
SENATE BILL 6762

State of Washington

56th Legislature

2000 Regular Session

By Senators Fraser and Rasmussen

Read first time 01/26/2000. Referred to Committee on Ways & Means.

1 AN ACT Relating to clarifying retirement provisions with respect to
2 employees that provide both police and fire duties; amending RCW
3 41.26.450; and reenacting and amending RCW 41.26.030.

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

5 **Sec. 1.** RCW 41.26.030 and 1996 c 178 s 11 and 1996 c 38 s 2 are
6 each reenacted and amended to read as follows:

7 As used in this chapter, unless a different meaning is plainly
8 required by the context:

9 (1) "Retirement system" means the "Washington law enforcement
10 officers' and fire fighters' retirement system" provided herein.

11 (2)(a) "Employer" for plan I members, means the legislative
12 authority of any city, town, county, or district or the elected
13 officials of any municipal corporation that employs any law enforcement
14 officer and/or fire fighter, any authorized association of such
15 municipalities, and, except for the purposes of RCW 41.26.150, any
16 labor guild, association, or organization, which represents the fire
17 fighters or law enforcement officers of at least seven cities of over
18 20,000 population and the membership of each local lodge or division of

1 which is composed of at least sixty percent law enforcement officers or
2 fire fighters as defined in this chapter.

3 (b) "Employer" for plan II members, means the following entities to
4 the extent that the entity employs any law enforcement officer and/or
5 fire fighter:

6 (i) The legislative authority of any city, town, county, or
7 district;

8 (ii) The elected officials of any municipal corporation;

9 (iii) The governing body of any other general authority law
10 enforcement agency; or

11 (iv) A four-year institution of higher education having a fully
12 operational fire department as of January 1, 1996.

13 (3) "Law enforcement officer" beginning January 1, 1994, means any
14 person who is commissioned and employed by an employer on a full time,
15 fully compensated basis to enforce the criminal laws of the state of
16 Washington generally, with the following qualifications:

17 (a) No person who is serving in a position that is basically
18 clerical or secretarial in nature, and who is not commissioned shall be
19 considered a law enforcement officer;

20 (b) Only those deputy sheriffs, including those serving under a
21 different title pursuant to county charter, who have successfully
22 completed a civil service examination for deputy sheriff or the
23 equivalent position, where a different title is used, and those persons
24 serving in unclassified positions authorized by RCW 41.14.070 except a
25 private secretary will be considered law enforcement officers;

26 (c) Only such full time commissioned law enforcement personnel as
27 have been appointed to offices, positions, or ranks in the police
28 department which have been specifically created or otherwise expressly
29 provided for and designated by city charter provision or by ordinance
30 enacted by the legislative body of the city shall be considered city
31 police officers;

32 (d) The term "law enforcement officer" also includes the executive
33 secretary of a labor guild, association or organization (which is an
34 employer under RCW 41.26.030(2)) if that individual has five years
35 previous membership in the retirement system established in chapter
36 41.20 RCW. The provisions of this subsection (3)(d) shall not apply to
37 plan II members; and

38 (e) The term "law enforcement officer" also includes a person
39 employed on or after January 1, 1993, as a public safety officer or

1 director of public safety, so long as the job duties substantially
2 involve only either police or fire duties, or both, and no other duties
3 in a city or town with a population of less than ten thousand. The
4 provisions of this subsection (3)(e) shall not apply to any public
5 safety officer or director of public safety who is receiving a
6 retirement allowance under this chapter as of May 12, 1993; and

7 (f) A person who otherwise meets the definition of "law enforcement
8 officer" and who performs law enforcement duties at an international
9 airport operated by a county with a population greater than one million
10 shall not be excluded from membership because his or her duties also
11 include fire duties.

