
SENATE BILL 5590

State of Washington

53rd Legislature

1993 Regular Session

By Senators Moore, Newhouse, Talmadge, Spanel, West, Roach, Prentice, Prince, Vognild and Bauer

Read first time 02/04/93. Referred to Committee on Labor & Commerce.

1 AN ACT Relating to providing service credit for periods of paid
2 leave; amending RCW 41.40.710, 41.26.520, and 41.32.810; adding a new
3 section to chapter 41.40 RCW; adding a new section to chapter 41.26
4 RCW; adding a new section to chapter 41.32 RCW; and creating a new
5 section.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 41.40 RCW
8 under the subchapter heading "Plan I" to read as follows:

9 (1) A member who is on a paid leave of absence authorized by a
10 member's employer shall continue to receive service credit as provided
11 under the provisions of RCW 41.40.145 through 41.40.363.

12 (2) A member who receives compensation from an employer while on an
13 authorized leave of absence to serve as an elected official of a labor
14 organization may be considered to be on a paid leave of absence if the
15 member's employer is reimbursed by the labor organization for the
16 compensation paid to the member during the period of absence. This
17 subsection shall only apply if the member's leave of absence is
18 authorized by a collective bargaining agreement that provides that the
19 member retains seniority rights with the employer during the period of

1 leave. The compensation earnable reported for a member who establishes
2 service credit under this subsection may not be greater than the salary
3 paid to the highest paid job class covered by the collective bargaining
4 agreement.

5 **Sec. 2.** RCW 41.40.710 and 1992 c 119 s 3 are each amended to read
6 as follows:

7 (1) A member who is on a paid leave of absence authorized by a
8 member's employer shall continue to receive service credit as provided
9 for under the provisions of RCW 41.40.610 through 41.40.740.

10 (2) A member who receives compensation from an employer while on an
11 authorized leave of absence to serve as an elected official of a labor
12 organization may be considered to be on a paid leave of absence if the
13 member's employer is reimbursed by the labor organization for the
14 compensation paid to the member during the period of absence. This
15 subsection shall only apply if the member's leave of absence is
16 authorized by a collective bargaining agreement that provides that the
17 member retains seniority rights with the employer during the period of
18 leave. The compensation earnable reported for a member who establishes
19 service credit under this subsection may not be greater than the salary
20 paid to the highest paid job class covered by the collective bargaining
21 agreement.

22 (3) Except as specified in subsection (~~(3)~~) (4) of this section,
23 a member shall be eligible to receive a maximum of two years service
24 credit during a member's entire working career for those periods when
25 a member is on an unpaid leave of absence authorized by an employer.
26 Such credit may be obtained only if the member makes both the plan II
27 employer and member contributions plus interest as determined by the
28 department for the period of the authorized leave of absence within
29 five years of resumption of service or prior to retirement whichever
30 comes sooner. The contributions required shall be based on the average
31 of the member's compensation earnable at both the time the authorized
32 leave of absence was granted and the time the member resumed
33 employment.

34 (~~(3)~~) (4) A member who leaves the employ of an employer to enter
35 the armed forces of the United States shall be entitled to retirement
36 system service credit for up to four years of military service.

37 (a) The member qualifies for service credit under this subsection
38 if:

1 (i) Within ninety days of the member's honorable discharge from the
2 United States armed forces, the member applies for reemployment with
3 the employer who employed the member immediately prior to the member
4 entering the United States armed forces; and

5 (ii) The member makes the employee contributions required under RCW
6 41.40.650 plus interest as determined by the department within five
7 years of resumption of service or prior to retirement, whichever comes
8 sooner.

9 (b) Upon receipt of member contributions under (a)(ii) of this
10 subsection, the department shall bill the employer for its contribution
11 required under RCW 41.40.650 for the period of military service, plus
12 interest as determined by the department.

13 (c) The contributions required shall be based on the average of the
14 member's compensation earnable at both the time the member left the
15 employ of the employer to enter the armed forces and the time the
16 member resumed employment.

