SENATE BILL 5998

State of Washington52nd Legislature1991 1st Special SessionBy Senator Nelson and Johnson.Read first time June 21, 1991.

AN ACT Relating to surviving spouses under the law enforcement officers' and fire fighters' retirement system; reenacting and amending RCW 41.26.030; and creating a new section.

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

5 Sec. 1. RCW 41.26.030 and 1991 c 365 s 35, 1991 c 343 s 14, and
6 1991 c 35 s 13 are each reenacted and amended to read as follows:
7 As used in this chapter, unless a different meaning is plainly

8 required by the context:

9 (1) "Retirement system" means the "Washington law enforcement 10 officers' and fire fighters' retirement system" provided herein.

11 (2)(a) "Employer" for plan I members, means the legislative 12 authority of any city, town, county, or district or the elected 13 officials of any municipal corporation that employs any law enforcement 14 officer and/or fire fighter, any authorized association of such 15 municipalities, and, except for the purposes of RCW 41.26.150, any 1 labor guild, association, or organization, which represents the fire 2 fighters or law enforcement officers of at least seven cities of over 3 20,000 population and the membership of each local lodge or division of 4 which is composed of at least sixty percent law enforcement officers or 5 fire fighters as defined in this chapter.

6 (b) "Employer" for plan II members, means the legislative authority 7 of any city, town, county, or district or the elected officials of any 8 municipal corporation that employs any law enforcement officer and/or 9 fire fighter.

10 (3) "Law enforcement officer" means any person who is serving on a 11 full time, fully compensated basis as a county sheriff or deputy 12 sheriff, including sheriffs or deputy sheriffs serving under a 13 different title pursuant to a county charter, city police officer, or 14 town marshal or deputy marshal, with the following qualifications:

(a) No person who is serving in a position that is basically clerical or secretarial in nature, and who is not commissioned shall be considered a law enforcement officer;

(b) Only those deputy sheriffs, including those serving under a different title pursuant to county charter, who have successfully completed a civil service examination for deputy sheriff or the equivalent position, where a different title is used, and those persons serving in unclassified positions authorized by RCW 41.14.070 except a private secretary will be considered law enforcement officers;

(c) Only such full time commissioned law enforcement personnel as have been appointed to offices, positions, or ranks in the police department which have been specifically created or otherwise expressly provided for and designated by city charter provision or by ordinance enacted by the legislative body of the city shall be considered city police officers; and

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1 (d) The term "law enforcement officer" also includes the executive 2 secretary of a labor guild, association or organization (which is an 3 employer under RCW 41.26.030(2) as now or hereafter amended) if that 4 individual has five years previous membership in the retirement system 5 established in chapter 41.20 RCW. The provisions of this subsection 6 shall not apply to plan II members.

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(4) "Fire fighter" means:

8 (a) Any person who is serving on a full time, fully compensated 9 basis as a member of a fire department of an employer and who is 10 serving in a position which requires passing a civil service 11 examination for fire fighter, and who is actively employed as such; 12 (b) Anyone who is actively employed as a full time fire fighter 13 where the fire department does not have a civil service examination;

14 (c) Supervisory fire fighter personnel;

(d) Any full time executive secretary of an association of fire protection districts authorized under RCW 52.12.031. The provisions of this subsection shall not apply to plan II members;

(e) The executive secretary of a labor guild, association or organization (which is an employer under RCW 41.26.030(2) as now or hereafter amended), if such individual has five years previous membership in a retirement system established in chapter 41.16 or 41.18 RCW. The provisions of this subsection shall not apply to plan II members;

(f) Any person who is serving on a full time, fully compensated basis for an employer, as a fire dispatcher, in a department in which, on March 1, 1970, a dispatcher was required to have passed a civil service examination for fire fighter; and

(g) Any person who on March 1, 1970, was employed on a full time,
fully compensated basis by an employer, and who on May 21, 1971 was

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making retirement contributions under the provisions of chapter 41.16
 or 41.18 RCW.

3 (5) "Department" means the department of retirement systems created4 in chapter 41.50 RCW.