12 (4) "Fire fighter" means:

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

17 (b) Anyone who is actively employed as a full time fire fighter
18 where the fire department does not have a civil service examination;

19 (c) Supervisory fire fighter personnel;

20 (d) Any full time executive secretary of an association of fire
21 protection districts authorized under RCW 52.12.031. The provisions of
22 this subsection (4)(d) shall not apply to plan II members;

23 (e) The executive secretary of a labor guild, association or
24 organization (which is an employer under RCW 41.26.030(2) as now or
25 hereafter amended), if such individual has five years previous
26 membership in a retirement system established in chapter 41.16 or 41.18
27 RCW. The provisions of this subsection (4)(e) shall not apply to plan
28 II members;

29 (f) Any person who is serving on a full time, fully compensated
30 basis for an employer, as a fire dispatcher, in a department in which,
31 on March 1, 1970, a dispatcher was required to have passed a civil
32 service examination for fire fighter; and

33 (g) Any person who on March 1, 1970, was employed on a full time,
34 fully compensated basis by an employer, and who on May 21, 1971, was
35 making retirement contributions under the provisions of chapter 41.16
36 or 41.18 RCW.

37 (5) "Department" means the department of retirement systems created
38 in chapter 41.50 RCW.

1 (6) "Surviving spouse" means the surviving widow or widower of a
2 member. "Surviving spouse" shall not include the divorced spouse of a
3 member except as provided in RCW 41.26.162.

4 (7)(a) "Child" or "children" means an unmarried person who is under
5 the age of eighteen or mentally or physically handicapped as determined
6 by the department, except a handicapped person in the full time care of
7 a state institution, who is:

8 (i) A natural born child;

9 (ii) A stepchild where that relationship was in existence prior to
10 the date benefits are payable under this chapter;

11 (iii) A posthumous child;

12 (iv) A child legally adopted or made a legal ward of a member prior
13 to the date benefits are payable under this chapter; or

14 (v) An illegitimate child legitimized prior to the date any
15 benefits are payable under this chapter.

16 (b) A person shall also be deemed to be a child up to and including
17 the age of twenty years and eleven months while attending any high
18 school, college, or vocational or other educational institution
19 accredited, licensed, or approved by the state, in which it is located,
20 including the summer vacation months and all other normal and regular
21 vacation periods at the particular educational institution after which
22 the child returns to school.

23 (8) "Member" means any fire fighter, law enforcement officer, or
24 other person as would apply under subsections (3) or (4) of this
25 section whose membership is transferred to the Washington law
26 enforcement officers' and fire fighters' retirement system on or after
27 March 1, 1970, and every law enforcement officer and fire fighter who
28 is employed in that capacity on or after such date.

29 (9) "Retirement fund" means the "Washington law enforcement
30 officers' and fire fighters' retirement system fund" as provided for
31 herein.

32 (10) "Employee" means any law enforcement officer or fire fighter
33 as defined in subsections (3) and (4) of this section.

34 (11)(a) "Beneficiary" for plan I members, means any person in
35 receipt of a retirement allowance, disability allowance, death benefit,
36 or any other benefit described herein.

37 (b) "Beneficiary" for plan II members, means any person in receipt
38 of a retirement allowance or other benefit provided by this chapter
39 resulting from service rendered to an employer by another person.

1 (12)(a) "Final average salary" for plan I members, means (i) for a
2 member holding the same position or rank for a minimum of twelve months
3 preceding the date of retirement, the basic salary attached to such
4 same position or rank at time of retirement; (ii) for any other member,
5 including a civil service member who has not served a minimum of twelve
6 months in the same position or rank preceding the date of retirement,
7 the average of the greatest basic salaries payable to such member
8 during any consecutive twenty-four month period within such member's
9 last ten years of service for which service credit is allowed, computed
10 by dividing the total basic salaries payable to such member during the
11 selected twenty-four month period by twenty-four; (iii) in the case of
12 disability of any member, the basic salary payable to such member at
13 the time of disability retirement; (iv) in the case of a member who
14 hereafter vests pursuant to RCW 41.26.090, the basic salary payable to
15 such member at the time of vesting.

