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SENATE BILL 5732

State of Washington 56th Legislature 1999 Regular Session

By Senators Goings, Winsley, T. Sheldon, Honeyford, Eide, Fairley, Kline, Franklin, Prentice, Heavey, Roach, Costa, Gardner, Oke, Rasmussen and Kohl-Welles

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- 1 AN ACT Relating to admitting law enforcement officers of the
- 2 department of fish and wildlife into the law enforcement officers' and
- 3 fire fighters' retirement system; reenacting and amending RCW
- 4 41.26.030; and creating a new section.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** (1) An employee who was a member of the
- 7 public employees' retirement system on or before January 1, 1999, and,
- 8 on the effective date of this act, is employed by the department of
- 9 fish and wildlife as a law enforcement officer as defined in RCW
- 10 41.26.030, has the following options:
- 11 (a) Remain a member of the public employees' retirement system; or
- 12 (b) Make an irrevocable choice, filed in writing with the
- 13 department of retirement systems no later than January 1, 2000, to
- 14 transfer to the law enforcement officers' and fire fighters' retirement
- 15 system plan 2 as defined in RCW 41.26.030. An employee transferring
- 16 membership under this subsection (1)(b) shall be a dual member as
- 17 provided in RCW 41.54.010 unless the employee exercises the option to
- 18 transfer service credit under subsection (2) of this section.

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(2)(a) An employee who transferred membership under subsection (1)(b) of this section may choose to transfer service credit as a law enforcement officer previously earned under the public employees' retirement system, to the law enforcement officers' and fire fighters' retirement system plan 2, by making an irrevocable choice filed in writing with the department of retirement systems within one year of the department's announcement of the ability to make such a transfer.

- (b) Any law enforcement officer choosing to transfer under this subsection shall have transferred from the retirement system to the law enforcement officers' and fire fighters' retirement system plan 2: (i) All the employee's applicable accumulated contributions and employer contributions attributed to such employee; and (ii) all applicable months of service, as defined in RCW 41.26.030(14)(b), credited to the employee under chapter 41.40 RCW, as though such service was rendered as a member of the law enforcement officers' and fire fighters' retirement system.
- (c) For the applicable period of service, the employee shall pay the difference between the contributions such employee paid to the retirement system, and the contributions which would have been paid by the employee had the employee been a member of the law enforcement officers' and fire fighters' retirement system, plus interest as determined by the director. This payment shall be made no later than December 31, 2005, or the date of retirement, whichever comes first. If the payment required by this subsection is not paid in full by the deadline, the transferred service credit shall not be used to determine eligibility for benefits nor to calculate benefits under the law enforcement officers' and fire fighters' retirement system. In such case, the additional employee contributions transferred under this subsection, and any payments made under this subsection, shall be refunded to the employee and the employer shall be entitled to a credit for the payments made under (d) of this subsection.
 - (d) For the applicable period of service, the employer shall pay:
- (i) The difference between the employer contributions paid to the public employees' retirement system, and the combined employer and state contributions which would have been payable to the law enforcement officers' and fire fighters' retirement system; and
- (ii) An amount sufficient to ensure that the contribution level of current members of the law enforcement officers' and fire fighters' retirement system will not increase due to this transfer.