5 (6) "Surviving spouse" ((for persons who establish membership in б the retirement system on or before September 30, 1977,)) means the surviving widow or widower of a member ((or an ex spouse who has been 7 8 provided benefits under any court decree of dissolution or legal 9 separation or in any court order or court-approved property settlement 10 agreement incident to any court decree of dissolution or legal 11 separation. In order to qualify as a surviving spouse under this subsection: (a) A person shall have been married to the member for at 12 13 least thirty years, including at least twenty years prior to the 14 member's retirement or separation from service if a vested member; (b) 15 the decree or court order must be currently effective; and (c) the 16 decree or court order must have been entered after the member's 17 retirement and prior to December 31, 1979. If two or more persons are eligible as surviving spouses under this subsection, benefits shall be 18 19 divided between the surviving spouses based on the percentage of total 20 service credit the member accrued during each marriage. This definition shall apply retroactively)). "Surviving spouse" shall not 21 include the divorced spouse of a member except as provided in section 22

23 <u>2, chapter ---, Laws of 1991 1st ex. sess. (section 2 of this act).</u>
24 (7)(a) "Child" or "children" means an unmarried person who is under
25 the age of eighteen or mentally or physically handicapped as determined
26 by the department, except a handicapped person in the full time care of
27 a state institution, who is:

28 (i) A natural born child;

(ii) A stepchild where that relationship was in existence prior tothe date benefits are payable under this chapter;

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1 (iii) A posthumous child;

2 (iv) A child legally adopted or made a legal ward of a member prior
3 to the date benefits are payable under this chapter; or

4 (v) An illegitimate child legitimized prior to the date any
5 benefits are payable under this chapter.

6 (b) A person shall also be deemed to be a child up to and including 7 the age of twenty years and eleven months while attending any high 8 school, college, or vocational or other educational institution 9 accredited, licensed, or approved by the state, in which it is located, 10 including the summer vacation months and all other normal and regular 11 vacation periods at the particular educational institution after which 12 the child returns to school.

13 (8) "Member" means any fire fighter, law enforcement officer, or 14 other person as would apply under subsections (3) or (4) of this 15 section whose membership is transferred to the Washington law 16 enforcement officers' and fire fighters' retirement system on or after 17 March 1, 1970, and every law enforcement officer and fire fighter who 18 is employed in that capacity on or after such date.

19 (9) "Retirement fund" means the "Washington law enforcement 20 officers' and fire fighters' retirement system fund" as provided for 21 herein.

(10) "Employee" means any law enforcement officer or fire fighteras defined in subsections (3) and (4) of this section.

(11)(a) "Beneficiary" for plan I members, means any person in
receipt of a retirement allowance, disability allowance, death benefit,
or any other benefit described herein.

(b) "Beneficiary" for plan II members, means any person in receipt of a retirement allowance or other benefit provided by this chapter resulting from service rendered to an employer by another person.

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(12)(a) "Final average salary" for plan I members, means (i) for a 1 2 member holding the same position or rank for a minimum of twelve months preceding the date of retirement, the basic salary attached to such 3 4 same position or rank at time of retirement; (ii) for any other member, 5 including a civil service member who has not served a minimum of twelve б months in the same position or rank preceding the date of retirement, the average of the greatest basic salaries payable to such member 7 during any consecutive twenty-four month period within such member's 8 9 last ten years of service for which service credit is allowed, computed 10 by dividing the total basic salaries payable to such member during the 11 selected twenty-four month period by twenty-four; (iii) in the case of 12 disability of any member, the basic salary payable to such member at the time of disability retirement; (iv) in the case of a member who 13 14 hereafter vests pursuant to RCW 41.26.090, the basic salary payable to 15 such member at the time of vesting.

(b) "Final average salary" for plan II members, means the monthly 16 17 average of the member's basic salary for the highest consecutive sixty 18 service credit months of service prior to such member's retirement, 19 termination, or death. Periods constituting authorized unpaid leaves 20 of absence may not be used in the calculation of final average salary. (13)(a) "Basic salary" for plan I members, means the basic monthly 21 rate of salary or wages, including longevity pay but not including 22 overtime earnings or special salary or wages, upon which pension or 23 retirement benefits will be computed and upon which employer 24 25 contributions and salary deductions will be based.