16 (b) "Final average salary" for plan II members, means the monthly
17 average of the member's basic salary for the highest consecutive sixty
18 service credit months of service prior to such member's retirement,
19 termination, or death. Periods constituting authorized unpaid leaves
20 of absence may not be used in the calculation of final average salary.

21 (13)(a) "Basic salary" for plan I members, means the basic monthly
22 rate of salary or wages, including longevity pay but not including
23 overtime earnings or special salary or wages, upon which pension or
24 retirement benefits will be computed and upon which employer
25 contributions and salary deductions will be based.

26 (b) "Basic salary" for plan II members, means salaries or wages
27 earned by a member during a payroll period for personal services,
28 including overtime payments, and shall include wages and salaries
29 deferred under provisions established pursuant to sections 403(b),
30 414(h), and 457 of the United States Internal Revenue Code, but shall
31 exclude lump sum payments for deferred annual sick leave, unused
32 accumulated vacation, unused accumulated annual leave, or any form of
33 severance pay. In any year in which a member serves in the legislature
34 the member shall have the option of having such member's basic salary
35 be the greater of:

36 (i) The basic salary the member would have received had such member
37 not served in the legislature; or

38 (ii) Such member's actual basic salary received for nonlegislative
39 public employment and legislative service combined. Any additional

1 contributions to the retirement system required because basic salary
2 under (b)(i) of this subsection is greater than basic salary under
3 (b)(ii) of this subsection shall be paid by the member for both member
4 and employer contributions.

5 (14)(a) "Service" for plan I members, means all periods of
6 employment for an employer as a fire fighter or law enforcement
7 officer, for which compensation is paid, together with periods of
8 suspension not exceeding thirty days in duration. For the purposes of
9 this chapter service shall also include service in the armed forces of
10 the United States as provided in RCW 41.26.190. Credit shall be
11 allowed for all service credit months of service rendered by a member
12 from and after the member's initial commencement of employment as a
13 fire fighter or law enforcement officer, during which the member worked
14 for seventy or more hours, or was on disability leave or disability
15 retirement. Only service credit months of service shall be counted in
16 the computation of any retirement allowance or other benefit provided
17 for in this chapter.

18 (i) For members retiring after May 21, 1971 who were employed under
19 the coverage of a prior pension act before March 1, 1970, "service"
20 shall also include (A) such military service not exceeding five years
21 as was creditable to the member as of March 1, 1970, under the member's
22 particular prior pension act, and (B) such other periods of service as
23 were then creditable to a particular member under the provisions of RCW
24 41.18.165, 41.20.160 or 41.20.170. However, in no event shall credit
25 be allowed for any service rendered prior to March 1, 1970, where the
26 member at the time of rendition of such service was employed in a
27 position covered by a prior pension act, unless such service, at the
28 time credit is claimed therefor, is also creditable under the
29 provisions of such prior act.

30 (ii) A member who is employed by two employers at the same time
31 shall only be credited with service to one such employer for any month
32 during which the member rendered such dual service.

33 (b) "Service" for plan II members, means periods of employment by
34 a member for one or more employers for which basic salary is earned for
35 ninety or more hours per calendar month which shall constitute a
36 service credit month. Periods of employment by a member for one or
37 more employers for which basic salary is earned for at least seventy
38 hours but less than ninety hours per calendar month shall constitute
39 one-half service credit month. Periods of employment by a member for

1 one or more employers for which basic salary is earned for less than
2 seventy hours shall constitute a one-quarter service credit month.

3 Members of the retirement system who are elected or appointed to a
4 state elective position may elect to continue to be members of this
5 retirement system.

6 Service credit years of service shall be determined by dividing the
7 total number of service credit months of service by twelve. Any
8 fraction of a service credit year of service as so determined shall be
9 taken into account in the computation of such retirement allowance or
10 benefits.

