Chapter 415-113 WAC
PORTABILITY OF PUBLIC EMPLOYMENT BENEFITS

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WAC

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415-113-010 Background and purpose. [Statutory Authority: RCW 34.05.350 and 1990 c 192 § 5(4). WSR 90-22-038, § 415-113-010, filed 11/1/90, effective 12/2/90.] Repealed by WSR 95-03-001, filed 1/4/95, effective 2/4/95. Statutory Authority: RCW 41.50.050.

415-113-020 Authority to assess costs of portability. [Statutory Authority: RCW 34.05.350 and 1990 c 192 § 5(4). WSR 90-22-038, § 415-113-020, filed 11/1/90, effective 12/2/90.] Repealed by WSR 95-03-001, filed 1/4/95, effective 2/4/95. Statutory Authority: RCW 41.50.050.

415-113-0301 Accumulated contributions—Definition. [Statutory Authority: RCW 41.50.050. WSR 95-03-001, § 415-113-0301, filed 1/4/95, effective 2/4/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW.

415-113-0302 Average compensation—Definition. [Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-113-0302, filed 12/12/00, effective 1/12/01. Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-0302, filed 10/29/99, effective 11/29/99; WSR 95-03-001, § 415-113-0302, filed 1/4/95, effective 2/4/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW.

415-113-0303 Dual member system—Definition and system acronyms. [Statutory Authority: RCW 41.50.050(5) and 41.54.010. WSR 02-03-120, § 415-113-0303, filed 1/23/02, effective 3/1/02. Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-113-0303, filed 12/12/00, effective 1/12/01. Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-0303, filed 10/29/99, effective 11/29/99; WSR 95-03-001, § 415-113-0303, filed 1/4/95, effective 2/4/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW.

415-113-0304 First class city retirement systems—Definition. [Statutory Authority: RCW 41.50.050. WSR 95-03-001, § 415-113-0304, filed 1/4/95, effective 2/4/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW.

415-113-0305 Member participant—Definition. [Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-0305, filed 10/29/99, effective 11/29/99; WSR 95-03-001, § 415-113-0305, filed 1/4/95, effective 2/4/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW.

415-113-0306 Multiple system benefit—Definition. [Statutory Authority: RCW 41.50.050. WSR 96-20-004, § 415-113-0306, filed 9/19/96, effective 10/20/96; WSR 95-03-001, § 415-113-0306, filed 1/4/95, effective 2/4/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW.

415-113-0307 Multiple system participant—Definition. [Statutory Authority: RCW 41.50.050. WSR 95-03-001, § 415-113-0307, filed 1/4/95, effective 2/4/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW.

415-113-0308 Multiple system retiree—Definition. [Statutory Authority: RCW 41.50.050. WSR 95-03-001, § 415-113-0308, filed 1/4/95, effective 2/4/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW.

415-113-0309 Nonmember participant—Definition. [Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-0309, filed 10/29/99, effective 11/29/99; WSR 95-03-001, § 415-113-0309, filed 1/4/95, effective 2/4/95.] Repealed by WSR 02-18-046, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW.

415-113-0310 System acronyms—Definition. [Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-113-0310, filed 12/12/00, effective 1/12/01. Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-0310, filed 10/29/99, effective 11/29/99; WSR 95-03-001, § 415-113-0310, filed 1/4/95, effective 2/4/95.] Repealed by WSR 02-03-120, filed 1/23/02, effective 3/1/02. Statutory Authority: RCW 41.50.050(5).

415-113-040 Additional costs. [Statutory Authority: RCW 34.05.350 and 1990 c 192 § 5(4). WSR 90-22-038, § 415-113-040, filed 11/1/90, effective 12/2/90.] Repealed by WSR 95-03-001, filed 1/4/95, effective 2/4/95. Statutory Authority: RCW 41.50.050.

415-113-050 Election to participate. [Statutory Authority: RCW 34.05.350 and 1990 c 192 § 5(4). WSR 90-22-038, § 415-113-050, filed 11/1/90, effective 12/2/90.] Repealed by WSR 95-03-001, filed 1/4/95, effective 2/4/95. Statutory Authority: RCW 41.50.050.

415-113-060 Reimbursement of additional costs. [Statutory Authority: RCW 34.05.350 and 1990 c 192 § 5(4). WSR 90-22-038, § 415-113-060, filed 11/1/90, effective 12/2/90.] Repealed by WSR 95-03-001, filed 1/4/95, effective 2/4/95. Statutory Authority: RCW 41.50.050.

415-113-084 How will my benefit be computed if I retire retroactively from LEOFF Plan 2? [Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW. WSR 02-18-046, § 415-113-084, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-084, filed 10/29/99, effective 11/29/99; WSR 95-03-001, § 415-113-084, filed 1/4/95, effective 2/4/95.] Repealed by WSR 16-08-008, filed 3/24/16, effective 4/24/16. Statutory Authority: RCW 41.50.050(5).

WAC 415-113-005 Purpose and scope. (1) **Purpose.** The rules adopted in this chapter further define and clarify the application of the portability statutes, chapter 41.54 RCW. Chapter 41.54 RCW allows:

(a) Service in dual member systems to be combined to determine service retirement eligibility; and

(b) Compensation earned in one dual member system to be used to calculate a retirement allowance in another designated system.

(2) **Scope.** This chapter shall apply to the retirement systems listed in RCW 41.50.030, except for LEOFF Plan 1. This chapter must be read to be consistent with the statutory provisions of chapter 41.54 RCW and the statutory provisions governing the dual member systems. These rules may be used by the first class city retirement systems but do not mandatorily apply to them. These rules do apply to all dual member benefits calculated and paid by the department, even if one of the member's systems is a first class city retirement system.

[Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-005, filed 10/29/99, effective 11/29/99; WSR 95-03-001, § 415-113-005, filed 1/4/95, effective 2/4/95.]

DEFINITIONS

WAC 415-113-030 Definitions for purposes of chapter 415-113 WAC. (1) All definitions in RCW 41.54.010 and WAC 415-02-030 apply to terms used in this chapter. Other terms relevant to the administration of chapter 41.54 RCW are defined in this chapter.

(2) **Average compensation** means the compensation used by a particular retirement system to calculate a dual member's service retirement allowance. The actual meaning of the term varies depending upon the retirement system. With respect to each dual member system, "average compensation" means:

(a) **First class city retirement systems:** Final compensation as defined in RCW 41.28.010;

(b) **LEOFF Plan 2:** Final average salary as defined in RCW 41.26.030 (12)(b);

(c) **PERS:** Average final compensation as defined in RCW 41.40.010(17);

(d) **PSERS:** Average final compensation as defined in RCW 41.37.010(14);

(e) **SERS:** Average final compensation as defined in RCW 41.35.010(14);

(f) **Statewide cities retirement systems:** Final compensation as defined in RCW 41.44.030(14).

(g) **TRS:**

(i) Plan 1: Average earnable compensation as defined in RCW 41.32.497 and 41.32.498;

(ii) Plans 2 and 3: Average final compensation as defined in RCW 41.32.010(30); and

(h) **WSPRS:** Average final salary as defined in RCW 43.43.120(15).

(3) **Dual member system** refers to the state and city retirement systems admitted to participate under chapter 41.54 RCW. These systems include:

(a) First class city retirement systems of Seattle, Tacoma and Spokane;

(b) Law enforcement officers' and firefighters' retirement system (LEOFF) Plan 2;

(c) Public employees' retirement system (PERS) Plans 1, 2 and 3;

(d) Public safety employees' retirement system (PSERS);

(e) School employees' retirement system (SERS) Plans 2 and 3;

(f) Statewide cities employees' retirement system (SCERS);

(g) Teachers' retirement system (TRS) Plans 1, 2 and 3; and

(h) Washington state patrol retirement system (WSPRS) Plans 1 and 2.

(4) **First class city retirement systems** means the retirement systems for the non-LEOFF member employees of the cities of Seattle, Spokane and Tacoma authorized by chapter 41.28 RCW.

(5) **Member participant.**

(a) For all dual member systems administered by the department other than TRS Plan 1, "member participant" means a person who is employed for compensation in a dual member system qualifying position and is admitted into the membership of the system.

