41.32.570. WSR 05-12-108, § 415-112-630, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-630, filed 2/15/78. Formerly WAC 462-32-060.]

## SURVIVOR BENEFITS

**WAC 415-112-700 How is "dependent" defined for determining Plan 1 beneficiary rights?** (1) For purposes of TRS Plan 1 death benefits under RCW 41.32.520, a dependent must be a dependent as defined in 26 U.S.C. 152.

(2) The department must receive proof that the beneficiary stands in the necessary relationship to the member, and that either:

(a) The member had provided over half of the beneficiary's financial support continuously prior to death and at the time of the member's death; or

(b) The beneficiary otherwise meets the definition of beneficiary set forth in 26 U.S.C. 152.

(3) Financial support includes the cost of food, clothing, shelter, education, medical and dental expenses, and other similar expenses.

[Statutory Authority: RCW 41.50.050(5) and 41.32.520. WSR 05-12-108, § 415-112-700, filed 5/27/05, effective 6/27/05. Statutory Authority: RCW 41.50.050. WSR 99-14-008, § 415-112-700, filed 6/24/99, effective 7/25/99. Statutory Authority: RCW 41.50.050(6) and 41.50.090. WSR 78-03-023 (Order IV), § 415-112-700, filed 2/15/78. Formerly WAC 462-36-010.]

**WAC 415-112-705 How do I designate a beneficiary, and who will receive a distribution if I die before retirement?** (1) If you die before retirement, the following statutes govern any distribution from your account:

(a) RCW 41.32.520 for Plan 1 members;

(b) RCW 41.32.805 for Plan 2 members;

(c) RCW 41.32.895 for Plan 3 members' defined benefits; and

(d) RCW 41.34.070 for Plan 3 members' defined contributions. See example three.

(2) You may designate or change a beneficiary by submitting a *beneficiary designation form* to the department. Your designation will

become effective upon the department's receipt of the form, only if it is completed properly and signed by you. Strict compliance with these provisions is required.

(3) You may name one or more of the following as a beneficiary or beneficiaries:

(a) An organization or person, including unborn or later adopted children. However, unborn or later adopted children must be specifically designated as beneficiaries on the form. You must indicate the date of birth for any living person you name as a beneficiary.

(b) Your estate.

(c) An existing trust, or a trust to be established at a later date or under your last will. If you designate a trust that is not in existence at the time of your death, or is not created under your last will, the designation will be invalid. Before making a distribution to any trust the department must receive:

(i) A copy of the entire trust document;

(ii) The name, address, and telephone number of the current trustee; and

(iii) The tax identification number.

(4) You may name contingent beneficiaries in addition to primary beneficiaries.

(5) You may change your beneficiary designation at any time.

(6) A change in marital status may invalidate your prior designation.

(7) If your surviving spouse is eligible to receive a benefit under RCW 41.32.520 (1)(b) (Plan 1) or 41.32.805(2) (Plan 2), but your spouse dies before requesting a distribution, your minor children and your spouse's minor children may elect to receive either:

(a) Your accumulated contributions; or

(b) A monthly benefit, share and share alike, until each child reaches the age of majority. See example four.

(8) For Plan 3 members, if you were eligible but had not applied for a service retirement or had completed enough service to be eligible for a service retirement at the time of your death, your surviving spouse, or your minor children or your spouse's minor children, if your spouse is deceased, is eligible to receive a defined benefit under RCW 41.32.895.

**Examples:**

**EXAMPLE ONE.**

**Facts**

John, a member, completes a beneficiary designation form.

In the place on the form reserved for persons, he names his daughter Ann. He checks the box to indicate that Ann is a primary beneficiary.

In the place on the form reserved for trust/organizational beneficiaries, he lists the "Barbara Trust." His daughter Barbara is the trust beneficiary. He checks the box to indicate that the trust is a primary beneficiary.

**Result**

At John's death, Ann and the Barbara Trust are the primary beneficiaries. The department will require the name of the trustee, the tax identification number, a copy of the entire trust and other information specified in this rule before distribution to the trust. Dis-

tribution is governed by RCW 41.32.520 for Plan 1 members, RCW 41.32.805 for Plan 2 members, and RCW 41.34.070 for Plan 3 members.

**EXAMPLE TWO.**

**Facts**

John, a member, completes a beneficiary designation form.

In the place on the form reserved for persons, he names his daughter Ann. He checks the box to indicate that Ann is a primary beneficiary.

In the place on the form reserved for trust/organizational beneficiaries, he lists his daughter Barbara personally; i.e., no trust name is provided. John checks the corresponding box to indicate a primary beneficiary designation. At John's death, the department learns that John has created no trusts.

**Result**

Because John has created no trust, the designation of the Barbara Trust is void. Barbara, personally, will not be a beneficiary.

**EXAMPLE THREE.**

**Facts**

When she became a TRS 1 member, Joan was unmarried and named her mother as her beneficiary. Joan later married, but did not complete a new beneficiary form before she died with four years of service.

**Result**

Unless required to do otherwise by a court order, the department will comply with RCW 41.32.520(1) and pay Joan's surviving spouse the accumulated contributions in her retirement account. In this case, Joan's mother will not receive a distribution.

**EXAMPLE FOUR.**

**Facts**

John is a TRS Plan 2 member with eleven years of service. He and his wife Mary have a total of three minor children. They have one child together, and each has one child from a previous marriage.

John and Mary were in a skydiving accident. John died instantly making Mary eligible for a benefit under RCW 41.32.805(2). However, Mary died the following week before requesting a distribution from the department.

**Result**

Since Mary died before requesting a distribution of John's account, John and Mary's three minor children are eligible and opt to receive a monthly benefit, share and share alike, until each child reaches the age of majority.

[Statutory Authority: RCW 41.50.050(5). WSR 14-06-056, § 415-112-705, filed 2/27/14, effective 3/30/14; WSR 05-12-041, § 415-112-705, filed 5/25/05, effective 6/25/05. Statutory Authority: RCW 41.50.050. WSR 00-10-015, § 415-112-705, filed 4/21/00, effective 5/22/00.]