11 If a member receives basic salary from two or more employers during
12 any calendar month, the individual shall receive one service credit
13 month's service credit during any calendar month in which multiple
14 service for ninety or more hours is rendered; or one-half service
15 credit month's service credit during any calendar month in which
16 multiple service for at least seventy hours but less than ninety hours
17 is rendered; or one-quarter service credit month during any calendar
18 month in which multiple service for less than seventy hours is
19 rendered.

20 (15) "Accumulated contributions" means the employee's contributions
21 made by a member, including any amount paid under RCW 41.50.165(2),
22 plus accrued interest credited thereon.

23 (16) "Actuarial reserve" means a method of financing a pension or
24 retirement plan wherein reserves are accumulated as the liabilities for
25 benefit payments are incurred in order that sufficient funds will be
26 available on the date of retirement of each member to pay the member's
27 future benefits during the period of retirement.

28 (17) "Actuarial valuation" means a mathematical determination of
29 the financial condition of a retirement plan. It includes the
30 computation of the present monetary value of benefits payable to
31 present members, and the present monetary value of future employer and
32 employee contributions, giving effect to mortality among active and
33 retired members and also to the rates of disability, retirement,
34 withdrawal from service, salary and interest earned on investments.

35 (18) "Disability board" for plan I members means either the county
36 disability board or the city disability board established in RCW
37 41.26.110.

38 (19) "Disability leave" means the period of six months or any
39 portion thereof during which a member is on leave at an allowance equal

1 to the member's full salary prior to the commencement of disability
2 retirement. The definition contained in this subsection shall apply
3 only to plan I members.

4 (20) "Disability retirement" for plan I members, means the period
5 following termination of a member's disability leave, during which the
6 member is in receipt of a disability retirement allowance.

7 (21) "Position" means the employment held at any particular time,
8 which may or may not be the same as civil service rank.

9 (22) "Medical services" for plan I members, shall include the
10 following as minimum services to be provided. Reasonable charges for
11 these services shall be paid in accordance with RCW 41.26.150.

12 (a) Hospital expenses: These are the charges made by a hospital,
13 in its own behalf, for

14 (i) Board and room not to exceed semiprivate room rate unless
15 private room is required by the attending physician due to the
16 condition of the patient.

17 (ii) Necessary hospital services, other than board and room,
18 furnished by the hospital.

19 (b) Other medical expenses: The following charges are considered
20 "other medical expenses", provided that they have not been considered
21 as "hospital expenses".

22 (i) The fees of the following:

23 (A) A physician or surgeon licensed under the provisions of chapter
24 18.71 RCW;

25 (B) An osteopathic physician and surgeon licensed under the
26 provisions of chapter 18.57 RCW;

27 (C) A chiropractor licensed under the provisions of chapter 18.25
28 RCW.

29 (ii) The charges of a registered graduate nurse other than a nurse
30 who ordinarily resides in the member's home, or is a member of the
31 family of either the member or the member's spouse.

32 (iii) The charges for the following medical services and supplies:

33 (A) Drugs and medicines upon a physician's prescription;

34 (B) Diagnostic x-ray and laboratory examinations;

35 (C) X-ray, radium, and radioactive isotopes therapy;

36 (D) Anesthesia and oxygen;

37 (E) Rental of iron lung and other durable medical and surgical
38 equipment;

39 (F) Artificial limbs and eyes, and casts, splints, and trusses;

1 (G) Professional ambulance service when used to transport the
2 member to or from a hospital when injured by an accident or stricken by
3 a disease;

4 (H) Dental charges incurred by a member who sustains an accidental
5 injury to his or her teeth and who commences treatment by a legally
6 licensed dentist within ninety days after the accident;

7 (I) Nursing home confinement or hospital extended care facility;

8 (J) Physical therapy by a registered physical therapist;

9 (K) Blood transfusions, including the cost of blood and blood
10 plasma not replaced by voluntary donors;

11 (L) An optometrist licensed under the provisions of chapter 18.53
12 RCW.

13 (23) "Regular interest" means such rate as the director may
14 determine.