(b) For TRS Plan 1, "member participant" includes persons meeting the definition of (a) of this subsection and also includes members who are not employed for compensation but have accumulated contributions standing to their credit with TRS.

(c) This definition may not apply to first class city systems. See RCW 41.54.061 and WAC 415-113-005. If you have a question, you should contact the appropriate first class city system.

(6) **Multiple system benefit** means retirement allowances from two or more dual member systems calculated under chapter 41.54 RCW.

(7) **Multiple system participant** means a person who is a participant in two or more dual member systems.

(8) **Multiple system retiree** means a person who chooses to retire under the provisions of chapter 41.54 RCW.

(9)(a) **Nonmember participant** means a person who is no longer employed in a dual member system qualifying position but has not withdrawn his or her accumulated employee contributions.

(b) This definition does not apply to TRS Plan 1. A TRS Plan 1 member who meets the criteria of (a) of this subsection is a member participant.

(c) This subsection applies only to the retirement systems listed in RCW 41.50.030.

[Statutory Authority: RCW 41.50.050(5) and chapter 41.37 RCW. WSR 08-02-048, § 415-113-030, filed 12/27/07, effective 1/27/08. Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW. WSR 02-18-046, § 415-113-030, filed 8/28/02, effective 9/30/02. Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-113-030, filed 12/12/00, effective 1/12/01. Statutory Authority: RCW 41.50.050. WSR 95-03-001, § 415-113-030, filed 1/4/95, effective 2/4/95. Statutory Authority: RCW 34.05.350 and 1990 c 192 § 5(4). WSR 90-22-038, § 415-113-030, filed 11/1/90, effective 12/2/90.]

ELIGIBILITY FOR DUAL MEMBER BENEFITS

WAC 415-113-041 Am I a dual member? You must meet all of the following criteria to be a dual member:

(1) **You must be a participating member of a dual member system.** You must be a current member participant in at least one of the systems listed in WAC 415-113-030 to be a dual member. You may have established dual member status if you are or were a member participant in one of those systems on or after:

(a) July 1, 1988, for current or former members of all plans of PERS, SERS, TRS, SCERS or WSPRS;

(b) July 25, 1993, for current or former members of LEOFF Plan 2;

(c) January 1, 1994, for current or former members of a first class city retirement system; or

(d) July 1, 2006, for current or former members of PSERS.

(2) **You must also be a former or current member of at least one other system listed in WAC 415-113-030.**

(3) **You must not have been retired for service from a retirement system.** You are not a dual member if you have ever been retired for service from any retirement system administered by the department of retirement systems or a first class city retirement system.

(4) If you are receiving a disability retirement allowance or disability leave benefits from a dual member system or LEOFF Plan 1, you cannot be a dual member.

(a) If you have received a lump sum disability benefit from PERS Plan 2 or 3, PSERS, SERS Plan 2 or 3, TRS Plan 2 or 3 or LEOFF Plan 2, you are in receipt of a disability benefit unless the department has found that you are no longer disabled.

(b) You are not receiving a disability retirement allowance or disability leave benefits if you:

(i) Previously received disability benefits and the department has subsequently found that you are no longer disabled, and has terminated your disability benefit; or

(ii) Retired for disability from service from WSPRS Plan 1 or 2.

Example 1: A former PERS Plan 1 member who has never been retired and becomes a member participant in TRS Plan 2 through employment with a TRS employer becomes a dual member.

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

(a) "Dual member" - RCW 41.54.010(4).

(b) "Dual member system" - WAC 415-113-030.

(c) "Member participant" - WAC 415-113-030.

[Statutory Authority: RCW 41.50.050(5) and chapter 41.37 RCW. WSR 08-02-048, § 415-113-041, filed 12/27/07, effective 1/27/08. Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW. WSR 02-18-046, § 415-113-041, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5), 41.54.010, 41.54.061. WSR 02-03-120, § 415-113-041, filed 1/23/02, effective 3/1/02. Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-113-041, filed 12/12/00, effective 1/12/01. Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-041, filed 10/29/99, effective 11/29/99; WSR 95-03-001, § 415-113-041, filed 1/4/95, effective 2/4/95.]

WAC 415-113-042 What can terminate my status as a dual member? (1) **If you terminate your status as a participating member, you also terminate your status as a dual member.** If you are no longer a member participant in any dual member system, you are no longer a dual member. If you later become a member of a dual member system, you again become a dual member.

Example 2: Upon separation from TRS Plan 2 eligible employment, the person in Example 1 (see WAC 415-113-041) is no longer a member of TRS Plan 2 nor a dual member.

(2) **If you retire, you are no longer a dual member.** When you retire from any or all dual member systems, you are no longer a dual member except for the purpose of receiving a deferred retirement allowance under RCW 41.54.030(3) and WAC 415-113-070.

(3) **If you terminate dual membership, you may still be eligible to receive a multiple system benefit if otherwise eligible.** The accrual date of your retirement allowance will vary depending upon the provisions of the particular system. You can find the accrual dates of different dual member systems in the following provisions:

(a) **LEOFF 2:** RCW 41.26.490;
(b) **PERS 1:** RCW 41.40.193;
(c) **PERS 2:** RCW 41.40.680;
(d) **PERS 3:** RCW 41.40.801;
(e) **PSERS:** RCW 41.37.240;
(f) **SERS 2:** RCW 41.35.450;
(g) **SERS 3:** RCW 41.35.640;
(h) **TRS 1:** WAC 415-112-520;
(i) **TRS 2:** RCW 41.32.795;
(j) **TRS 3:** RCW 41.32.855.

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

(a) "Dual member" - RCW 41.54.010(4), WAC 415-113-041.
(b) "Dual member system" - WAC 415-113-030.
(c) "Member participant" - WAC 415-113-030.
(d) "Multiple system benefit" - WAC 415-113-030.

[Statutory Authority: RCW 41.50.050(5) and 41.37.240. WSR 08-02-048, § 415-113-042, filed 12/27/07, effective 1/27/08. Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW. WSR 02-18-046, § 415-113-042, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5), 41.54.010, 41.54.030. WSR 02-03-120, § 415-113-042, filed 1/23/02, effective 3/1/02. Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-113-042, filed 12/12/00, effective 1/12/01. Statutory Authority: RCW 41.50.050. WSR 99-22-043,

§ 415-113-042, filed 10/29/99, effective 11/29/99; WSR 95-03-001, § 415-113-042, filed 1/4/95, effective 2/4/95.]

WAC 415-113-045 Can I reestablish service credit in a prior system? (1) **You may reestablish service credit terminated by a withdrawal of contributions from a prior system.** If you repay contributions you withdrew from a prior dual member system plus interest from the date of withdrawal you will recover the service terminated by the withdrawal. To qualify, you must repay the contributions plus interest within twenty-four consecutive months from the date you became a dual member.

(a) The twenty-four-month restoration period continues to run even if you terminate dual member status.

(b) If you terminate your dual member status but later become a dual member again, you have twenty-four consecutive months from the date you regain dual member status to repay withdrawn contributions.

Example 3: A person becomes a dual member on January 1, 1994. She has until December 31, 1995, to restore any previously withdrawn contributions for service credit in a prior system regardless of whether she subsequently loses her status as a dual member.

Example 4: A person becomes a dual member on January 1, 1994, separates from membership on January 1, 1995, and then reenters membership on January 1, 1996. He has until December 31, 1997, twenty-four consecutive months from the date he regained dual member status, to restore withdrawn contributions in any prior system.

(c) If you have previous service in LEOFF Plan 2 or a first class city system:

(i) If you were a dual member on July 25, 1993, and you used to be a member of LEOFF Plan 2, you have until July 24, 1995, to repay your withdrawn contributions.

(ii) If you were a dual member on January 1, 1994, and you used to be a member of a first class city retirement system, you have until December 31, 1995, to repay your withdrawn contributions.

Example 5: A person is a member participant in PERS Plan 2 and has previous service in LEOFF Plan 2. LEOFF Plan 2 was newly admitted to participate under the portability provisions of chapter 41.54 RCW on July 25, 1993. Therefore, the person has until July 24, 1995, to restore her prior LEOFF Plan 2 service.

