

HB 1270 - S COMM AMD
By Committee on Ways & Means

ADOPTED 4/13/05

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 41.26.500 and 1998 c 341 s 604 are each amended to
4 read as follows:

5 (1) ~~((No))~~ Except as provided under subsection (3) or (4) of this
6 section, a retiree under the provisions of plan 2 shall not be eligible
7 to receive such retiree's monthly retirement allowance if he or she is
8 employed in an eligible position as defined in RCW 41.40.010,
9 41.32.010, or 41.35.010, or as a law enforcement officer or fire
10 fighter as defined in RCW 41.26.030. If a retiree's benefits have been
11 suspended under this section, his or her benefits shall be reinstated
12 when the retiree terminates the employment that caused his or her
13 benefits to be suspended. Upon reinstatement, the retiree's benefits
14 shall be actuarially recomputed pursuant to the rules adopted by the
15 department.

16 (2) The department shall adopt rules implementing this section.

17 (3) Except as provided under subsection (4) of this section, a
18 member or retiree who becomes employed in an eligible position as
19 defined in RCW 41.40.010, 41.32.010, or 41.35.010 shall have the option
20 to enter into membership in the corresponding retirement system for
21 that position. A retiree who elects to enter into plan membership
22 under the provisions of this subsection shall have his or her benefits
23 suspended as provided in subsection (1) of this section. A retiree who
24 does not elect to enter into plan membership under the provisions of
25 this subsection shall continue to receive his or her benefits without
26 interruption until the retiree has rendered service for more than one
27 thousand five hundred hours in a calendar year.

28 (4) A member or retiree who is elected or appointed to the
29 legislature pursuant to Article II of the state Constitution shall have
30 the option to enter into membership in the public employees' retirement
31 system as outlined in chapter 41.40 RCW. A retiree who elects to enter
32 into public employees' retirement system membership under the
33 provisions of this subsection shall have his or her benefits suspended

1 as provided in subsection (1) of this section. A retiree who does not
2 elect to enter into public employees' retirement system membership
3 under the provisions of this subsection shall continue to receive his
4 or her benefits without interruption for the duration of his or her
5 legislative service.

6 (5) The legislature reserves the right to amend or appeal
7 subsections (3) and (4) of this section in the future and no member or
8 beneficiary has a contractual right to collect his or her monthly
9 retirement allowance while working in an eligible position as defined
10 in RCW 41.40.010, 41.32.010, or 41.35.010

11 **Sec. 2.** RCW 41.26.500 and 2004 c 242 s 54 are each amended to read
12 as follows:

13 (1) ((Nø)) Except as provided under subsection (3) or (4) of this
14 section, a retiree under the provisions of plan 2 shall not be eligible
15 to receive such retiree's monthly retirement allowance if he or she is
16 employed in an eligible position as defined in RCW 41.40.010,
17 41.32.010, 41.37.010, or 41.35.010, or as a law enforcement officer or
18 fire fighter as defined in RCW 41.26.030. If a retiree's benefits have
19 been suspended under this section, his or her benefits shall be
20 reinstated when the retiree terminates the employment that caused his
21 or her benefits to be suspended. Upon reinstatement, the retiree's
22 benefits shall be actuarially recomputed pursuant to the rules adopted
23 by the department.

24 (2) The department shall adopt rules implementing this section.

25 (3) Except as provided under subsection (4) of this section, a
26 member or retiree who becomes employed in an eligible position as
27 defined in RCW 41.40.010, 41.32.010, 41.35.010, or 41.37.010 shall have
28 the option to enter into membership in the corresponding retirement
29 system for that position. A retiree who elects to enter into plan
30 membership under the provisions of this subsection shall have his or
31 her benefits suspended as provided in subsection (1) of this section.
32 A retiree who does not elect to enter into plan membership under the
33 provisions of this subsection shall continue to receive his or her
34 benefits without interruption until the retiree has rendered service
35 for more than one thousand five hundred hours in a calendar year.

36 (4) A member or retiree who is elected or appointed to the
37 legislature pursuant to Article II of the state Constitution shall have
38 the option to enter into membership in the public employees' retirement

1 system as outlined in chapter 41.40 RCW. A retiree who elects to enter
2 into public employees' retirement system membership under the
3 provisions of this subsection shall have his or her benefits suspended
4 as provided in subsection (1) of this section. A retiree who does not
5 elect to enter into public employees' retirement system membership
6 under the provisions of this subsection shall continue to receive his
7 or her benefits without interruption for the duration of his or her
8 legislative service.

9 (5) The legislature reserves the right to amend or appeal
10 subsections (3) and (4) of this section in the future and no member or
11 beneficiary has a contractual right to collect his or her monthly
12 retirement allowance while working in an eligible position as defined
13 in RCW 41.40.010, 41.32.010, 41.35.010, or 41.37.010.

14 **Sec. 3.** RCW 41.04.270 and 2001 c 180 s 4 are each amended to read
15 as follows:

16 (1) (~~Notwithstanding any provision of~~) Except as provided in
17 chapter 2.10, 2.12, 41.26, 41.28, 41.32, 41.35, 41.40, or 43.43 RCW
18 (~~to the contrary~~), on and after March 19, 1976, any member or former
19 member who (a) receives a retirement allowance earned by said former
20 member as deferred compensation from any public retirement system
21 authorized by the general laws of this state, or (b) is eligible to
22 receive a retirement allowance from any public retirement system listed
23 in RCW 41.50.030, but chooses not to apply, or (c) is the beneficiary
24 of a disability allowance from any public retirement system listed in
25 RCW 41.50.030 shall be estopped from becoming a member of or accruing
26 any contractual rights whatsoever in any other public retirement system
27 listed in RCW 41.50.030: PROVIDED, That (a) and (b) of this subsection
28 shall not apply to persons who have accumulated less than fifteen years
29 service credit in any such system or to persons receiving a retirement
30 allowance under RCW 41.26.430 or 41.26.470.

31 (2) Nothing in this section is intended to apply to any retirement
32 system except those listed in RCW 41.50.030 and the city employee
33 retirement systems for Seattle, Tacoma, and Spokane. Subsection (1)(b)
34 of this section does not apply to a dual member as defined in RCW
35 41.54.010.

36 NEW SECTION. **Sec. 4.** Section 1 of this act expires July 1, 2006.

1 NEW SECTION. **Sec. 5.** Section 1 of this act is necessary for the
2 immediate preservation of the public peace, health, or safety, or
3 support of the state government and its existing public institutions,
4 and takes effect immediately.

5 NEW SECTION. **Sec. 6.** Section 2 of this act takes effect July 1,
6 2006."

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10 On page 1, on line 1 of the title, after "ACT", strike everything
11 through line 3 of the title and insert "Relating to suspending a
12 retirement allowance upon reemployment; amending RCW 41.04.270,
13 41.26.500 and 41.26.500; providing an effective date; providing an
14 expiration date; and declaring an emergency."

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EFFECT: Allows retired members of the Law Enforcement Officers' and Fire Fighters' Retirement System, Plan 2 (LEOFF 2), including members who received a disability retirement to work up to 1,500 hours per year in a position eligible for membership in another state retirement system while receiving LEOFF 2 retirement benefits, provided that they do not choose to enroll in the retirement system for which the new position is eligible. State legislators are exempt from the 1,500 hour limit. The Legislature reserves the right to amend or repeal the new benefits in the future.