- For the purpose of this subsection (2)(d), the state contribution shall not include the contribution related to the amortization of the costs of the law enforcement officers' and fire fighters' retirement system plan 1 as required by chapter 41.45 RCW.
- (e) An individual who transfers service credit and contributions under this subsection shall be permanently excluded from the public employees' retirement system for all service as a law enforcement officer.
- 9 **Sec. 2.** RCW 41.26.030 and 1996 c 178 s 11 and 1996 c 38 s 2 are 10 each reenacted and amended to read as follows:
- 11 As used in this chapter, unless a different meaning is plainly 12 required by the context:
- 13 (1) "Retirement system" means the "Washington law enforcement 14 officers' and fire fighters' retirement system" provided herein.
- (2)(a) "Employer" for plan 1 members, means the legislative 15 16 authority of any city, town, county, or district or the elected officials of any municipal corporation that employs any law enforcement 17 18 officer and/or fire fighter, any authorized association of such municipalities, and, except for the purposes of RCW 41.26.150, any 19 labor guild, association, or organization, which represents the fire 20 fighters or law enforcement officers of at least seven cities of over 21 20,000 population and the membership of each local lodge or division of 22 23 which is composed of at least sixty percent law enforcement officers or 24 fire fighters as defined in this chapter.
- (b) "Employer" for plan 2 members, means the following entities to the extent that the entity employs any law enforcement officer and/or fire fighter:
- 28 (i) The legislative authority of any city, town, county, or 29 district;
- 30 (ii) The elected officials of any municipal corporation;
- 31 (iii) The governing body of any other general authority law 32 enforcement agency; ((or))
- (iv) A four-year institution of higher education having a fully operational fire department as of January 1, 1996; or
- 35 <u>(v) The department of fish and wildlife</u>.
- 36 (3) "Law enforcement officer" beginning January 1, 1994, means any 37 person who is commissioned and employed by an employer on a full time,

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- 1 fully compensated basis to enforce the criminal laws of the state of 2 Washington generally, 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;
- (d) The term "law enforcement officer" also includes the executive secretary of a labor guild, association or organization (which is an employer under RCW 41.26.030(2)) if that individual has five years previous membership in the retirement system established in chapter 41.20 RCW. The provisions of this subsection (3)(d) shall not apply to plan 2 members; ((and))
 - (e) The term "law enforcement officer" also includes a person employed on or after January 1, 1993, as a public safety officer or director of public safety, so long as the job duties substantially involve only either police or fire duties, or both, and no other duties in a city or town with a population of less than ten thousand. The provisions of this subsection (3)(e) shall not apply to any public safety officer or director of public safety who is receiving a retirement allowance under this chapter as of May 12, 1993; and
- (f) The term "law enforcement officer" also includes a person
 employed on or after the effective date of this act by the department
 of fish and wildlife as a fish and wildlife enforcement officer.
 - (4) "Fire fighter" means:

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36 (a) Any person who is serving on a full time, fully compensated 37 basis as a member of a fire department of an employer and who is 38 serving in a position which requires passing a civil service 39 examination for fire fighter, and who is actively employed as such;

- 1 (b) Anyone who is actively employed as a full time fire fighter 2 where the fire department does not have a civil service examination;
 - (c) Supervisory fire fighter personnel;

- 4 (d) Any full time executive secretary of an association of fire 5 protection districts authorized under RCW 52.12.031. The provisions of 6 this subsection (4)(d) shall not apply to plan 2 members;
- 7 (e) The executive secretary of a labor guild, association or 8 organization (which is an employer under RCW 41.26.030(2) as now or 9 hereafter amended), if such individual has five years previous 10 membership in a retirement system established in chapter 41.16 or 41.18 11 RCW. The provisions of this subsection (4)(e) shall not apply to plan 12 2 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 making retirement contributions under the provisions of chapter 41.16 or 41.18 RCW.
- 21 (5) "Department" means the department of retirement systems created 22 in chapter 41.50 RCW.
- 23 (6) "Surviving spouse" means the surviving widow or widower of a 24 member. "Surviving spouse" shall not include the divorced spouse of a 25 member except as provided in RCW 41.26.162.
- (7)(a) "Child" or "children" means an unmarried person who is under the age of eighteen or mentally or physically handicapped as determined by the department, except a handicapped person in the full time care of a state institution, who is:
- 30 (i) A natural born child;
- 31 (ii) A stepchild where that relationship was in existence prior to 32 the date benefits are payable under this chapter;
- 33 (iii) A posthumous child;
- (iv) A child legally adopted or made a legal ward of a member prior to the date benefits are payable under this chapter; or
- 36 (v) An illegitimate child legitimized prior to the date any 37 benefits are payable under this chapter.
- 38 (b) A person shall also be deemed to be a child up to and including 39 the age of twenty years and eleven months while attending any high