(2) **You may reestablish TRS Plan 1 membership.** If a PERS member restores withdrawn TRS Plan 1 contributions under this section he or she:

(a) Reestablishes membership in TRS Plan 1; and

(b) Will participate prospectively in TRS Plan 1 if employed by a state agency, school district or other TRS employer.

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

(a) "Dual member" - RCW 41.54.010(4), WAC 415-113-041.

(b) "Dual member system" - WAC 415-113-030.

(c) "First class city retirement system" - WAC 415-113-030.

[Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW. WSR 02-18-046, § 415-113-045, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-045, filed 10/29/99, effective 11/29/99; WSR 95-03-001, § 415-113-045, filed 1/4/95, effective 2/4/95.]

WAC 415-113-055 Am I eligible for a multiple system benefit? To be eligible for a multiple system benefit, you must meet the criteria listed in this section.

(1) **You may retire for service or disability.** You may retire with a multiple system benefit if you retire from all systems for service. You may also retire with a disability retirement from your current system, other than a benefit provided by RCW 41.40.220 or WSPRS, and a service retirement from your prior system.

(2) **You must retire from all systems.** You may only retire with a multiple system benefit if you retire from all dual member systems that you participate in.

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

(a) "Accumulated contributions" - WAC 415-02-030.

(b) "Dual member system" - WAC 415-113-030.

(c) "Multiple system benefit" - WAC 415-113-030.

[Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW. WSR 08-20-068, § 415-113-055, filed 9/25/08, effective 10/26/08; WSR 02-18-046, § 415-113-055, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050. WSR 96-20-004, § 415-113-055, filed 9/19/96, effective 10/20/96; WSR 95-03-001, § 415-113-055, filed 1/4/95, effective 2/4/95.]

WAC 415-113-057 Am I required to retire with a multiple system benefit? You are not required to retire with a multiple system benefit. You may elect to retire from a system or systems without the benefits or restrictions of chapter 41.54 RCW. If you choose to retire from more than one system without receiving a multiple system benefit, you are not subject to the maximum benefit limitation of RCW 41.54.070 and WAC 415-113-090(1).

(1) **Waiver of benefits.** If you decide not to receive a multiple system benefit, you waive the right to:

(a) Substitute your base salary between retirement systems for purposes of calculating a retirement allowance; or

(b) Combining your service from each system for purposes of determining retirement eligibility.

(2) **You are not required to retire with a multiple system benefit even if you repaid contributions as a dual member.** If you repaid previously withdrawn contributions from a prior dual member system under RCW 41.54.020, you may still elect to retire from one or more systems without receiving a multiple system benefit.

(3) **If you decline a multiple system benefit, you may withdraw your contributions.** If you elect to retire without receiving a multiple system benefit, you may withdraw your accumulated contributions from a system in lieu of receiving a retirement allowance, provided that withdrawal is otherwise permissible under the systems' provisions.

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

(a) "Accumulated contributions" - WAC 415-02-030.

(b) "Base salary" - RCW 41.54.010(1).

(c) "Dual member" - RCW 41.54.010(4), WAC 415-113-030.

(d) "Dual member system" - WAC 415-113-030.

(e) "Multiple system benefit" - WAC 415-113-030.

[Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW. WSR 08-20-068, § 415-113-057, filed 9/25/08, effective 10/26/08; WSR 02-18-046, § 415-113-057, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050. WSR 95-03-001, § 415-113-057, filed 1/4/95, effective 2/4/95.]

CALCULATING YOUR DUAL MEMBER BENEFIT

WAC 415-113-059 Can I combine service from different systems to qualify for increased benefits? (1) **You may combine service to determine retirement eligibility.** You may combine your service in all systems to determine your eligibility for a disability or service retirement allowance from your current system, a service retirement allowance from your prior system, or an indexed retirement allowance from LEOFF Plan 2, PERS Plan 3, SERS Plan 3, or TRS Plan 3.

(2) **You may not combine service for any other purpose.** You may not combine your service to qualify for any other benefit offered by a particular system. For example:

(a) PERS Plan 1 military service. You may not combine service from other systems to qualify for military service credit in PERS Plan 1 under RCW 41.40.170.

(b) LEOFF Plan 2 post-separation benefits. You may not combine your accrued service from other systems for purposes of qualifying for a refund of 150 percent of the LEOFF Plan 2 member's accumulated contributions under RCW 41.26.540.

(c) TRS out of state service credit - using no-cost out-of-state service. You may not combine no-cost out-of-state service to qualify for a reduced reduction factor, such as the 2008 early retirement factor, in any system that is not eligible to use out-of-state service credit.

(d) If you are retiring from TRS or SERS where it is allowed to include up to 45 days of sick leave for up to two service credits per RCW 28A.400.300 (1)(b)(vii) to qualify for a reduced reduction, such as the 2008 early retirement factor, you may not use that in any system that is not eligible to use 45 days of sick leave.

Example 1: Pat is a dual member in TRS and PSERS with 328 service credit months in TRS and 30 service credit months in PSERS. Pat would like to use 45 days of sick leave in TRS for two service credit months to reduce the benefit reduction. Pat will qualify for the reduced reduction in the TRS calculation but will not qualify for the reduced reduction in the PSERS calculation because PSERS is not eligible to use 45 days of sick leave for up to two service credits.

Example 2: Pat is a dual member in TRS and SERS with 328 service credit months in TRS and 30 service credit months in SERS. Pat would like to use 45 days of sick leave in TRS for two service credit months to reduce the benefit reduction. Pat will qualify for the reduced reduction in the TRS calculation and the SERS calculation because SERS

is eligible to use 45 days of sick leave for up to two service credits.

(3) **Defined terms used.** Definitions for the following terms used in this section may be found in the sections listed: "System" - RCW 41.54.010(6).

[Statutory Authority: RCW 41.50.050. WSR 26-09-023, s 415-113-059, filed 4/6/26, effective 5/7/26. Statutory Authority: RCW 41.50.050(5). WSR 08-15-065, § 415-113-059, filed 7/14/08, effective 8/14/08. Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-059, filed 10/29/99, effective 11/29/99; WSR 96-20-004, § 415-113-059, filed 9/19/96, effective 10/20/96; WSR 95-03-001, § 415-113-059, filed 1/4/95, effective 2/4/95.]

WAC 415-113-065 Can I substitute salary from one system to another? (1) **You can substitute base salary between systems.**

(a) If you choose to retire with a multiple system benefit, you may substitute your base salary under one dual member system for your includable compensation in a second dual member system for purposes of computing a retirement allowance from the second system.

(b) Your average final compensation (AFC) will be calculated by reviewing all base salary from all periods of dual member employment and determining your highest consecutive AFC period prior to your retirement or death.

(c) Using the substituted salary, the department will compute your average compensation under each system's own requirements.

Example: Average final compensation calculation.

Sarah became a member of TRS Plan 2 and earned two years of service credit. After a break in employment, Sarah returned to public service in a PERS Plan 2 position and worked two additional years. Sarah then returned to a TRS Plan 2 position until retiring at the age sixty-five. Sarah's career earnings were as follows:

TRS Plan 2
81-82 School Year - $18,000 per year
82-83 School Year - $20,000 per year

PERS Plan 2
2013 Calendar Year - $48,000 per year
2014 Calendar Year - $50,000 per year

TRS Plan 2
14-15 School Year - $60,000 per year
15-16 School Year - $64,000 per year
16-17 School Year - $68,000 per year

As a dual member, Sarah can substitute the PERS salary when calculating the highest sixty months of earnings to be used in the TRS benefit calculation:

$$\frac{\$48{,}000 + \$50{,}000 + \$60{,}000 + \$64{,}000 + \$68{,}000}{60 \text{ months}} = \$4{,}833 \text{ AFC}$$

The same calculation will be used for the PERS average final compensation.

(2) **TRS Plan 1 adjusted full-time salary is not base salary.** A multiple system retiree's adjusted full-time salary under RCW

41.32.345 shall not constitute base salary for purposes of computing the retiree's multiple system benefit.