15 (24) "Retiree" for persons who establish membership in the
16 retirement system on or after October 1, 1977, means any member in
17 receipt of a retirement allowance or other benefit provided by this
18 chapter resulting from service rendered to an employer by such member.

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

20 (26) "State actuary" or "actuary" means the person appointed
21 pursuant to RCW 44.44.010(2).

22 (27) "State elective position" means any position held by any
23 person elected or appointed to state-wide office or elected or
24 appointed as a member of the legislature.

25 (28) "Plan I" means the law enforcement officers' and fire
26 fighters' retirement system, plan I providing the benefits and funding
27 provisions covering persons who first became members of the system
28 prior to October 1, 1977.

29 (29) "Plan II" means the law enforcement officers' and fire
30 fighters' retirement system, plan II providing the benefits and funding
31 provisions covering persons who first became members of the system on
32 and after October 1, 1977.

33 (30) "Service credit year" means an accumulation of months of
34 service credit which is equal to one when divided by twelve.

35 (31) "Service credit month" means a full service credit month or an
36 accumulation of partial service credit months that are equal to one.

37 (32) "General authority law enforcement agency" means any agency,
38 department, or division of a municipal corporation, political
39 subdivision, or other unit of local government of this state, and any

1 agency, department, or division of state government, having as its
2 primary function the detection and apprehension of persons committing
3 infractions or violating the traffic or criminal laws in general, but
4 not including the Washington state patrol. Such an agency, department,
5 or division is distinguished from a limited authority law enforcement
6 agency having as one of its functions the apprehension or detection of
7 persons committing infractions or violating the traffic or criminal
8 laws relating to limited subject areas, including but not limited to,
9 the state departments of natural resources, fish and wildlife, and
10 social and health services, the state gambling commission, the state
11 lottery commission, the state parks and recreation commission, the
12 state utilities and transportation commission, the state liquor control
13 board, and the state department of corrections.

14 **Sec. 2.** RCW 41.26.450 and 1996 c 38 s 3 are each amended to read
15 as follows:

16 (1) The required contribution rates to the plan II system for
17 members, employers, and the state of Washington shall be established by
18 the director from time to time as may be necessary upon the advice of
19 the state actuary. The state actuary shall use the aggregate actuarial
20 cost method to calculate contribution rates.

21 (2) Except as provided in subsection (3) of this section, the
22 member, the employer and the state shall each contribute the following
23 shares of the cost of the retirement system:

24	Member	50%
25	Employer	30%
26	State	20%

27 (3) Port districts established under Title 53 RCW, counties of
28 greater than one million population which operate an international
29 airport, only for those airport employees who provide both police and
30 fire duties, and institutions of higher education as defined in RCW
31 28B.10.016 shall contribute both the employer and state shares of the
32 cost of the retirement system for any of their employees who are law
33 enforcement officers. Institutions of higher education shall
34 contribute both the employer and the state shares of the cost of the
35 retirement system for any of their employees who are fire fighters.

1 (4) Effective January 1, 1987, however, no member or employer
2 contributions are required for any calendar month in which the member
3 is not granted service credit.

4 (5) Any adjustments in contribution rates required from time to
5 time for future costs shall likewise be shared proportionally by the
6 members, employers, and the state.

7 (6) Any increase in the contribution rate required as the result of
8 a failure of the state or of an employer to make any contribution
9 required by this section shall be borne in full by the state or by that
10 employer not making the contribution.

11 (7) The director shall notify all employers of any pending
12 adjustment in the required contribution rate and such increase shall be
13 announced at least thirty days prior to the effective date of the
14 change.

15 (8) Members' contributions required by this section shall be
16 deducted from the members basic salary each payroll period. The
17 members contribution and the employers contribution shall be remitted
18 directly to the department within fifteen days following the end of the
19 calendar month during which the payroll period ends. The state's
20 contribution required by this section shall be transferred to the plan
21 II fund from the total contributions transferred by the state treasurer
22 under RCW 41.45.060 and 41.45.070.

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