

CERTIFICATION OF ENROLLMENT

SENATE BILL 6375

Chapter 27, Laws of 2002

57th Legislature
2002 Regular Session

RETIREMENT SYSTEM--VETERANS

EFFECTIVE DATE: 6/13/02

Passed by the Senate February 15, 2002
YEAS 48 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House March 5, 2002
YEAS 97 NAYS 0

FRANK CHOPP

**Speaker of the
House of Representatives**

CERTIFICATE

I, Tony M. Cook, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 6375** as passed by the Senate and the House of Representatives on the dates hereon set forth.

TONY M. COOK

Secretary

Approved March 12, 2002

FILED

March 12, 2002 - 2:20 p.m.

GARY LOCKE

Governor of the State of Washington

**Secretary of State
State of Washington**

SENATE BILL 6375

Passed Legislature - 2002 Regular Session

State of Washington

57th Legislature

2002 Regular Session

By Senators Fraser, Winsley, Regala, Carlson, Rasmussen, Kastama and Oke; by request of Joint Committee on Pension Policy

Read first time 01/16/2002. Referred to Committee on Ways & Means.

1 AN ACT Relating to conforming the Washington state retirement
2 systems to federal requirements on veterans; and amending RCW
3 41.04.005, 41.40.170, and 43.43.260.

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

5 **Sec. 1.** RCW 41.04.005 and 1999 c 65 s 1 are each amended to read
6 as follows:

7 (1) As used in RCW 41.04.005, 41.16.220, and 41.20.050 "veteran"
8 includes every person, who at the time he or she seeks the benefits of
9 RCW 41.04.005, 41.04.010, 41.16.220, 41.20.050, 41.40.170, 73.04.110,
10 or 73.08.080 has received an honorable discharge or received a
11 discharge for physical reasons with an honorable record and who meets
12 at least one of the following criteria:

13 (a) The person has served between World War I and World War II or
14 during any period of war, as defined in subsection (2) of this section,
15 as either:

16 (i) A member in any branch of the armed forces of the United
17 States;

18 (ii) A member of the women's air forces service pilots;

1 (iii) A U.S. documented merchant mariner with service aboard an
2 oceangoing vessel operated by the war shipping administration, the
3 office of defense transportation, or their agents, from December 7,
4 1941, to December 31, 1946; or

5 (iv) A civil service crewmember with service aboard a U.S. army
6 transport service or U.S. naval transportation service vessel in
7 oceangoing service from December 7, 1941, to December 31, 1946; or

8 (b) The person has received the armed forces expeditionary medal,
9 or marine corps and navy expeditionary medal, for opposed action on
10 foreign soil, for service:

11 (i) In any branch of the armed forces of the United States; or

12 (ii) As a member of the women's air forces service pilots.

13 (2) A "period of war" includes:

14 (a) World War I;

15 (b) World War II;

16 (c) The Korean conflict;

17 (d) The Vietnam era(~~(, which was)~~) means:

18 (i) The period beginning on February 28, 1961, and ending on May 7,
19 1975, in the case of a veteran who served in the Republic of Vietnam
20 during that period;

21 (ii) The period beginning August 5, 1964, and ending on May 7,
22 1975;

23 (e) The Persian Gulf War, which was the period beginning August 2,
24 1990, and ending on the date prescribed by presidential proclamation or
25 law;

26 (f) The period beginning on the date of any future declaration of
27 war by the congress and ending on the date prescribed by presidential
28 proclamation or concurrent resolution of the congress; and

29 (g) The following armed conflicts, if the participant was awarded
30 the respective campaign badge or medal: The crisis in Lebanon; the
31 invasion of Grenada; Panama, Operation Just Cause; Somalia, Operation
32 Restore Hope; Haiti, Operation Uphold Democracy; and Bosnia, Operation
33 Joint Endeavor.

34 **Sec. 2.** RCW 41.40.170 and 1991 c 35 s 78 are each amended to read
35 as follows:

36 (1) A member who has served or shall serve on active federal
37 service in the military or naval forces of the United States and who
38 left or shall leave an employer to enter such service shall be deemed

1 to be on military leave of absence if he or she has resumed or shall
2 resume employment as an employee within one year from termination
3 thereof.

4 (2) If he or she has applied or shall apply for reinstatement of
5 employment, within one year from termination of the military service,
6 and is refused employment for reasons beyond his or her control, he or
7 she shall, upon resumption of service within ten years have such
8 service credited to him or her.