(3) **Includable compensation defined.** For purposes of this chapter, "includable compensation" means:

(a) Earnable compensation under TRS Plan 1, 2 or 3 as defined in RCW 41.32.010(10);

(b) Compensation earnable under PERS Plan 1, 2 or 3 as defined in RCW 41.40.010(8);

(c) Compensation earnable under PSERS as defined in RCW 41.37.010(6);

(d) Basic salary under LEOFF Plan 2 as defined in RCW 41.26.030 (13)(b);

(e) Monthly salary under WSPRS Plan 1 or 2 as defined in RCW 43.43.120(23); and

(f) Compensation earnable under SERS Plan 2 or 3 as defined in RCW 41.35.010(6).

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

(a) "Average compensation" - WAC 415-113-030.

(b) "Base salary" - RCW 41.54.010(1).

(c) "Dual member system" - WAC 415-113-030.

(d) "Member participant" - WAC 415-113-030.

(e) "Multiple system benefit" - WAC 415-113-030.

(f) "Multiple system retiree" - WAC 415-113-030.

[Statutory Authority: RCW 41.50.050. WSR 20-14-039, § 415-113-065, filed 6/25/20, effective 7/26/20. Statutory Authority: RCW 41.50.050(5) and 41.37.010(6). WSR 08-02-048, § 415-113-065, filed 12/27/07, effective 1/27/08. Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW. WSR 02-18-046, § 415-113-065, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and 41.54.030. WSR 02-03-120, § 415-113-065, filed 1/23/02, effective 3/1/02. Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-113-065, filed 12/12/00, effective 1/12/01. Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-065, filed 10/29/99, effective 11/29/99; WSR 95-03-001, § 415-113-065, filed 1/4/95, effective 2/4/95.]

WAC 415-113-066 How does service credit from more than one retirement system affect my indexed retirement allowance? (1) **May I combine service credit from more than one retirement system to receive an indexed retirement allowance?** If you are a dual member, you may combine service credit from any dual member system to be eligible for an indexed retirement allowance.

(2) **How will my indexed retirement allowance be calculated?** If there is a period of at least one month between your separation from employment in an indexed retirement plan and your date of retirement, the department will calculate your indexed retirement allowance in the following two ways and use the higher of the two results:

(a) Method 1: Use the average compensation from the indexed retirement plan. Index the retirement allowance (for the indexed retirement plan only) from the date both of the following have occurred, to the date of retirement:

(i) Separation from the indexed retirement plan; and

(ii) Accrual of twenty years of service from one or more of the systems in which service credit was earned.

(b) Method 2: Use the highest average compensation from any of the systems in which service credit was earned. Index the retirement allowance (for the indexed retirement plan only) from the date both of the following have occurred, to the date of retirement:

(i) Separation from all systems; and

(ii) Accrual of twenty years of service from one or more of the systems in which service credit was earned.

(3) **Defined terms used.** Definitions for the following terms used in this section may be found in the WAC sections listed in (a) through (e) of this subsection:

(a) "Average compensation" – WAC 415-113-030

(b) "Dual member" – WAC 415-113-041

(c) "Dual member system" – WAC 415-113-030

(d) "Indexed retirement allowance" – WAC 415-02-030

(e) "Indexed retirement plan" – WAC 415-02-030

[Statutory Authority: RCW 41.50.050(5). WSR 16-08-008, § 415-113-066, filed 3/24/16, effective 4/24/16.]

WAC 415-113-067 As a dual member in a DRS administered retirement plan and a first class city retirement system can I earn service credit in both plans at the same time? (1) You may earn service credit in a DRS system and in a first class city (FCC) retirement system for the city of Seattle, Spokane, or Tacoma at the same time if:

(a) You work for a DRS employer and an employer covered by an FCC retirement system; and

(b) Your employer cannot report service for the FCC in the DRS system.

(2) If the combined months of service credit exceeds the months of overlapping work, the excess service credit will be removed from the DRS system using the following calculation to bring the total combined service credit to not more than one per month:

(a) DRS will determine the months of FCC service credit by obtaining the total hours worked at the city during the overlapping time period, and dividing those hours by 2,088 hours (the number of working hours in a year), and then multiplying that by 12 months.

(b) DRS will determine the amount of excess service credit, rounding down to the nearest quarter month, by taking the combined total of the months of DRS service credit during overlapping time period and the months of FCC service credit during overlapping time period, and subtracting the number of months in the overlapping period, not to exceed the total number of calendar months in the overlapping period.

Example 1:

A PERS 2 employee works full time between January 2005 and June 2010 for a PERS employer. Between July 2007 and February 2008 they work full time for a FCC, working a total of 1,566 hours during these eight months. The FCC service credit will be calculated as (1,566/2,088) x 12 = 9 months of credit.

The excess service credit would be determined by adding the eight months of DRS credit earned with the nine months of FCC credit earned and subtracting the eight calendar months of overlapping time period. This leaves an excess of nine months of credit; however, since the overlapping time period is only eight months long, eight months of credit will be removed from PERS 2.

Prior to the removal the employee would have had eight months of PERS service credit between July 2007 and February 2008. After the removal they have no PERS service credit for this time period.

Example 2:

A SERS 3 employee works part time between September 2005 and August 2011 for a SERS employer, earning one-half of a month of service credit for each month. Between July 2007 and June 2008 they work full time for a FCC, working a total of 2,088 hours during these 12 months. The FCC service credit will be calculated as (2,088/2,088) x 12 = 12 months of credit.

The excess service credit would be determined by adding the six months of DRS credit earned with the 12 months of FCC credit earned and subtracting the 12 calendar months of overlapping time period. This leaves an excess of six months of credit therefore six months will be removed from SERS 3.

Prior to the removal of the service credit this employee had six months of SERS service credit between July 2007 and June 2008. After the removal of service credit they are left with no SERS during this time period.

Example 3:

A PERS 3 employee works part time between March 2010 and November 2011 for a PERS employer, earning 13.5 months of service credit during this period. During the same time period, they work part time for a FCC, working a total of 2,500 hours during these 20 months. The FCC service credit will be calculated as (2,500/2,088) x 12 = 14.368 months of credit.

The excess service credit would be determined by adding the 13.5 months of DRS credit earned with the 14.368 months of FCC credit earned and subtracting the 20 calendar months of overlapping time period. This leaves an excess of 7.868 months of credit therefore 7.75 months (rounding down to the nearest quarter credit) will be removed from PERS 3.

Prior to the removal of service credit this employee had 13.5 months of service credit in PERS between March 2010 and November 2011. After the removal of the excess service credit they will have 5.75 months of service credit for this time period.

Example 4:

A PERS 2 employee leaves their PERS employer on February 14th and begins working with a FCC on February 15th. They had worked 80 hours for their PERS employer and earned one-half of a service credit for February. They worked 80 hours for the FCC in February so they earned .46 months of credit with the city (80/2,088) x 12.

The excess service credit would be determined by adding the .5 months of DRS credit with the .46 months of credit from the FCC. Since this does not exceed one month of credit there is not an excess of service credit.

Example 5:

A PERS 2 employee leaves their PERS employer on March 14th and begins working with a FCC on March 15th. They had worked 80 hours for their PERS employer and earned one-half of a service credit for March. They worked 96 hours for the FCC in February so they earned .55 months of credit with the city (96/2,088) x 12.

The excess service credit would be determined by adding the .5 months of DRS credit with the .55 months of credit from the FCC. The .05 of credit is excess; however, it rounds down to zero since it does not exceed a quarter credit of excess credit.

Example 6:

An FCC employee leaves their FCC employer on July 14th and begins working with a PERS 2 employer on July 15th. They had worked 80 hours for their FCC employer and earned .46 months of a service credit for July. They worked 96 hours for the PERS employer in July so they earned a full month of credit in PERS 2.

The excess service credit would be determined by adding the one months of DRS credit with the .46 months of credit from the FCC. The .46 months of credit is excess and rounds down to a quarter of service credit to be removed from PERS 2.

[Statutory Authority: RCW 41.50.050. WSR 22-11-041, § 415-113-067, filed 5/12/22, effective 6/12/22.]