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- 1 school, college, or vocational or other educational institution
- 2 accredited, licensed, or approved by the state, in which it is located,
- 3 including the summer vacation months and all other normal and regular
- 4 vacation periods at the particular educational institution after which
- 5 the child returns to school.
- 6 (8) "Member" means any fire fighter, law enforcement officer, or
- 7 other person as would apply under subsections (3) or (4) of this
- 8 section whose membership is transferred to the Washington law
- 9 enforcement officers' and fire fighters' retirement system on or after
- 10 March 1, 1970, and every law enforcement officer and fire fighter who
- 11 is employed in that capacity on or after such date.
- 12 (9) "Retirement fund" means the "Washington law enforcement
- 13 officers' and fire fighters' retirement system fund" as provided for
- 14 herein.

- 15 (10) "Employee" means any law enforcement officer or fire fighter
- 16 as defined in subsections (3) and (4) of this section.
- 17 (11)(a) "Beneficiary" for plan 1 members, means any person in
- 18 receipt of a retirement allowance, disability allowance, death benefit,
- 19 or any other benefit described herein.
- 20 (b) "Beneficiary" for plan 2 members, means any person in receipt
- 21 of a retirement allowance or other benefit provided by this chapter
- 22 resulting from service rendered to an employer by another person.
- 23 (12)(a) "Final average salary" for plan 1 members, means (i) for a
- 24 member holding the same position or rank for a minimum of twelve months
- 25 preceding the date of retirement, the basic salary attached to such
- 26 same position or rank at time of retirement; (ii) for any other member,
- 27 including a civil service member who has not served a minimum of twelve
- 28 months in the same position or rank preceding the date of retirement,
- 29 the average of the greatest basic salaries payable to such member
- 30 during any consecutive twenty-four month period within such member's
- 31 last ten years of service for which service credit is allowed, computed
- 32 by dividing the total basic salaries payable to such member during the

selected twenty-four month period by twenty-four; (iii) in the case of

- 34 disability of any member, the basic salary payable to such member at
- 35 the time of disability retirement; (iv) in the case of a member who
- 36 hereafter vests pursuant to RCW 41.26.090, the basic salary payable to
- 37 such member at the time of vesting.
- 38 (b) "Final average salary" for plan 2 members, means the monthly
- 39 average of the member's basic salary for the highest consecutive sixty

service credit months of service prior to such member's retirement, termination, or death. Periods constituting authorized unpaid leaves of absence may not be used in the calculation of final average salary.

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- (13)(a) "Basic salary" for plan 1 members, means the basic monthly rate of salary or wages, including longevity pay but not including overtime earnings or special salary or wages, upon which pension or retirement benefits will be computed and upon which employer contributions and salary deductions will be based.
- 9 (b) "Basic salary" for plan 2 members, means salaries or wages 10 earned by a member during a payroll period for personal services, including overtime payments, and shall include wages and salaries 11 deferred under provisions established pursuant to sections 403(b), 12 414(h), and 457 of the United States Internal Revenue Code, but shall 13 exclude lump sum payments for deferred annual sick leave, unused 14 15 accumulated vacation, unused accumulated annual leave, or any form of 16 severance pay. In any year in which a member serves in the legislature 17 the member shall have the option of having such member's basic salary be the greater of: 18
- 19 (i) The basic salary the member would have received had such member 20 not served in the legislature; or
 - (ii) Such member's actual basic salary received for nonlegislative public employment and legislative service combined. Any additional contributions to the retirement system required because basic salary under (b)(i) of this subsection is greater than basic salary under (b)(ii) of this subsection shall be paid by the member for both member and employer contributions.
- (14)(a) "Service" for plan 1 members, means all periods of 27 28 employment for an employer as a fire fighter or law enforcement 29 officer, for which compensation is paid, together with periods of 30 suspension not exceeding thirty days in duration. For the purposes of 31 this chapter service shall also include service in the armed forces of the United States as provided in RCW 41.26.190. Credit shall be 32 allowed for all service credit months of service rendered by a member 33 34 from and after the member's initial commencement of employment as a fire fighter or law enforcement officer, during which the member worked 35 for seventy or more hours, or was on disability leave or disability 36 37 retirement. Only service credit months of service shall be counted in the computation of any retirement allowance or other benefit provided 38 39 for in this chapter.

