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SENATE BILL 5032

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State of Washington

56th Legislature

1999 Regular Session

By Senators Fraser, Winsley, Long, Jacobsen, Bauer, Franklin, Roach, Kline and Rasmussen; by request of Joint Committee on Pension Policy

Read first time 01/11/1999. Referred to Committee on Ways & Means.

1 AN ACT Relating to certain retirement system members with more than  
2 thirty years of service; adding a new section to chapter 41.32 RCW; and  
3 adding a new section to chapter 41.40 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 41.32 RCW  
6 under the subchapter heading "Plan 1" to read as follows:

7 A member may make the irrevocable election under this section no  
8 later than six months after attaining thirty years of service. The  
9 election shall become effective at the beginning of the calendar month  
10 following department receipt of employee notification.

11 (1) The sum of future member contributions plus interest as  
12 determined by the director shall be paid to the member at retirement  
13 without a reduction in the member's monthly retirement benefit as  
14 determined under RCW 41.32.498.

15 (2) Upon retirement, the member's benefit shall be calculated using  
16 only the earnable compensation credited prior to the effective date of  
17 the member's election. Calculation of the member's average earnable  
18 compensation shall include eligible cash-outs of sick and annual leave  
19 based on the member's salary and leave accumulations at the time of

1 retirement, except that the amount of a member's average earnable  
2 compensation cannot be higher than if the member had not taken  
3 advantage of the election offered under this section.

4 (3) Members who have already earned thirty years of service credit  
5 prior to the effective date of this act may participate in the election  
6 by notifying the department in writing of their intention by December  
7 31, 1999.

8 The department shall continue to collect employer contributions as  
9 required in RCW 41.45.060.

10 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.40 RCW  
11 under the subchapter heading "Plan 1" to read as follows:

12 A member may make the irrevocable election under this section no  
13 later than six months after attaining thirty years of service. The  
14 election shall become effective at the beginning of the calendar month  
15 following department receipt of employee notification.

16 (1) The sum of future member contributions plus interest as  
17 determined by the director shall be paid to the member at retirement  
18 without a reduction in the member's monthly retirement benefit as  
19 determined under RCW 41.40.185.

20 (2) Upon retirement, the member's benefit shall be calculated using  
21 only the earnable compensation credited prior to the effective date of  
22 the member's election. Calculation of the member's average final  
23 compensation shall include eligible cash-outs of sick and annual leave  
24 based on the member's salary and leave accumulations at the time of  
25 retirement, except that the amount of a member's average final  
26 compensation cannot be higher than if the member had not taken  
27 advantage of the election offered under this section.

28 (3) Members who have already earned thirty years of service credit  
29 prior to the effective date of this act may participate in the election  
30 by notifying the department in writing of their intention by December  
31 31, 1999.

32 The department shall continue to collect employer contributions as  
33 required in RCW 41.45.060.

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