WAC 415-113-070 If I retire as a dual member, must I receive benefits from both systems immediately? (1) If you qualify to retire in one system but not the second system, you may nonetheless choose to retire ***from both systems*** and receive a multiple system benefit.

(2) If you retire with a multiple system benefit, before you have become eligible in a second system(s), you must either:

(a) Take an actuarial reduction in the retirement allowance you receive from the second system(s); or

(b) Defer receipt of your retirement allowance in the second system(s) under RCW 41.54.030(3).

(3) If you take an actuarial reduction under subsection (2)(a) of this section, the reduction will account for the difference between your age at the time you begin to receive the retirement allowance and the earliest age when you would be fully eligible based on your combined service. You are "fully eligible" when you meet the age and service qualifications for retirement for each system.

(4) If you defer receipt of your retirement allowance under subsection (2)(b) of this section:

(a) You will retain dual member status for the sole purpose of receiving a deferred retirement allowance from the second system(s); and

(b) You may not subsequently withdraw accumulated contributions from the second system(s).

Example 9: A sixty-two year old dual member of PERS Plan 1 and TRS Plan 2 retires. He chooses to receive PERS Plan 1 benefits but defers receipt of a TRS Plan 2 retirement allowance. If he becomes reemployed in a TRS Plan 2 eligible position, he will reenter TRS Plan 2 membership if otherwise eligible and terminate his dual member status, but he will continue to receive his PERS Plan 1 retirement allowance until he works more than the work-limit in a calendar year under WAC 415-108-710. The member's eligibility to retire from TRS Plan 2 will be based solely on his accrued service credit in TRS Plan 2 and his TRS Plan 2 retirement allowance will be based solely on his compensation while he was a member participant in TRS Plan 2.

Example 10: Assume the retiree in Example 9 above became reemployed in a PERS position rather than a TRS Plan 2 position. He could work in this position up to the work-limit in a calendar year under WAC 415-108-710 without having his PERS retirement allowance suspended. If the retiree works over the work-limit:

• The department would suspend his retirement allowance until the next calendar year. He would remain a dual member. He would be able to retire in TRS 2 if otherwise eligible;
• The retiree could choose to reenter PERS Plan 1 membership at any time, if otherwise eligible, and terminate his dual member status. His choice for membership is not retroactive. The effect on the person's right to a TRS Plan 2 benefit is the same as in Example 9. See WAC 415-108-710.

(5) **If you defer your retirement allowance and die before you begin receiving the allowance, your survivor may receive a continuing benefit.** If you defer receipt of your retirement allowance from a system and die before you choose to begin receiving the allowance:

(a) Your surviving spouse, if any, must choose to receive either:

(i) A joint and one hundred percent survivor option from the deferred system. If your surviving spouse selects this option, your base salary under one system may be substituted for your includable compensation in the deferred system to compute the survivor retirement allowance from the deferred system; or

(ii) A refund of your accumulated contributions from the deferred system.

(b) If you do not have a surviving spouse, the department will pay your accumulated contributions from the deferred system to:

(i) Your designated beneficiary or beneficiaries; or

(ii) Your estate, if there are no living beneficiaries.

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

(a) "Dual member system" - WAC 415-113-030.
(b) "Includable compensation" - WAC 415-113-065(3).
(c) "Member participant" - WAC 415-113-030.
(d) "Multiple system participant" - WAC 415-113-030.
(e) "Nonmember participant" - WAC 415-113-030.
(f) "System" - RCW 41.54.010(6).

[Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW. WSR 02-18-046, § 415-113-070, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and 41.54.030. WSR 02-03-120, § 415-113-070, filed 1/23/02, effective 3/1/02. Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-113-070, filed 12/12/00, effective 1/12/01. Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-070, filed 10/29/99, effective 11/29/99; WSR 96-20-004, § 415-113-070, filed 9/19/96, effective 10/20/96; WSR 95-03-001, § 415-113-070, filed 1/4/95, effective 2/4/95.]

WAC 415-113-080 May I receive a retroactive payment from a prior system? (1) **Eligibility.** You are eligible to receive a retroactive payment from a prior system if:

(a) You retire with a multiple system benefit according to WAC 415-113-055; and

(b) You were eligible to retire from a prior system with an unreduced benefit before the date of your multiple system retirement.

(2) **Accrual date.** At the time of your retirement from all dual member systems, you must choose the date on which the benefit from your prior system will accrue. This may be any date on or after the date you first became eligible for an unreduced retirement allowance from that system. The date you choose will affect your monthly retirement allowance from that system and your retroactive payment.

(3) **Monthly retirement allowance from prior system.** Your monthly retirement allowance from your prior system will be calculated under the rules of that system.

(a) **Service credit.** Your service credit is the actual credit earned in the prior system.

(b) **Average compensation.** Your average compensation is calculated under the rules in WAC 415-113-030(2) and 415-113-065. If you substitute base salary from another system, the base salary must have been earned prior to your chosen accrual date.

(4) **Retroactive payment.** Your retroactive payment will be computed by multiplying:

(a) The amount of your monthly retirement allowance in subsection (3) of this section; by

(b) The number of months from your accrual date to the month your first monthly retirement allowance is paid.

Example. Tom became a member of LEOFF 2 on January 1, 1981, and remained a member through December 31, 2000. He earned 20 years of service credit. Tom reached age 48 on December 31, 2000. His highest years of compensation in LEOFF 2 were as follows:

1996 — $49,200/year
1997 — $50,400/year
1998 — $51,600/year
1999 — $52,800/year
2000 — $54,000/year

Tom became a member of PERS 2 on January 1, 2001. He separated from service on December 31, 2014. He earned 14 years of service credit. On December 31, 2005, Tom reached age 53 and met the eligibility requirements for an unreduced retirement from his prior system (LEOFF 2). During the period of his PERS employment, Tom's compensation was as follows:

2001 — $55,200/year
2002 — $56,400/year
2003 — $57,600/year
2004 — $81,600/year
2005 — $82,800/year
2006 — $84,000/year
2007 — $85,200/year
2008 — $86,400/year
2009 — $87,600/year
2010 — $88,800/year

2011 — $90,000/year
2012 — $91,200/year
2013 — $92,400/year
2014 — $93,600/year

Upon separation on December 31, 2014, Tom chooses to retire from both LEOFF 2 and PERS 2 with a multiple system benefit. Because Tom met the eligibility requirements for an unreduced benefit from LEOFF 2 on December 31, 2005, he may choose an accrual date on or after January 1, 2006. His benefit will vary depending on the accrual date chosen. For example, an accrual date of January 1, 2006, yields a different result from an accrual date of January 1, 2009, as shown in Option 1 and Option 2 below. Tom may also retire from both systems with a January 1, 2015, effective date, as shown in Option 3.

Option 1: Accrual date of January 1, 2006. Tom chooses January 1, 2006, as the accrual date for his LEOFF 2 benefit.

Monthly allowance: The department will compare Tom's average compensation in LEOFF 2 with his highest sixty consecutive months of base salary in PERS 2, and will use whichever is greater in the calculation of his LEOFF 2 monthly allowance. Note: Tom's PERS 2 base salary must have been earned prior to January 1, 2006.

• Tom's average compensation, based on his highest sixty consecutive months of service in LEOFF 2, is:

$$\frac{\$49,200 + \$50,400 + \$51,600 + \$52,800 + \$54,000}{60} = \$4,300/\text{month}$$

• Tom's base salary, based on his highest sixty consecutive months of service in PERS 2, is:

$$\frac{\$55,200 + \$56,400 + \$57,600 + \$81,600 + \$82,800}{60} = \$5,560/\text{month}$$

The highest average compensation, i.e., $5,560/month, will be used in the calculation of Tom's LEOFF 2 monthly allowance.