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- (i) For members retiring after May 21, 1971 who were employed under 1 2 the coverage of a prior pension act before March 1, 1970, "service" shall also include (A) such military service not exceeding five years 3 4 as was creditable to the member as of March 1, 1970, under the member's particular prior pension act, and (B) such other periods of service as 5 were then creditable to a particular member under the provisions of RCW 6 7 41.18.165, 41.20.160 or 41.20.170. However, in no event shall credit 8 be allowed for any service rendered prior to March 1, 1970, where the 9 member at the time of rendition of such service was employed in a position covered by a prior pension act, unless such service, at the 10 time credit is claimed therefor, is also creditable under the 11 provisions of such prior act. 12
- (ii) A member who is employed by two employers at the same time shall only be credited with service to one such employer for any month during which the member rendered such dual service.
 - (b) "Service" for plan 2 members, means periods of employment by a member for one or more employers for which basic salary is earned for ninety or more hours per calendar month which shall constitute a service credit month. Periods of employment by a member for one or more employers for which basic salary is earned for at least seventy hours but less than ninety hours per calendar month shall constitute one-half service credit month. Periods of employment by a member for one or more employers for which basic salary is earned for less than seventy hours shall constitute a one-quarter service credit month.

Members of the retirement system who are elected or appointed to a state elective position may elect to continue to be members of this 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 month's service credit during any calendar month in which multiple service for ninety or more hours is rendered; or one-half service credit month's service credit during any calendar month in which multiple service for at least seventy hours but less than ninety hours is rendered; or one-quarter service credit month during any calendar

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- month in which multiple service for less than seventy hours is 1 2 rendered.
- 3 (15) "Accumulated contributions" means the employee's contributions 4 made by a member, including any amount paid under RCW 41.50.165(2), plus accrued interest credited thereon. 5

- (16) "Actuarial reserve" means a method of financing a pension or 7 retirement plan wherein reserves are accumulated as the liabilities for 8 benefit payments are incurred in order that sufficient funds will be 9 available on the date of retirement of each member to pay the member's 10 future benefits during the period of retirement.
- (17) "Actuarial valuation" means a mathematical determination of 11 the financial condition of a retirement plan. It includes the 12 13 computation of the present monetary value of benefits payable to present members, and the present monetary value of future employer and 14 15 employee contributions, giving effect to mortality among active and 16 retired members and also to the rates of disability, retirement, 17 withdrawal from service, salary and interest earned on investments.
- (18) "Disability board" for plan 1 members means either the county 18 19 disability board or the city disability board established in RCW 41.26.110. 20
- (19) "Disability leave" means the period of six months or any 21 portion thereof during which a member is on leave at an allowance equal 22 23 to the member's full salary prior to the commencement of disability 24 retirement. The definition contained in this subsection shall apply 25 only to plan 1 members.
- 26 (20) "Disability retirement" for plan 1 members, means the period 27 following termination of a member's disability leave, during which the member is in receipt of a disability retirement allowance. 28
- 29 (21) "Position" means the employment held at any particular time, 30 which may or may not be the same as civil service rank.
- (22) "Medical services" for plan 1 members, shall include the 31 following as minimum services to be provided. Reasonable charges for 32 these services shall be paid in accordance with RCW 41.26.150. 33
- 34 (a) Hospital expenses: These are the charges made by a hospital, 35 in its own behalf, for
- (i) Board and room not to exceed semiprivate room rate unless 36 37 private room is required by the attending physician due to the condition of the patient. 38

