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SENATE BILL 5351

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State of Washington

53rd Legislature

1993 Regular Session

By Senators Newhouse, Spanel, Moore, Bauer, Winsley, von Reichbauer and Roach; by request of Joint Committee on Pension Policy

Read first time 01/25/93. Referred to Committee on Ways & Means.

1 AN ACT Relating to teachers' retirement; amending RCW 41.32.520;  
2 creating a new section; and declaring an emergency.

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

4 **Sec. 1.** RCW 41.32.520 and 1992 c 212 s 7 are each amended to read  
5 as follows:

6 (1) Except as specified in subsection (3) of this section, upon  
7 receipt of proper proofs of death of any member before retirement or  
8 before the first installment of his or her retirement allowance shall  
9 become due his or her accumulated contributions, less any amount  
10 identified as owing to an obligee upon withdrawal of accumulated  
11 contributions pursuant to a court order filed under RCW 41.50.670, and/  
12 or other benefits payable upon his or her death shall be paid to his or  
13 her estate or to such persons as he or she shall have nominated by  
14 written designation duly executed and filed with the department. If a  
15 member fails to file a new beneficiary designation subsequent to  
16 marriage, divorce, or reestablishment of membership following  
17 termination by withdrawal, lapsation, or retirement, payment of his or  
18 her accumulated contributions, less any amount identified as owing to  
19 an obligee upon withdrawal of accumulated contributions pursuant to a

1 court order filed under RCW 41.50.670, and/or other benefits upon death  
2 before retirement shall be made to the surviving spouse, if any;  
3 otherwise, to his or her estate. If a member had established ten or  
4 more years of Washington membership service credit or was eligible for  
5 retirement, the beneficiary or the surviving spouse if otherwise  
6 eligible may elect, in lieu of a cash refund of the member's  
7 accumulated contributions, the following survivor benefit plan  
8 actuarially reduced by the amount of any lump sum benefit identified as  
9 owing to an obligee upon withdrawal of accumulated contributions  
10 pursuant to a court order filed under RCW 41.50.670:

11 (a) A widow or widower, without a child or children under eighteen  
12 years of age, may elect a monthly payment of fifty dollars to become  
13 effective at age fifty, provided the member had fifteen or more years  
14 of Washington membership service credit. A benefit paid under this  
15 subsection (1)(a) shall terminate at the marriage of the beneficiary.

16 (b) The beneficiary, if a surviving spouse or a dependent (as that  
17 term is used in computing the dependent exemption for federal internal  
18 revenue purposes) may elect to receive a joint and one hundred percent  
19 retirement allowance under RCW 41.32.530.

20 (i) In the case of a dependent child the allowance shall continue  
21 until attainment of majority or so long as the department judges that  
22 the circumstances which created his or her dependent status continue to  
23 exist. In any case, if at the time dependent status ceases, an amount  
24 equal to the amount of accumulated contributions of the deceased member  
25 has not been paid to the beneficiary, the remainder shall then be paid  
26 in a lump sum to the beneficiary.

27 (ii) If at the time of death, the member was not then qualified for  
28 a service retirement allowance, the benefit shall be based upon the  
29 actuarial equivalent of the sum necessary to pay the accrued regular  
30 retirement allowance commencing when the deceased member would have  
31 first qualified for a service retirement allowance.

32 (2) If no qualified beneficiary survives a member, at his or her  
33 death his or her accumulated contributions, less any amount identified  
34 as owing to an obligee upon withdrawal of accumulated contributions  
35 pursuant to a court order filed under RCW 41.50.670, shall be paid to  
36 his or her estate, or his or her dependents may qualify for survivor  
37 benefits under benefit plan (1)(b) in lieu of a cash refund of the  
38 members accumulated contributions in the following order: Widow or

1 widower, guardian of a dependent child or children under age eighteen,  
2 or dependent parent or parents.

3 (3) If a member who has received a determination of disability as  
4 specified in RCW 41.32.550 and selected a retirement option under RCW  
5 41.32.530(1)(b) dies before the first retirement allowance installment  
6 becomes due, he or she shall receive the benefit provided under the  
7 selected retirement option.

8 NEW SECTION. Sec. 2. The provisions of section 1(3) of this act  
9 shall apply to all determinations of disability made after June 30,  
10 1993.

11 NEW SECTION. Sec. 3. This act is necessary for the immediate  
12 preservation of the public peace, health, or safety, or support of the  
13 state government and its existing public institutions, and shall take  
14 effect immediately.

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