	LEOFF 2 Benefit Calculation	PERS 2 Benefit Calculation[1]
Service credit	20 yrs	14 yrs
Average compensation	$5,560/month	$7,600/month
2% monthly benefit	2% x 20 x $5,560 = $2,224/month[2]	2% x 14 x $7,600 = $2,128/month

Retroactive payment. Tom will receive a retroactive payment representing monthly retirement payments from January 1, 2006 (accrual date), through December 31, 2014, including applicable COLAs. This is nine years or one hundred eight monthly payments. His retroactive payment will be $240,192, calculated as follows:

$$108 \times \$2,224 = \$240,192$$

(This assumes no COLAs were given during the nine-year period. If COLAs were given, the retroactive payment would be greater.)

Total multiple system benefit (LEOFF 2 and PERS 2): Tom will receive a retroactive payment of $240,192 from LEOFF 2. He will receive a total monthly allowance of $4,352 ($2,224 from LEOFF 2 and $2,128 from PERS 2), beginning January 1, 2015.

Option 2: Accrual date of January 1, 2009. Tom chooses January 1, 2009, as the accrual date for his LEOFF 2 benefit.

Monthly allowance: The department will compare Tom's average compensation in LEOFF 2 with his highest sixty consecutive months of base salary in PERS 2, and will use whichever is greater in the calculation

of his LEOFF 2 monthly allowance. Note: Tom's PERS 2 base salary must have been earned prior to January 1, 2009.

• Tom's average compensation, based on his highest sixty consecutive months of service in LEOFF 2, is:

$$\frac{\$49,200 + \$50,400 + \$51,600 + \$52,800 + \$54,000}{60} = \$4,300/\text{month}$$

• Tom's base salary, based on his highest sixty consecutive months of service in PERS 2, is:

$$\frac{\$81,600 + \$82,800 + \$84,000 + \$85,200 + \$86,400}{60} = \$7,000/\text{month}$$

The highest average compensation, i.e., $7,000/month, will be used in the calculation of Tom's LEOFF 2 monthly allowance.

	LEOFF 2 Benefit Calculation	PERS 2 Benefit Calculation[1]
Service credit	20 yrs	14 yrs
Average compensation	$7,000/month	$7,600/month
2% monthly benefit	2% x 20 x $7,000 = $2,800/month	2% x 14 x $7,600 = $2,128/month

Retroactive payment. Tom will receive a retroactive payment representing monthly retirement payments from January 1, 2009 (accrual date), through December 31, 2014, including applicable COLAs. This is six years or seventy-two monthly payments. His retroactive payment will be $201,600, calculated as follows:

$$72 \times \$2,800 = \$201,600$$

(This assumes no COLAs were given during the six-year period. If COLAs were given, the retroactive payment would be greater.)

Total multiple system benefit (LEOFF 2 and PERS 2): Tom will receive a retroactive payment of $201,600 from LEOFF 2. He will receive a total monthly allowance of $4,928 ($2,800 from LEOFF 2 and $2,128 from PERS 2), beginning January 1, 2015.

Option 3: Accrual date of January 1, 2015 (no retroactive payment). Tom is not required to choose a retroactive payment from his prior system. He may choose a multiple system benefit of $5,168/month calculated as follows:

Monthly allowance: The department will compare Tom's average compensation in LEOFF 2 with his highest sixty consecutive months of base salary in PERS 2, and will use whichever is greater in the calculation of his LEOFF 2 monthly allowance.

• Tom's average compensation, based on his highest sixty consecutive months of service in LEOFF 2, is:

$$\frac{\$49,200 + \$50,400 + \$51,600 + \$52,800 + \$54,000}{60} = \$4,300/\text{month}$$

• Tom's base salary, based on his highest sixty consecutive months of service in PERS 2, is:

$$\frac{\$88,800 + \$90,000 + \$91,200 + \$92,400 + \$93,600}{60} = \$7,600/\text{month}$$

The highest average compensation, i.e., $7,600/month, will be used in the calculation of Tom's LEOFF 2 monthly allowance.

	LEOFF 2	PERS 2
Service credit	20 yrs	14 yrs
Average compensation	$7,600/month	$7,600/month[1]

	LEOFF 2	PERS 2
2% monthly benefit	2% x 20 x $7,600 = $3,040/month	2% x 14 x $7,600 = $2,128/month

Total multiple system benefit (LEOFF 2 and PERS 2): Tom will not receive a retroactive payment. He will receive a total monthly allowance of $5,168 ($3,040 from LEOFF 2 and $2,128 from PERS 2), beginning January 1, 2015.

[1]Tom's PERS 2 allowance will be based on sixty consecutive months of PERS service, which yields a greater AFC than sixty consecutive months of LEOFF 2 base salary.

$$\frac{\$88,800 + \$90,000 + \$91,200 + \$92,400 + \$93,600 = \$7,600/\text{month}}{60}$$

His PERS 2 allowance is NOT affected by his retroactive payment from LEOFF or by the accrual date he chooses.

[2]In certain cases, an increased benefit may be available from LEOFF Plan 2 (WAC 415-113-084).

[Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW. WSR 06-18-008, § 415-113-080, filed 8/24/06, effective 9/24/06; WSR 02-18-046, § 415-113-080, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-080, filed 10/29/99, effective 11/29/99; WSR 95-03-001, § 415-113-080, filed 1/4/95, effective 2/4/95.]

WAC 415-113-082 Could retroactive retirement cancel my membership in a subsequent system? (1) **If you retire retroactively from a prior system, you could cancel your membership in a subsequent system.** If your membership in a subsequent system would have been prohibited under RCW 41.04.270 but for your status as a dual member, and you retire retroactively from a prior system, the department will cancel your membership and refund your contributions in the subsequent system under RCW 41.54.020(1). Your retroactive retirement from a prior system may cancel your membership in a subsequent system according to the following table:

How much service did you earn in your prior system?	Were you eligible to retire in the prior system before you became a member of your subsequent system?	Will retroactive retirement from your prior system cancel your membership in subsequent system?
15 years or more	No	No (See Example 13)
15 years or more	Yes	Yes, unless you retire from both the prior and subsequent system under RCW 41.54.030(2). (See Example 14)
Less than 15 years	No	No (See Example 15)

How much service did you earn in your prior system?	Were you eligible to retire in the prior system before you became a member of your subsequent system?	Will retroactive retirement from your prior system cancel your membership in subsequent system?
Less than 15 years	Yes	No (See Example 15)

See RCW 41.54.020(1) and RCW 41.04.270.

Example 14: A nonmember participant in LEOFF Plan 2 who has accrued sixteen years of service in LEOFF Plan 2 became a member of PERS Plan 2 at age fifty-four. Because she became a member participant of PERS Plan 2 at age fifty-four, prior to attaining retirement eligibility under LEOFF Plan 2 (i.e., age fifty-five), she may later retire retroactively from LEOFF Plan 2, subject to LEOFF Plan 2 criteria, while continuing membership in PERS Plan 2.

Example 15: A nonmember participant in LEOFF Plan 2 with sixteen years of accrued service became a member of PERS Plan 2 at age fifty-five. If he attempts to retire from LEOFF Plan 2 while continuing membership in PERS Plan 2, the department will cancel his PERS Plan 2 membership and refund his PERS contributions. However, if he retires from both systems, he is entitled to retain the benefits of his PERS Plan 2 membership.

Example 16: Assume either of the retirees in Examples 13 and 14 above had accrued less than fifteen years of service in LEOFF Plan 2. In this case, RCW 41.04.270 would not apply to prevent the retirees from establishing PERS Plan 2 membership. Either person could retire retroactively from the LEOFF Plan 2 without canceling membership and participation in PERS Plan 2.

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

(a) "Dual member" - RCW 41.54.010(4), WAC 415-113-041.

(b) "Member participant" - WAC 415-113-030.

(c) "Nonmember participant" - WAC 415-113-030.

[Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW. WSR 02-18-046, § 415-113-082, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-082, filed 10/29/99, effective 11/29/99; WSR 95-03-001, § 415-113-082, filed 1/4/95, effective 2/4/95.]

WAC 415-113-090 What is the maximum retirement benefit that I may receive under chapter 41.54 RCW? (1) Your multiple system benefit may not exceed the highest maximum benefit which you would be permitted to receive under any one of the dual member systems from which you are retiring if all of your service had been provided in one system. See RCW 41.54.070.

