

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1004

Chapter 134, Laws of 2001

57th Legislature
2001 Regular Legislative Session

DISABILITY PAYMENTS--ADJUSTMENTS

EFFECTIVE DATE: 5/2/01

Passed by the House March 9, 2001
Yeas 97 Nays 0

FRANK CHOPP
**Speaker of the House of
Representatives**

CLYDE BALLARD
**Speaker of the House of
Representatives**

Passed by the Senate April 10, 2001
Yeas 49 Nays 0

BRAD OWEN
President of the Senate

Approved May 2, 2001

GARY LOCKE
Governor of the State of Washington

CERTIFICATE

We, Timothy A. Martin and Cynthia Zehnder, Co-Chief Clerks of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1004** as passed by the House of Representatives and the Senate on the dates hereon set forth.

TIMOTHY A. MARTIN
Chief Clerk

CYNTHIA ZEHNDER
Chief Clerk

FILED

May 2, 2001 - 10:25 a.m.

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 1004

Passed Legislature - 2001 Regular Session

State of Washington 57th Legislature 2001 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Morris and Doumit)

Read first time . Referred to Committee on .

1 AN ACT Relating to adjusting disability payments; amending RCW
2 41.24.150; reenacting and amending RCW 41.24.160; and declaring an
3 emergency.

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

5 **Sec. 1.** RCW 41.24.150 and 1999 c 148 s 13 are each amended to read
6 as follows:

7 (1)(a) Whenever a participant becomes physically or mentally
8 disabled, injured, or sick, in consequence or as the result of the
9 performance of his or her duties, so as to be wholly prevented from
10 engaging in each and every duty of his or her regular occupation,
11 business, or profession, he or she shall be paid from the principal
12 fund monthly, an amount (i) equal to his or her monthly wage as
13 certified by the local board or (ii) two thousand five hundred fifty
14 dollars, whichever is less, for a period not to exceed six months, or
15 an amount equal to his or her daily wage as certified by the local
16 board or eighty-five dollars, whichever is less, per day for such
17 period as is part of a month, after which period, if the member is
18 incapacitated to such an extent that he or she is thereby prevented
19 from engaging in any occupation or performing any work for compensation

1 or profit or if the member sustained an injury after October 1, 1978,
2 which resulted in the loss or paralysis of both legs or arms, or one
3 leg and one arm, or total loss of eyesight, but such injury has not
4 prevented the member from engaging in an occupation or performing work
5 for compensation or profit, he or she is entitled to draw from the fund
6 monthly, the sum of one thousand two hundred seventy-five dollars so
7 long as the disability continues, except as provided. However, if the
8 participant has a wife or husband and/or a child or children
9 unemancipated or under eighteen years of age, he or she is entitled to
10 draw from the fund monthly the additional sums of two hundred fifty-
11 five dollars because of the fact of his wife or her husband, and one
12 hundred ten dollars because of the fact of each child unemancipated or
13 under eighteen years of age, all to a total maximum amount of two
14 thousand five hundred fifty dollars.

15 (b) Beginning on July 1, 2001, and each July 1st thereafter, the
16 compensation amounts specified in (a)(ii) of this subsection shall be
17 readjusted to reflect the percentage change in the consumer price
18 index, calculated as follows: The index for the calendar year
19 preceding the year in which the July calculation is made, to be known
20 as "calendar year A," is divided by the index for the calendar year
21 preceding calendar year A, and the resulting ratio is multiplied by the
22 compensation amount in effect on June 30th immediately preceding the
23 July 1st on which the respective calculation is made. For the purposes
24 of this subsection, "index" means the same as the definition in RCW
25 2.12.037(1).

26 (2) The state board may at any time reopen the grant of such
27 disability pension if the pensioner is gainfully employed, and may
28 reduce it in the proportion that the annual income from such gainful
29 employment bears to the annual income received by the pensioner at the
30 time of his or her disability.

31 (3) Where a participant sustains a permanent partial disability the
32 state board may provide that the injured participant receive a lump sum
33 compensation therefor to the same extent as is provided for permanent
34 partial disability under the workers' compensation act under Title 51
35 RCW in lieu of such monthly disability payments.

