

2 **HB 2073 - H AMD 0305 ADOPTED 04/24/99**

3 By Representative

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5 Strike everything after the enacting clause and insert the
6 following:

7 "**Sec. 1.** RCW 41.26.430 and 1993 c 517 s 3 are each amended to read
8 as follows:

9 (1) NORMAL RETIREMENT. Any member with at least five service
10 credit years of service who has attained at least age fifty-five shall
11 be eligible to retire and to receive a retirement allowance computed
12 according to the provisions of RCW 41.26.420.

13 (2) EARLY RETIREMENT. Any member who has completed at least
14 (~~twenty~~) fifteen service credit years of service and has attained age
15 fifty shall be eligible to retire and to receive a retirement allowance
16 computed according to the provisions of RCW 41.26.420, except that a
17 member retiring pursuant to this subsection shall have the retirement
18 allowance (~~actuarially~~) reduced by two percent per year to reflect
19 the difference in the number of years between age at retirement and the
20 attainment of age fifty-five.

21 **Sec. 2.** RCW 41.26.470 and 1995 c 144 s 18 are each amended to read
22 as follows:

23 (1) A member of the retirement system who becomes totally
24 incapacitated for continued employment by an employer as determined by
25 the director shall be eligible to receive an allowance under the
26 provisions of RCW 41.26.410 through 41.26.550. Such member shall
27 receive a monthly disability allowance computed as provided for in RCW
28 41.26.420 and shall have such allowance (~~actuarially~~) reduced by two
29 percent per year to reflect the difference in the number of years
30 between age at disability and the attainment of age fifty-five.

31 (2) Any member who receives an allowance under the provisions of
32 this section shall be subject to such comprehensive medical
33 examinations as required by the department. If such medical
34 examinations reveal that such a member has recovered from the
35 incapacitating disability and the member is no longer entitled to

1 benefits under Title 51 RCW, the retirement allowance shall be canceled
2 and the member shall be restored to duty in the same civil service
3 rank, if any, held by the member at the time of retirement or, if
4 unable to perform the duties of the rank, then, at the member's
5 request, in such other like or lesser rank as may be or become open and
6 available, the duties of which the member is then able to perform. In
7 no event shall a member previously drawing a disability allowance be
8 returned or be restored to duty at a salary or rate of pay less than
9 the current salary attached to the rank or position held by the member
10 at the date of the retirement for disability. If the department
11 determines that the member is able to return to service, the member is
12 entitled to notice and a hearing. Both the notice and the hearing
13 shall comply with the requirements of chapter 34.05 RCW, the
14 Administrative Procedure Act.

15 (3) Those members subject to this chapter who became disabled in
16 the line of duty on or after July 23, 1989, and who receive benefits
17 under RCW 41.04.500 through 41.04.530 or similar benefits under RCW
18 41.04.535 shall receive or continue to receive service credit subject
19 to the following:

20 (a) No member may receive more than one month's service credit in
21 a calendar month.

22 (b) No service credit under this section may be allowed after a
23 member separates or is separated without leave of absence.

24 (c) Employer contributions shall be paid by the employer at the
25 rate in effect for the period of the service credited.

26 (d) Employee contributions shall be collected by the employer and
27 paid to the department at the rate in effect for the period of service
28 credited.

29 (e) State contributions shall be as provided in RCW 41.26.450.

30 (f) Contributions shall be based on the regular compensation which
31 the member would have received had the disability not occurred.

32 (g) The service and compensation credit under this section shall be
33 granted for a period not to exceed six consecutive months.

34 (h) Should the legislature revoke the service credit authorized
35 under this section or repeal this section, no affected employee is
36 entitled to receive the credit as a matter of contractual right.

37 (4)(a) If the recipient of a monthly retirement allowance under
38 this section dies before the total of the retirement allowance paid to
39 the recipient equals the amount of the accumulated contributions at the

1 date of retirement, then the balance shall be paid to the member's
2 estate, or such person or persons, trust, or organization as the
3 recipient has nominated by written designation duly executed and filed
4 with the director, or, if there is no such designated person or persons
5 still living at the time of the recipient's death, then to the
6 surviving spouse, or, if there is neither such designated person or
7 persons still living at the time of his or her death nor a surviving
8 spouse, then to his or her legal representative.

9 (b) If a recipient of a monthly retirement allowance under this
10 section died before April 27, 1989, and before the total of the
11 retirement allowance paid to the recipient equaled the amount of his or
12 her accumulated contributions at the date of retirement, then the
13 department shall pay the balance of the accumulated contributions to
14 the member's surviving spouse or, if there is no surviving spouse, then
15 in equal shares to the member's children. If there is no surviving
16 spouse or children, the department shall retain the contributions."

17 Correct the title.

EFFECT: LEOFF 2 members who have 15 years of service and have reached age 50 may take early retirement and the retirement allowance is reduced by 2 percent for each year that the member is under age 55. The LEOFF 2 disability allowance is reduced by 2 percent for each year that a member taking a disability retirement is under age 55.

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