(2) **The department will compute your maximum multiple system benefit in the following order:**

(a) **Calculate the maximum benefit you could receive under each system.** The department will compute your maximum benefit according to the benefit limitation provisions of each system as if you had earned your total career service and compensation in that system. In computing your maximum benefit under each system, the department will:

(i) Apply the provisions of each system governing the calculation of your average compensation in that system; and

(ii) Assume you earned all of your career service with your last employer for purposes of determining any limitations on the inclusion of leave cashouts in your average compensation.

Example 18: A multiple system retiree retires from TRS Plan 1 state employment with prior creditable PERS Plan 1 service. His PERS employer pays him an accrued sick leave cashout at termination. Because a sick leave cashout from a state agency employer is not includable as TRS earnable compensation, the department will not include the cashout in the retiree's average compensation for purposes of computing either his PERS Plan 1 or TRS Plan 1 maximum benefit.

Example 19: A multiple system retiree retires from PERS Plan 1 local government employment and receives a sick leave cashout. Because a sick leave cashout from a local government employer may be included as earnable compensation, the department will include the sick leave cashout to compute the retiree's maximum benefits under both PERS Plan 1 and TRS Plan 1.

(b) **Determine your retirement allowances from each system.** After computing your maximum benefit, the department will determine the retirement allowances to which you are entitled from each system under chapter 41.54 RCW before making any reduction under RCW 41.54.070. If applicable, the department will then reduce the amount of your retirement allowances provided by either of the dual member systems for:

(i) Your status as a nonmember participant of WSPRS Plan 1 or 2 pursuant to RCW 43.43.280(2); or

(ii) Your choice to retire early under RCW 41.40.630 (2) or (3), 41.40.820 (2) or (3), 41.37.210(3), 41.35.420 (2) or (3), 41.35.680 (2) or (3), 41.32.765 (2) or (3), 41.32.875 (2) or (3), and 41.26.430 (2) or (3).

(c) **Compute your total multiple system benefit.** Upon computing your retirement allowances from each system and making any applicable reductions under (b) of this subsection, the department will add the systems' allowances to compute your total multiple system benefit.

(d) **Compare your total multiple system benefit with your maximum benefit and, if necessary, proportionately reduce your retirement allowances.** The department will then compare your total multiple system benefit with your maximum benefit calculated in (a) of this subsection. If your total multiple system benefit exceeds your maximum benefit, the department will proportionately reduce your retirement allowances provided by each system as follows:

(i) Calculate what proportion your total multiple system benefit is provided by each system separately; and

(ii) Proportionately reduce the benefit provided by each system to account for the excess of your total multiple system benefit over your maximum benefit.

Example 20: A person with twenty-nine years of prior service in TRS Plan 1 and one year of subsequent service in PERS Plan 2 retires from both systems at age sixty-five. The retiree's TRS Plan 1 average compensation is thirty thousand dollars. The TRS Plan 1 maximum benefit is sixty percent of average compensation. The retiree's maximum TRS benefit is eighteen thousand dollars or one thousand five hundred dollars per month. The retiree's PERS Plan 2 average compensation is twenty-eight thousand dollars. The retiree's maximum PERS 2 benefit is sixteen thousand eight hundred dollars or one thousand four hundred dollars per month. The retiree's maximum benefit is the higher of the two amounts, one thousand five hundred dollars per month.

Assume the retiree's accrued service is such that her actual TRS Plan 1 monthly benefit is one thousand four hundred fifty dollars and her PERS Plan 2 monthly benefit is one hundred dollars. The retiree's total multiple system benefit is the sum of her TRS Plan 1 and PERS Plan 2 benefits, or one thousand five hundred fifty dollars. Because the retiree's total multiple system benefit exceeds her maximum benefit by fifty dollars, the department would proportionately reduce her TRS Plan 1 and PERS Plan 2 benefits. Her TRS Plan 1 benefit is 29/30 of her total service or ninety-seven percent, and her PERS Plan 2 benefit is 1/30 of total service, or three percent. The department would reduce her TRS Plan 1 benefit by ninety-seven percent of the overage, or forty-eight dollars and fifty cents (50 x.97) and her PERS Plan 2 benefit by three percent of the overage, or one dollar and fifty cents (50 x.03).

(3) **If you select a benefit payment option, the department will reduce your multiple system benefit to account as appropriate.** After making any applicable maximum benefit reductions, the department will further reduce your benefit if you choose:

(a) To withdraw your accumulated contributions at the time you retire from TRS Plan 1;

(b) A survivor benefit option; or

(c) A cost-of-living adjustment (COLA) option.

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

(a) "Average compensation" - WAC 415-113-030.

(b) "Dual member" - RCW 41.54.010(4), WAC 415-113-041.

(c) "Dual member system" - WAC 415-113-030.

(d) "First class city system" - WAC 415-113-030.

(e) "Member participant" - WAC 415-113-030.

(f) "Multiple system benefit" - WAC 415-113-030.

(g) "Multiple system retiree" - WAC 415-113-030.

(h) "Nonmember participant" - WAC 415-113-030.

[Statutory Authority: RCW 41.50.050(5) and 41.37.210(3). WSR 08-02-048, § 415-113-090, filed 12/27/07, effective 1/27/08. Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW. WSR 02-18-046, § 415-113-090, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050(5) and 41.54.070. WSR 02-03-120, § 415-113-090, filed 1/23/02, effective 3/1/02. Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-090, filed 10/29/99, effective 11/29/99; WSR

96-20-004, § 415-113-090, filed 9/19/96, effective 10/20/96; WSR 95-03-001, § 415-113-090, filed 1/4/95, effective 2/4/95.]

WAC 415-113-100 Am I eligible for a lump sum retirement allowance? (1) If you retire with a multiple system benefit and one of your retirement allowances is less than fifty dollars per month, you may receive a lump sum payment as allowed under RCW 41.54.090.

(2) Unless you are retiring from TRS Plan 1, the department will use your standard retirement allowance to determine your eligibility for lump sum cashouts under RCW 41.54.090.

(3) If you are retiring from TRS Plan 1, the department will use your maximum retirement allowance under TRS Plan 1 to determine your eligibility for lump sum cashouts under RCW 41.54.090.

(4) **Defined terms used.** Definitions for the following terms used in this section may be found in the sections listed: "Multiple system benefit" - WAC 415-113-030.

[Statutory Authority: RCW 41.50.050(5) and chapter 41.54 RCW. WSR 02-18-046, § 415-113-100, filed 8/28/02, effective 9/30/02. Statutory Authority: RCW 41.50.050. WSR 99-22-043, § 415-113-100, filed 10/29/99, effective 11/29/99; WSR 95-03-001, § 415-113-100, filed 1/4/95, effective 2/4/95.]

WAC 415-113-200 SERS and PERS concurrent employment. For the purposes of this section and pursuant to RCW 41.35.005, 41.35.010, 41.40.010, and 41.54.100, "concurrent employment" refers to simultaneous employment in an eligible SERS Plan 2 or Plan 3 position and an eligible PERS Plan 2 or Plan 3 position.

If a member has been concurrently employed at any time, this section governs the calculation of service credit, average final compensation, and retirement benefits attributable to all periods of PERS employment, SERS employment, and concurrent employment.

(1) **Can I participate in SERS and PERS at the same time?** Yes, you may participate in SERS and PERS at the same time when employed concurrently in a PERS eligible position and a SERS eligible position. Your SERS employer will report your SERS eligible service in SERS. Your PERS employer will report your PERS eligible service in PERS.

(2) **Will the factors used to calculate my defined benefit be different because of concurrent employment in SERS and PERS?** No, the department will calculate your service credit and average final compensation as if all of your employment was reported in one system. These two factors are used to calculate your defined benefit.

(3) **Will the amount of my benefit be different because of concurrent employment?**

(a) If you are concurrently employed in SERS Plan 2 and PERS Plan 2, the amount of your benefit from SERS and PERS combined will be the same as if all of your service had been reported and you received a benefit in one system, because:

(i) SERS Plan 2 and PERS Plan 2 both use identical two-percent benefit formulas; and

(ii) Your total service credit and average final compensation will not be different than if all of your service had been reported in one system pursuant to subsection (2) of this section.