17 NEW SECTION. **Sec. 3.** A new section is added to chapter 41.26 RCW
18 under the subchapter heading "Plan I" to read as follows:

19 (1) A member who is on a paid leave of absence authorized by a
20 member's employer shall continue to receive service credit as provided
21 under the provisions of RCW 41.26.080 through 41.26.3903.

22 (2) A member who receives compensation from an employer while on an
23 authorized leave of absence to serve as an elected official of a labor
24 organization may be considered to be on a paid leave of absence if the
25 member's employer is reimbursed by the labor organization for the
26 compensation paid to the member during the period of absence. This
27 subsection shall only apply if the member's leave of absence is
28 authorized by a collective bargaining agreement that provides that the
29 member retains seniority rights with the employer during the period of
30 leave. The basic salary reported for a member who establishes service
31 credit under this subsection may not be greater than the salary paid to
32 the highest paid job class covered by the collective bargaining
33 agreement.

34 **Sec. 4.** RCW 41.26.520 and 1992 c 119 s 1 are each amended to read
35 as follows:

1 (1) A member who is on a paid leave of absence authorized by a
2 member's employer shall continue to receive service credit as provided
3 for under the provisions of RCW 41.26.410 through 41.26.550.

4 (2) A member who receives compensation from an employer while on an
5 authorized leave of absence to serve as an elected official of a labor
6 organization may be considered to be on a paid leave of absence if the
7 member's employer is reimbursed by the labor organization for the
8 compensation paid to the member during the period of absence. This
9 subsection shall only apply if the member's leave of absence is
10 authorized by a collective bargaining agreement that provides that the
11 member retains seniority rights with the employer during the period of
12 leave. The basic salary reported for a member who establishes service
13 credit under this subsection may not be greater than the salary paid to
14 the highest paid job class covered by the collective bargaining
15 agreement.

16 (3) Except as specified in subsection (~~((3))~~) (4) of this section,
17 a member shall be eligible to receive a maximum of two years service
18 credit during a member's entire working career for those periods when
19 a member is on an unpaid leave of absence authorized by an employer.
20 Such credit may be obtained only if the member makes the employer,
21 member, and state contributions plus interest as determined by the
22 department for the period of the authorized leave of absence within
23 five years of resumption of service or prior to retirement whichever
24 comes sooner: PROVIDED, That for the purpose of this subsection the
25 contribution shall not include the contribution for the unfunded
26 supplemental present value as required by RCW 41.26.450. The
27 contributions required shall be based on the average of the member's
28 basic salary at both the time the authorized leave of absence was
29 granted and the time the member resumed employment.

30 (~~((3))~~) (4) A member who leaves the employ of an employer to enter
31 the armed forces of the United States shall be entitled to retirement
32 system service credit for up to four years of military service.

33 (a) The member qualifies for service credit under this subsection
34 if:

35 (i) Within ninety days of the member's honorable discharge from the
36 United States armed forces, the member applies for reemployment with
37 the employer who employed the member immediately prior to the member
38 entering the United States armed forces; and

1 (ii) The member makes the employee contributions required under RCW
2 41.26.450 plus interest as determined by the department within five
3 years of resumption of service or prior to retirement, whichever comes
4 sooner.

5 (b) Upon receipt of member contributions under (a)(ii) of this
6 subsection, the department shall bill the employer and the state for
7 their respective contributions required under RCW 41.26.450 for the
8 period of military service, plus interest as determined by the
9 department.

10 (c) The contributions required shall be based on the average of the
11 member's basic salary at both the time the member left the employ of
12 the employer to enter the armed forces and the time the member resumed
13 employment.

14 (~~((4))~~) (5) A member receiving benefits under Title 51 RCW who is
15 not receiving benefits under this chapter shall be deemed to be on
16 unpaid, authorized leave of absence.