(b) "Basic salary" for plan II members, means salaries or wages earned by a member during a payroll period for personal services, including overtime payments, and shall include wages and salaries deferred under provisions established pursuant to sections 403(b), 414(h), and 457 of the United States Internal Revenue Code, but shall

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1 exclude lump sum payments for deferred annual sick leave, unused 2 accumulated vacation, unused accumulated annual leave, or any form of 3 severance pay: PROVIDED, That in any year in which a member serves in 4 the legislature the member shall have the option of having such 5 member's basic salary be the greater of:

6 (i) The basic salary the member would have received had such member7 not served in the legislature; or

8 (ii) Such member's actual basic salary received for nonlegislative 9 public employment and legislative service combined. Any additional 10 contributions to the retirement system required because basic salary 11 under (b)(i) of this subsection is greater than basic salary under 12 (b)(ii) of this subsection shall be paid by the member for both member 13 and employer contributions.

14 (14)(a) "Service" for plan I members, means all periods of employment for an employer as a fire fighter or law enforcement 15 officer, for which compensation is paid, together with periods of 16 17 suspension not exceeding thirty days in duration. For the purposes of 18 this chapter service shall also include service in the armed forces of 19 the United States as provided in RCW 41.26.190. Credit shall be 20 allowed for all service credit months of service rendered by a member from and after the member's initial commencement of employment as a 21 fire fighter or law enforcement officer, during which the member worked 22 for seventy or more hours, or was on disability leave or disability 23 24 retirement. Only service credit months of service shall be counted in 25 the computation of any retirement allowance or other benefit provided for in this chapter. 26

(i) For members retiring after May 21, 1971 who were employed under the coverage of a prior pension act before March 1, 1970, "service" shall also include (A) such military service not exceeding five years as was creditable to the member as of March 1, 1970, under the member's

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particular prior pension act, and (B) such other periods of service as 1 were then creditable to a particular member under the provisions of RCW 2 41.18.165, 41.20.160 or 41.20.170. However, in no event shall credit 3 4 be allowed for any service rendered prior to March 1, 1970, where the member at the time of rendition of such service was employed in a 5 б position covered by a prior pension act, unless such service, at the time credit is claimed therefor, is also creditable under the 7 provisions of such prior act. 8

9 (ii) A member who is employed by two employers at the same time 10 shall only be credited with service to one such employer for any month 11 during which the member rendered such dual service.

12 (b) "Service" for plan II members, means periods of employment by 13 a member for one or more employers for which basic salary is earned for 14 ninety or more hours per calendar month which shall constitute a service credit month. Periods of employment by a member for one or 15 more employers for which basic salary is earned for at least seventy 16 17 hours but less than ninety hours per calendar month shall constitute one-half service credit month. Periods of employment by a member for 18 19 one or more employers for which basic salary is earned for less than 20 seventy hours shall constitute a one-quarter service credit month.

21 Members of the retirement system who are elected or appointed to a 22 state elective position may elect to continue to be members of this 23 retirement system.

Service credit years of service shall be determined by dividing the total number of service credit months of service by twelve. Any fraction of a service credit year of service as so determined shall be taken into account in the computation of such retirement allowance or benefits.

If a member receives basic salary from two or more employers during any calendar month, the individual shall receive one service credit

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1 month's service credit during any calendar month in which multiple
2 service for ninety or more hours is rendered; or one-half service
3 credit month's service credit during any calendar month in which
4 multiple service for at least seventy hours but less than ninety hours
5 is rendered; or one-quarter service credit month during any calendar
6 month in which multiple service for less than seventy hours is
7 rendered.

8 (15) "Accumulated contributions" means the employee's contributions9 made by a member plus accrued interest credited thereon.

10 (16) "Actuarial reserve" means a method of financing a pension or 11 retirement plan wherein reserves are accumulated as the liabilities for 12 benefit payments are incurred in order that sufficient funds will be 13 available on the date of retirement of each member to pay the member's 14 future benefits during the period of retirement.

15 (17) "Actuarial valuation" means a mathematical determination of 16 the financial condition of a retirement plan. It includes the 17 computation of the present monetary value of benefits payable to 18 present members, and the present monetary value of future employer and 19 employee contributions, giving effect to mortality among active and 20 retired members and also to the rates of disability, retirement, 21 withdrawal from service, salary and interest earned on investments.

(18) "Disability board" for plan I members means either the county disability board or the city disability board established in RCW 41.26.110.

(19) "Disability leave" means the period of six months or any portion thereof during which a member is on leave at an allowance equal to the member's full salary prior to the commencement of disability retirement. The definition contained in this subsection shall apply only to plan I members.