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- 1 (ii) Necessary hospital services, other than board and room, 2 furnished by the hospital.
- 3 (b) Other medical expenses: The following charges are considered 4 "other medical expenses", provided that they have not been considered 5 as "hospital expenses".
 - (i) The fees of the following:

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- 7 (A) A physician or surgeon licensed under the provisions of chapter 8 18.71 RCW;
- 9 (B) An osteopathic physician and surgeon licensed under the 10 provisions of chapter 18.57 RCW;
- 11 (C) A chiropractor licensed under the provisions of chapter 18.25 12 RCW.
- (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.
- 16 (iii) The charges for the following medical services and supplies:
- 17 (A) Drugs and medicines upon a physician's prescription;
- 18 (B) Diagnostic x-ray and laboratory examinations;
 - (C) X-ray, radium, and radioactive isotopes therapy;
- 20 (D) Anesthesia and oxygen;
- 21 (E) Rental of iron lung and other durable medical and surgical 22 equipment;
 - (F) Artificial limbs and eyes, and casts, splints, and trusses;
- (G) Professional ambulance service when used to transport the member to or from a hospital when injured by an accident or stricken by a disease;
- 27 (H) Dental charges incurred by a member who sustains an accidental 28 injury to his or her teeth and who commences treatment by a legally 29 licensed dentist within ninety days after the accident;
- 30 (I) Nursing home confinement or hospital extended care facility;
- 31 (J) Physical therapy by a registered physical therapist;
- 32 (K) Blood transfusions, including the cost of blood and blood 33 plasma not replaced by voluntary donors;
- 34 (L) An optometrist licensed under the provisions of chapter 18.53 35 RCW.
- 36 (23) "Regular interest" means such rate as the director may 37 determine.
- 38 (24) "Retiree" for persons who establish membership in the 39 retirement system on or after October 1, 1977, means any member in

1 receipt of a retirement allowance or other benefit provided by this 2 chapter resulting from service rendered to an employer by such member.

(25) "Director" means the director of the department.

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- 4 (26) "State actuary" or "actuary" means the person appointed 5 pursuant to RCW 44.44.010(2).
- 6 (27) "State elective position" means any position held by any 7 person elected or appointed to state-wide office or elected or 8 appointed as a member of the legislature.
- 9 (28) "Plan 1" means the law enforcement officers' and fire 10 fighters' retirement system, plan 1 providing the benefits and funding 11 provisions covering persons who first became members of the system 12 prior to October 1, 1977.
- 13 (29) "Plan 2" means the law enforcement officers' and fire 14 fighters' retirement system, plan 2 providing the benefits and funding 15 provisions covering persons who first became members of the system on 16 and after October 1, 1977.
- 17 (30) "Service credit year" means an accumulation of months of 18 service credit which is equal to one when divided by twelve.
- 19 (31) "Service credit month" means a full service credit month or an 20 accumulation of partial service credit months that are equal to one.
 - (32) "General authority law enforcement agency" means any agency, department, or division of a municipal corporation, political subdivision, or other unit of local government of this state, and any agency, department, or division of state government, having as its primary function the detection and apprehension of persons committing infractions or violating the traffic or criminal laws in general, but not including the Washington state patrol. Such an agency, department, or division is distinguished from a limited authority law enforcement agency having as one of its functions the apprehension or detection of persons committing infractions or violating the traffic or criminal laws relating to limited subject areas, including but not limited to, the state departments of natural resources((, fish and wildlife,)) and social and health services, the state gambling commission, the state lottery commission, the state parks and recreation commission, the state utilities and transportation commission, the state liquor control

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board, and the state department of corrections.

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