9 (3) In any event, after completing twenty-five years of creditable
10 service, any member may have service in the armed forces credited to
11 him or her as a member whether or not he or she left the employ of an
12 employer to enter the armed service: PROVIDED, That in no instance,
13 described in this section, shall military service in excess of five
14 years be credited: AND PROVIDED FURTHER, That in each instance the
15 member must restore all withdrawn accumulated contributions, which
16 restoration must be completed within five years of membership service
17 following the first resumption of employment or complete twenty-five
18 years of creditable service: AND PROVIDED FURTHER, That this section
19 will not apply to any individual, not a veteran within the meaning of
20 RCW 41.04.005(~~(, as now or hereafter amended: AND PROVIDED FURTHER,~~
21 ~~That in no instance, described in this section, shall military service~~
22 ~~be credited to any member who is receiving full military retirement~~
23 ~~benefits pursuant to Title 10 United States Code)).~~

24 **Sec. 3.** RCW 43.43.260 and 2001 c 329 s 4 are each amended to read
25 as follows:

26 Upon retirement from service as provided in RCW 43.43.250, a member
27 shall be granted a retirement allowance which shall consist of:

28 (1) A prior service allowance which shall be equal to two percent
29 of the member's average final salary multiplied by the number of years
30 of prior service rendered by the member.

31 (2) A current service allowance which shall be equal to two percent
32 of the member's average final salary multiplied by the number of years
33 of service rendered while a member of the retirement system.

34 (3)(a) Any member commissioned prior to January 1, 2003, with
35 twenty-five years service in the Washington state patrol may have the
36 member's service in the armed forces credited as a member whether or
37 not the individual left the employ of the Washington state patrol to
38 enter such armed forces: PROVIDED, That in no instance shall military

1 service in excess of five years be credited: AND PROVIDED FURTHER,
2 That in each instance, a member must restore all withdrawn accumulated
3 contributions, which restoration must be completed on the date of the
4 member's retirement, or as provided under RCW 43.43.130, whichever
5 occurs first: AND PROVIDED FURTHER, That this section shall not apply
6 to any individual, not a veteran within the meaning of RCW 41.06.150(~~7~~
~~7 as now or hereafter amended: AND PROVIDED FURTHER, That in no instance~~
8 ~~shall military service be credited to any member who is receiving full~~
9 ~~military retirement benefits pursuant to Title 10 United States Code,~~
10 ~~as now or hereafter amended)).~~

11 (b) A member who leaves the Washington state patrol to enter the
12 armed forces of the United States shall be entitled to retirement
13 system service credit for up to five years of military service. This
14 subsection shall be administered in a manner consistent with the
15 requirements of the federal uniformed services employment and
16 reemployment rights act.

17 (i) The member qualifies for service credit under this subsection
18 if:

19 (A) Within ninety days of the member's honorable discharge from the
20 United States armed forces, the member applies for reemployment with
21 the employer who employed the member immediately prior to the member
22 entering the United States armed forces; and

23 (B) The member makes the employee contributions required under RCW
24 41.45.0631 and 41.45.067 within five years of resumption of service or
25 prior to retirement, whichever comes sooner; or

26 (C) Prior to retirement and not within ninety days of the member's
27 honorable discharge or five years of resumption of service the member
28 pays the amount required under RCW 41.50.165(2).

29 (ii) Upon receipt of member contributions under (b)(i)(B) of this
30 subsection, the department shall establish the member's service credit
31 and shall bill the employer for its contribution required under RCW
32 41.45.060 for the period of military service, plus interest as
33 determined by the department.

34 (iii) The contributions required under (b)(i)(B) of this subsection
35 shall be based on the compensation the member would have earned if not
36 on leave, or if that cannot be estimated with reasonable certainty, the
37 compensation reported for the member in the year prior to when the
38 member went on military leave.

1 (4) In no event shall the total retirement benefits from
2 subsections (1), (2), and (3) of this section, of any member exceed
3 seventy-five percent of the member's average final salary.

4 (5) Beginning July 1, 2001, and every year thereafter, the
5 department shall determine the following information for each retired
6 member or beneficiary whose retirement allowance has been in effect for
7 at least one year:

8 (a) The original dollar amount of the retirement allowance;

9 (b) The index for the calendar year prior to the effective date of
10 the retirement allowance, to be known as "index A";

11 (c) The index for the calendar year prior to the date of
12 determination, to be known as "index B"; and

13 (d) The ratio obtained when index B is divided by index A.

14 The value of the ratio obtained shall be the annual adjustment to
15 the original retirement allowance and shall be applied beginning with
16 the July payment. In no event, however, shall the annual adjustment:

17 (i) Produce a retirement allowance which is lower than the original
18 retirement allowance;

19 (ii) Exceed three percent in the initial annual adjustment; or

20 (iii) Differ from the previous year's annual adjustment by more
21 than three percent.

22 For the purposes of this section, "index" means, for any calendar
23 year, that year's average consumer price index for the Seattle-Tacoma-
24 Bremerton Washington area for urban wage earners and clerical workers,
25 all items, compiled by the bureau of labor statistics, United States
26 department of labor.

27 The provisions of this section shall apply to all members presently
28 retired and to all members who shall retire in the future.

Passed the Senate February 15, 2002.

Passed the House March 5, 2002.

Approved by the Governor March 12, 2002.

Filed in Office of Secretary of State March 12, 2002.