17 NEW SECTION. **Sec. 5.** A new section is added to chapter 41.32 RCW
18 under the subchapter heading "Plan I" to read as follows:

19 (1) A member who is on a paid leave of absence authorized by a
20 member's employer shall continue to receive service credit as provided
21 under the provisions of RCW 41.32.240 through 41.32.575.

22 (2) A member who receives compensation from an employer while on an
23 authorized leave of absence to serve as an elected official of a labor
24 organization may be considered to be on a paid leave of absence if the
25 member's employer is reimbursed by the labor organization for the
26 compensation paid to the member during the period of absence. This
27 subsection shall only apply if the member's leave of absence is
28 authorized by a collective bargaining agreement that provides that the
29 member retains seniority rights with the employer during the period of
30 leave. The earnable compensation allowable for calculation of the
31 member's average final compensation under this subsection may not be
32 greater than the salary the member would have been paid by the district
33 for the position the member occupied immediately prior to taking leave,
34 as established in the district's collective bargaining agreement for
35 nonsupervisory certificated employees.

36 **Sec. 6.** RCW 41.32.810 and 1992 c 119 s 2 are each amended to read
37 as follows:

1 (1) A member who is on a paid leave of absence authorized by a
2 member's employer shall continue to receive service credit as provided
3 for under the provisions of RCW 41.32.755 through 41.32.825.

4 (2) A member who receives compensation from an employer while on an
5 authorized leave of absence to serve as an elected official of a labor
6 organization may be considered to be on a paid leave of absence if the
7 member's employer is reimbursed by the labor organization for the
8 compensation paid to the member during the period of absence. This
9 subsection shall only apply if the member's leave of absence is
10 authorized by a collective bargaining agreement that provides that the
11 member retains seniority rights with the employer during the period of
12 leave. The earnable compensation allowable for calculation of the
13 member's average final compensation under this subsection may not be
14 greater than the salary the member would have been paid by the district
15 for the position the member occupied immediately prior to taking leave,
16 as established in the district's collective bargaining agreement for
17 nonsupervisory certificated employees.

18 (~~3~~) Except as specified in subsection (~~(3)~~) (4) of this section,
19 a member shall be eligible to receive a maximum of two years service
20 credit during a member's entire working career for those periods when
21 a member is on an unpaid leave of absence authorized by an employer.
22 Such credit may be obtained only if the member makes both the employer
23 and member contributions plus interest as determined by the department
24 for the period of the authorized leave of absence within five years of
25 resumption of service or prior to retirement whichever comes sooner:
26 PROVIDED, That for the purpose of this subsection the contribution
27 shall not include the contribution for the unfunded supplemental
28 present value as required by RCW 41.32.775. The contributions required
29 shall be based on the average of the member's earnable compensation at
30 both the time the authorized leave of absence was granted and the time
31 the member resumed employment.

32 (~~(3)~~) (4) A member who leaves the employ of an employer to enter
33 the armed forces of the United States shall be entitled to retirement
34 system service credit for up to four years of military service.

35 (a) The member qualifies for service credit under this subsection
36 if:

37 (i) Within ninety days of the member's honorable discharge from the
38 United States armed forces, the member applies for reemployment with

1 the employer who employed the member immediately prior to the member
2 entering the United States armed forces; and

3 (ii) The member makes the employee contributions required under RCW
4 41.32.775 plus interest as determined by the department within five
5 years of resumption of service or prior to retirement, whichever comes
6 sooner.

7 (b) Upon receipt of member contributions under (a)(ii) of this
8 subsection, the department shall bill the employer for its contribution
9 required under RCW 41.32.775 for the period of military service, plus
10 interest as determined by the department.

11 (c) The contributions required shall be based on the average of the
12 member's earnable compensation at both the time the member left the
13 employ of the employer to enter the armed forces and the time the
14 member resumed employment.

15 NEW SECTION. **Sec. 7.** Sections 1 through 4 of this act apply
16 retroactively. Sections 5 and 6 of this act apply prospectively only
17 and not retroactively.

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