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1 (20) "Disability retirement" for plan I members, means the period 2 following termination of a member's disability leave, during which the 3 member is in receipt of a disability retirement allowance.

4 (21) "Position" means the employment held at any particular time,
5 which may or may not be the same as civil service rank.

6 (22) "Medical services" for plan I members, shall include the 7 following as minimum services to be provided. Reasonable charges for 8 these services shall be paid in accordance with RCW 41.26.150.

9 (a) Hospital expenses: These are the charges made by a hospital, 10 in its own behalf, for

(i) Board and room not to exceed semiprivate room rate unless private room is required by the attending physician due to the condition of the patient.

14 (ii) Necessary hospital services, other than board and room,15 furnished by the hospital.

(b) Other medical expenses: The following charges are considered "other medical expenses", provided that they have not been considered as "hospital expenses".

19 (i) The fees of the following:

20 (A) A physician or surgeon licensed under the provisions of chapter21 18.71 RCW;

(B) An osteopath licensed under the provisions of chapter 18.57
RCW;

(C) A chiropractor licensed under the provisions of chapter 18.25RCW.

(ii) The charges of a registered graduate nurse other than a nurse who ordinarily resides in the member's home, or is a member of the family of either the member or the member's spouse.

(iii) The charges for the following medical services and supplies:
(A) Drugs and medicines upon a physician's prescription;

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(B) Diagnostic x-ray and laboratory examinations;

2 (C) X-ray, radium, and radioactive isotopes therapy;

3 (D) Anesthesia and oxygen;

4 (E) Rental of iron lung and other durable medical and surgical equipment; 5

6 (F) Artificial limbs and eyes, and casts, splints, and trusses;

7 (G) Professional ambulance service when used to transport the member to or from a hospital when injured by an accident or stricken by 8 9 a disease;

10 (H) Dental charges incurred by a member who sustains an accidental injury to his or her teeth and who commences treatment by a legally 11 licensed dentist within ninety days after the accident; 12

13 (I) Nursing home confinement or hospital extended care facility;

14 (J) Physical therapy by a registered physical therapist;

(K) Blood transfusions, including the cost of blood and blood 15 plasma not replaced by voluntary donors; 16

17 (L) An optometrist licensed under the provisions of chapter 18.53 18 RCW.

19 (23) "Regular interest" means such rate as the director may 20 determine.

(24) "Retiree" for persons who establish membership in the 21 retirement system on or after October 1, 1977, means any member in 22 receipt of a retirement allowance or other benefit provided by this 23 24 chapter resulting from service rendered to an employer by such member. 25 (25) "Director" means the director of the department.

"State actuary" or "actuary" means the person appointed 26 (26) 27 pursuant to RCW 44.44.010(2).

28 (27) "State elective position" means any position held by any 29 person elected or appointed to state-wide office or elected or appointed as a member of the legislature. 30

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1 (28) "Plan I" means the law enforcement officers' and fire 2 fighters' retirement system, plan I providing the benefits and funding 3 provisions covering persons who first became members of the system 4 prior to October 1, 1977.

5 (29) "Plan II" means the law enforcement officers' and fire 6 fighters' retirement system, plan II providing the benefits and funding 7 provisions covering persons who first became members of the system on 8 and after October 1, 1977.

9 (30) "Service credit year" means an accumulation of months of 10 service credit which is equal to one when divided by twelve.

(31) "Service credit month" means a full service credit month or anaccumulation of partial service credit months that are equal to one.

13 <u>NEW SECTION.</u> Sec. 2. (1) An ex spouse of a law enforcement 14 officers' and fire fighters' retirement system retiree shall qualify as 15 surviving spouse under RCW 41.26.160 if the ex spouse:

(a) Has been provided benefits under any currently effective court decree of dissolution or legal separation or in any court order or court-approved property settlement agreement incident to any court decree of dissolution or legal separation entered after the member's retirement and prior to December 31, 1979; and

(b) Was married to the retiree for at least thirty years, including at least twenty years prior to the member's retirement or separation from service if a vested member.

(2) If two or more persons are eligible for a surviving spouse benefit under this subsection, benefits shall be divided between the surviving spouses based on the percentage of total service credit the member accrued during each marriage.

28 (3) This section shall apply retroactively.

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