36 **Sec. 2.** RCW 41.24.160 and 1999 c 148 s 14 and 1999 c 117 s 5 are
37 each reenacted and amended to read as follows:

1 (1)(a) Whenever a participant dies as the result of injuries
2 received, or sickness contracted in consequence or as the result of the
3 performance of his or her duties, the board of trustees shall order and
4 direct the payment from the principal fund of (i) the sum of one
5 hundred fifty-two thousand dollars to his widow or her widower, or if
6 there is no widow or widower, then to his or her dependent child or
7 children, or if there is no dependent child or children, then to his or
8 her dependent parents or either of them, or if there are no dependent
9 parents or parent, then the death benefit shall be paid to the member's
10 estate, and (ii)(A) the sum of one thousand two hundred seventy-five
11 dollars per month to his widow or her widower during his or her life
12 together with the additional monthly sum of one hundred ten dollars for
13 each child of the member, unemancipated or under eighteen years of age,
14 dependent upon the member for support at the time of his or her death,
15 (B) to a maximum total of two thousand five hundred fifty dollars per
16 month.

17 (b) Beginning on July 1, 2001, and each July 1st thereafter, the
18 compensation amount specified in (a)(ii)(B) of this subsection shall be
19 readjusted to reflect the percentage change in the consumer price
20 index, calculated as follows: The index for the calendar year
21 preceding the year in which the July calculation is made, to be known
22 as "calendar year A," is divided by the index for the calendar year
23 preceding calendar year A, and the resulting ratio is multiplied by the
24 compensation amount in effect on June 30th immediately preceding the
25 July 1st on which the respective calculation is made. For the purposes
26 of this subsection, "index" means the same as the definition in RCW
27 2.12.037(1).

28 (2) If the widow or widower does not have legal custody of one or
29 more dependent children of the deceased participant or if, after the
30 death of the participant, legal custody of such child or children
31 passes from the widow or widower to another person, any payment on
32 account of such child or children not in the legal custody of the widow
33 or widower shall be made to the person or persons having legal custody
34 of such child or children. Such payments on account of such child or
35 children shall be subtracted from the amount to which such widow or
36 widower would have been entitled had such widow or widower had legal
37 custody of all the children and the widow or widower shall receive the
38 remainder after such payments on account of such child or children have
39 been subtracted. If there is no widow or widower, or the widow or

1 widower dies while there are children, unemancipated or under eighteen
2 years of age, then the amount of one thousand two hundred seventy-five
3 dollars per month shall be paid for the youngest or only child together
4 with an additional one hundred ten dollars per month for each
5 additional of such children to a maximum of two thousand five hundred
6 fifty dollars per month until they become emancipated or reach the age
7 of eighteen years; and if there are no widow or widower, child, or
8 children entitled thereto, then to his or her parents or either of them
9 the sum of one thousand two hundred seventy-five dollars per month for
10 life, if it is proved to the satisfaction of the board that the
11 parents, or either of them, were dependent on the deceased for their
12 support at the time of his or her death. In any instance in
13 subsections (1) and (2) of this section, if the widow or widower, child
14 or children, or the parents, or either of them, marries while receiving
15 such pension the person so marrying shall thereafter receive no further
16 pension from the fund.

17 (3) In the case provided for in this section, the monthly payment
18 provided may be converted in whole or in part into a lump sum payment,
19 not in any case to exceed twelve thousand dollars, equal or
20 proportionate, as the case may be, to the actuarial equivalent of the
21 monthly payment in which event the monthly payments shall cease in
22 whole or in part accordingly or proportionately. Such conversion may
23 be made either upon written application to the state board and shall
24 rest in the discretion of the state board; or the state board is
25 authorized to make, and authority is given it to make, on its own
26 motion, lump sum payments, equal or proportionate, as the case may be,
27 to the value of the annuity then remaining in full satisfaction of
28 claims due to dependents. Within the rule under this subsection the
29 amount and value of the lump sum payment may be agreed upon between the
30 applicant and the state board.

31 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
32 preservation of the public peace, health, or safety, or support of the
33 state government and its existing public institutions, and takes effect
34 immediately.

Passed the House March 9, 2001.

Passed the Senate April 10, 2001.

Approved by the Governor May 2, 2001.

Filed in Office of Secretary of State May 2, 2001.