(b) If you are concurrently employed in SERS Plan 3 and PERS Plan 2, the amount of your benefit may be larger or smaller than if all of your service had been reported in one system:

(i) SERS Plan 3 uses a one-percent defined benefit formula and has a defined contribution component. You are responsible for the investment of your defined contribution component, which is subject to investment gains or losses; therefore, the dollar value of your total benefit may be greater or less than what you would have received if all of your service had been reported in one defined benefit system.

(ii) The allocation of your service credit while concurrently employed, as described in subsection (4) of this section, may also affect the dollar value of your benefit.

(4) **How is my service credit granted while concurrently employed?** As a concurrently employed member, you are entitled to exactly the same amount of service credit for your SERS and PERS service combined that you would have received had all of your service been reported in one system.

To calculate your service credit the department will:

(a) Combine your SERS and PERS service to determine the amount of service credit you would have earned had all of your service been reported in one system.

(b) Calculate and grant service credit in SERS based only on your reported SERS service.

(c) Calculate and grant service credit in PERS by subtracting the amount of service credit granted for SERS in (b) of this subsection from the amount of service credit calculated in (a) of this subsection that you would have earned had all of your service been reported in one system (see example 1):

(i) For any month in which you receive one month of service credit in SERS for a calendar month of employment, you will not receive any PERS service credit in that month.

(ii) The combined service credit in SERS and PERS may not exceed one month of service for a calendar month of employment.

(d) Adjust the SERS service credit at the conclusion of each school year in accordance with the provisions of RCW 41.35.180. This adjustment may cause changes in the combined SERS/PERS service credit and/or changes in the PERS service credit. (See example 2).

Example 1: Monthly computation of concurrent employment service credit.

Part-time SERS and part-time PERS.

(a) During a month, a member works 80 hours at a school district and 100 hours at a county. If all of the service had been reported in one system, the maximum the member could have earned is one service credit for that month. The member will be granted .5 service credit in SERS based on the 80 hours of service reported in SERS and will receive .5 service credit in PERS based on subtracting the .50 service credit in SERS from the maximum of 1.00 service credit.

(b) During a month, a member works 65 hours at a school district and 30 hours at a county. If all of the service had been reported in one system, the maximum the member could have earned is one service credit for that month. The member will be granted .25 service credit in SERS based on the 65 hours of service reported in SERS and will receive .75 service credit in PERS based on subtracting the .25 service credit in SERS from the maximum of 1.00 service credit.

Full-time SERS and part-time PERS.

During a month, a member works 172 hours for an educational service district and works 30 hours for a state agency. If all of the service had been reported in one system, the maximum the member could have earned is one service credit for that month. The member will be granted one month of service credit in SERS based on the 172 hours of service reported in SERS and will receive 0.0 service credit in PERS (even though they worked 30 hours) based on subtracting the 1.00 service credit in SERS from the maximum of 1.00 service credit.

Part-time SERS and full-time PERS.

During a month, a member works 40 hours for a school district and 180 hours for a city. If all of the service had been reported in one system, the maximum the member could have earned is one service credit for that month. The member will be granted .25 service credit in SERS based on the 40 hours of service reported in SERS and will receive .75 service credit in PERS based on subtracting the .25 service credit in SERS from the maximum of 1.00 service credit.

Example 2: Application of the educational service credit rules and the effects on concurrent employment service credit computation.

During September, October, and November a member works 60 hours, 30 hours, and 70 hours in SERS and works 90 hours, 30 hours, and 60 hours in PERS, respectively. Based on these hours, the member would have been granted .25, .25, and .50 service credits in SERS and .75, 0.0, and .50 in PERS. The member's service credit calculated on a monthly basis through November is shown in Table 1 below.

At the end of the school year, the educational service credit rules (RCW 41.35.180) are applied. The application of these rules may cause one or more months of SERS service credit to change. A change in the SERS service credit for any given month may cause the combined SERS/ PERS service credit to change. See Table 2, second line. The PERS service credit would then need to be recalculated for any month that the SERS service credit changed.

The members service for the entire school year is shown in Table 2 below. Applying the educational service credit rules, the member is now entitled to six service credit months in SERS for the school year (.50 in each month of September through August) based on working a total of 750 hours for the year. Thus, the service credit in September would be changed to .50 service credit in SERS and .50 credit in PERS. The service credit in October would be changed to .50 service credit in SERS and would remain at 0.0 service credit in PERS. November's service credit calculation is not affected by the application of the educational service credit rules.

Table 1: Month by Month Determination

	HOURS			SERVICE CREDIT		
	Combined PERS/SERS	SERS	PERS	Combined PERS/SERS	SERS	PERS
Sept	150	60	90	1	0.25	0.75
Oct	60	30	30	.25	.25	0.00
Nov	130	70	60	1	0.50	0.50

Table 2: After RCW 41.35.180 Adjustment

	HOURS			SERVICE CREDIT		
	Combined PERS/SERS	SERS	PERS	Combined PERS/SERS	SERS	PERS
Sept	150	60	90	1	0.5	0.5
Oct	60	30	30	0.5	0.5	0
Nov	130	70	60	1	0.5	0.5
Dec	120	60	60	1	0.5	0.5
Jan	140	70	70	1	0.5	0.5
Feb	160	90	70	1	0.5	0.5
Mar	130	60	70	1	0.5	0.5
Apr	140	70	70	1	0.5	0.5
May	130	70	60	1	0.5	0.5
Jun	130	70	60	1	0.5	0.5
Jul	80	40	40	0.5	0.5	0
Aug	120	60	60	1	0.5	0.5
		750		11	6	5

(5) **How is my average final compensation calculated if I have been concurrently employed?** Your average final compensation will be calculated by combining **all** compensation earnable and service credit from **all** periods of SERS employment, PERS employment, and concurrent employment and then determining your highest consecutive sixty service credit months prior to your retirement, termination, or death. If an authorized leave occurs during the highest consecutive sixty service credit months, amounts earned during the period of leave will not be used in the calculation of average final compensation, except under RCW 41.40.710(2), 41.35.470(2) or 41.35.650(2).

(6) **How is my defined benefit in each system calculated?** A retirement allowance will be calculated using the appropriate formula for each system and plan as described in chapters 41.40 and 41.35 RCW, except that:

(a) The PERS service credit granted under subsection (4) of this section will be used in the PERS calculation and the SERS service credit granted under subsection (4) of this section will be used in the SERS calculation; and

(b) The average final compensation calculated under subsection (5) of this section will be used as the average final compensation for both PERS and SERS.

[Statutory Authority: RCW 41.50.050(5), chapters 41.32, 41.34, 41.35, 41.40, and 41.50 RCW. WSR 02-03-120, § 415-113-200, filed 1/23/02, effective 3/1/02. Statutory Authority: Chapters 41.32, 41.34, 41.35, 41.50 RCW. WSR 01-01-059, § 415-113-200, filed 12/12/00, effective 1/12/01.]

EMPLOYMENT AFTER RETIREMENT

WAC 415-113-300 How is my benefit affected if I return to work after retiring from multiple DRS retirement systems? (1) If you are retired from multiple DRS systems and return to work for a DRS employer, your benefits will be affected according to rules of each respective system.

(a) If your system and plan has an annual hourly limit, the annual hourly limit is based on the calendar year, except as described in subsection (b) of this section.

(b) If one of the systems you retired from is TRS Plan 1, your annual hourly limit for all your systems will be counted using a fiscal year (July through June).

See WAC 415-108-710 (PERS), 415-110-710 (SERS), 415-112-525 (TRS), 415-106-700 (PSERS), RCW 41.26.500 (LEOFF Plan 2), 43.43.130 (WSPRS).

(2) Term used.

Employer - See WAC 415-02-030.

[Statutory Authority: RCW 41.50.050. WSR 20-01-079, § 415-113-300, filed 12/11/19, effective 1/11/20. Statutory Authority: RCW 41.50.050(5). WSR 16-17-047, § 415-113-300, filed 8/11/16, effective 9/11/16.]