

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1045

Chapter 261, Laws of 2001

57th Legislature
2001 Regular Legislative Session

LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS' RETIREMENT SYSTEM--
ACTUARIAL REDUCTION AGE

EFFECTIVE DATE: 7/22/01 - Except section 2, which becomes
effective 3/1/02.

Passed by the House March 9, 2001
Yeas 98 Nays 0

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

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

Passed by the Senate April 12, 2001
Yeas 45 Nays 0

ROSA FRANKLIN
President of the Senate

Approved May 11, 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 **HOUSE BILL 1045** as passed by the House of Representatives and the Senate on the dates hereon set forth.

CYNTHIA ZEHNDER
Chief Clerk

TIMOTHY A. MARTIN
Chief Clerk

FILED

May 11, 2001 - 9:53 a.m.

**Secretary of State
State of Washington**

HOUSE BILL 1045

Passed Legislature - 2001 Regular Session

State of Washington

57th Legislature

2001 Regular Session

By Representatives Conway, Delvin, Doumit, Barlean, H. Sommers, Lambert, Alexander, Kagi, O'Brien, McIntire, Hurst, Hatfield, Haigh, Kenney, Edmonds, Keiser and Van Luven; by request of Joint Committee on Pension Policy

Read first time 01/12/2001. Referred to Committee on Appropriations.

1 AN ACT Relating to reducing the law enforcement officers' and fire
2 fighters' retirement system plan 2 disability actuarial reduction age
3 from fifty-five to fifty-three; amending RCW 41.26.470 and 41.26.470;
4 creating a new section; providing an effective date; and providing an
5 expiration date.

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

7 **Sec. 1.** RCW 41.26.470 and 1999 c 135 s 1 are each amended to read
8 as follows:

9 (1) A member of the retirement system who becomes totally
10 incapacitated for continued employment by an employer as determined by
11 the director shall be eligible to receive an allowance under the
12 provisions of RCW 41.26.410 through 41.26.550. Such member shall
13 receive a monthly disability allowance computed as provided for in RCW
14 41.26.420 and shall have such allowance actuarially reduced to reflect
15 the difference in the number of years between age at disability and the
16 attainment of age (~~fifty-five~~) fifty-three.

17 (2) Any member who receives an allowance under the provisions of
18 this section shall be subject to such comprehensive medical
19 examinations as required by the department. If such medical

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

17 (3) Those members subject to this chapter who became disabled in
18 the line of duty on or after July 23, 1989, and who receive benefits
19 under RCW 41.04.500 through 41.04.530 or similar benefits under RCW
20 41.04.535 shall receive or continue to receive service credit subject
21 to the following:

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

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

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

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

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

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

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

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

1 (4)(a) If the recipient of a monthly retirement allowance under
2 this section dies before the total of the retirement allowance paid to
3 the recipient equals the amount of the accumulated contributions at the
4 date of retirement, then the balance shall be paid to the member's
5 estate, or such person or persons, trust, or organization as the
6 recipient has nominated by written designation duly executed and filed
7 with the director, or, if there is no such designated person or persons
8 still living at the time of the recipient's death, then to the
9 surviving spouse, or, if there is neither such designated person or
10 persons still living at the time of his or her death nor a surviving
11 spouse, then to his or her legal representative.

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

20 (5) Should the disability retirement allowance of any disability
21 beneficiary be canceled for any cause other than reentrance into
22 service or retirement for service, he or she shall be paid the excess,
23 if any, of the accumulated contributions at the time of retirement over
24 all payments made on his or her behalf under this chapter.

25 **Sec. 2.** RCW 41.26.470 and 2000 c 247 s 1104 are each amended to
26 read as follows:

27 (1) A member of the retirement system who becomes totally
28 incapacitated for continued employment by an employer as determined by
29 the director shall be eligible to receive an allowance under the
30 provisions of RCW 41.26.410 through 41.26.550. Such member shall
31 receive a monthly disability allowance computed as provided for in RCW
32 41.26.420 and shall have such allowance actuarially reduced to reflect
33 the difference in the number of years between age at disability and the
34 attainment of age (~~(fifty-five)~~) fifty-three.

35 (2) Any member who receives an allowance under the provisions of
36 this section shall be subject to such comprehensive medical
37 examinations as required by the department. If such medical
38 examinations reveal that such a member has recovered from the

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

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

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

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

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

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

30 (e) State contributions shall be as provided in RCW 41.45.060 and
31 41.45.067.

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

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

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

1 (4)(a) If the recipient of a monthly retirement allowance under
2 this section dies before the total of the retirement allowance paid to
3 the recipient equals the amount of the accumulated contributions at the
4 date of retirement, then the balance shall be paid to the member's
5 estate, or such person or persons, trust, or organization as the
6 recipient has nominated by written designation duly executed and filed
7 with the director, or, if there is no such designated person or persons
8 still living at the time of the recipient's death, then to the
9 surviving spouse, or, if there is neither such designated person or
10 persons still living at the time of his or her death nor a surviving
11 spouse, then to his or her legal representative.

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

20 (5) Should the disability retirement allowance of any disability
21 beneficiary be canceled for any cause other than reentrance into
22 service or retirement for service, he or she shall be paid the excess,
23 if any, of the accumulated contributions at the time of retirement over
24 all payments made on his or her behalf under this chapter.

25 NEW SECTION. **Sec. 3.** Any member of the retirement system that
26 first received an allowance under RCW 41.26.470 after September 1,
27 2000, that was actuarially reduced from age fifty-five shall have their
28 allowance recalculated to reflect an actuarial reduction from age
29 fifty-three.

30 NEW SECTION. **Sec. 4.** Section 1 of this act expires March 1, 2002.

31 NEW SECTION. **Sec. 5.** Section 2 of this act takes effect March 1,
32 2002.

Passed the House March 9, 2001.

Passed the Senate April 12, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.