CERTIFICATION OF ENROLLMENT

HOUSE BILL 1319

Chapter 62, Laws of 2005

59th Legislature 2005 Regular Session

LEOFF RETIREMENT SYSTEM--SURVIVOR BENEFITS

EFFECTIVE DATE: 7/24/05

Passed by the House March 10, 2005 Yeas 94 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 5, 2005 Yeas 49 Nays 0

BRAD OWEN

President of the Senate
Approved April 15, 2005.

pproved April 13, 2003.

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1319** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

Chief Clerk

FILED

April 15, 2005 - 1:38 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

Secretary of State State of Washington

HOUSE BILL 1319

Passed Legislature - 2005 Regular Session

State of Washington

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59th Legislature

2005 Regular Session

By Representatives Conway, Fromhold, Crouse, Simpson, Upthegrove and Campbell; by request of Select Committee on Pension Policy

Read first time 01/20/2005. Referred to Committee on Appropriations.

- AN ACT Relating to survivor benefits for ex spouses in the law enforcement officers' and fire fighters' retirement system, plan 1; and amending RCW 41.26.160, 41.26.161, and 41.26.162.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 41.26.160 and 2002 c 158 s 1 are each amended to read 6 as follows:

(1) In the event of the duty connected death of any member who is

- in active service, or who has vested under the provisions of RCW 41.26.090 with twenty or more service credit years of service, or who is on duty connected disability leave or retired for duty connected disability, the surviving spouse shall become entitled, subject to RCW $41.26.162((\frac{(2)}{2}))$, to receive a monthly allowance equal to fifty percent
- of the final average salary at the date of death if active, or the
- amount of retirement allowance the vested member would have received at
- 15 age fifty, or the amount of the retirement allowance such retired
- 16 member was receiving at the time of death if retired for duty connected
- 17 disability. The amount of this allowance will be increased five
- 18 percent of final average salary for each child as defined in RCW
- 19 41.26.030(7), subject to a maximum combined allowance of sixty percent

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- of final average salary: PROVIDED, That if the child or children is or are in the care of a legal guardian, payment of the increase attributable to each child will be made to the child's legal guardian or, in the absence of a legal guardian and if the member has created a trust for the benefit of the child or children, payment of the increase attributable to each child will be made to the trust.
- (2) If at the time of the duty connected death of a vested member with twenty or more service credit years of service as provided in subsection (1) of this section or a member retired for duty connected disability, the surviving spouse has not been lawfully married to such member for one year prior to retirement or separation from service if a vested member, the surviving spouse shall not be eligible to receive the benefits under this section: PROVIDED, That if a member dies as a result of a disability incurred in the line of duty, then if he or she was married at the time he or she was disabled, the surviving spouse shall be eligible to receive the benefits under this section.
- (3) If there be no surviving spouse eligible to receive benefits at the time of such member's duty connected death, then the child or children of such member shall receive a monthly allowance equal to thirty percent of final average salary for one child and an additional ten percent for each additional child subject to a maximum combined payment, under this subsection, of sixty percent of final average salary. When there cease to be any eligible children as defined in RCW 41.26.030(7), there shall be paid to the legal heirs of the member the excess, if any, of accumulated contributions of the member at the time of death over all payments made to survivors on his or her behalf under this chapter: PROVIDED, That payments under this subsection to children shall be prorated equally among the children, if more than one. If the member has created a trust for the benefit of the child or children, the payment shall be made to the trust.
- (4) In the event that there is no surviving spouse eligible to receive benefits under this section, and that there be no child or children eligible to receive benefits under this section, then the accumulated contributions shall be paid to the estate of the member.
- (5) If a surviving spouse receiving benefits under this section remarries after June 13, 2002, the surviving spouse shall continue to receive the benefits under this section.

(6) If a surviving spouse receiving benefits under the provisions of this section thereafter dies and there are children as defined in RCW 41.26.030(7), payment to the spouse shall cease and the child or children shall receive the benefits as provided in subsection (3) of this section.

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- 6 (7) The payment provided by this section shall become due the day 7 following the date of death and payments shall be retroactive to that 8 date.
- 9 **Sec. 2.** RCW 41.26.161 and 2002 c 158 s 2 are each amended to read 10 as follows:
 - (1) In the event of the nonduty connected death of any member who is in active service, or who has vested under the provisions of RCW 41.26.090 with twenty or more service credit years of service, or who is on disability leave or retired, whether for nonduty connected disability or service, the surviving spouse shall become entitled, subject to RCW $41.26.162((\frac{(2)}{2}))$, to receive a monthly allowance equal to fifty percent of the final average salary at the date of death if active, or the amount of retirement allowance the vested member would have received at age fifty, or the amount of the retirement allowance such retired member was receiving at the time of death if retired for service or nonduty connected disability. The amount of this allowance will be increased five percent of final average salary for each child as defined in RCW 41.26.030(7), subject to a maximum combined allowance of sixty percent of final average salary: PROVIDED, That if the child or children is or are in the care of a legal guardian, payment of the increase attributable to each child will be made to the child's legal guardian or, in the absence of a legal guardian and if the member has created a trust for the benefit of the child or children, payment of the increase attributable to each child will be made to the trust.
 - (2) If at the time of the death of a vested member with twenty or more service credit years of service as provided in subsection (1) of this section or a member retired for service or disability, the surviving spouse has not been lawfully married to such member for one year prior to retirement or separation from service if a vested member, the surviving spouse shall not be eligible to receive the benefits under this section.

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- (3) If there be no surviving spouse eligible to receive benefits at 1 2 the time of such member's death, then the child or children of such member shall receive a monthly allowance equal to thirty percent of 3 final average salary for one child and an additional ten percent for 4 5 each additional child subject to a maximum combined payment, under this subsection, of sixty percent of final average salary. When there cease 6 7 to be any eliqible children as defined in RCW 41.26.030(7), there shall be paid to the legal heirs of the member the excess, if any, of 8 accumulated contributions of the member at the time of death over all 9 payments made to survivors on his or her behalf under this chapter: 10 PROVIDED, That payments under this subsection to children shall be 11 prorated equally among the children, if more than one. If the member 12 13 has created a trust for the benefit of the child or children, the payment shall be made to the trust. 14
 - (4) In the event that there is no surviving spouse eligible to receive benefits under this section, and that there be no child or children eligible to receive benefits under this section, then the accumulated contributions shall be paid to the estate of said member.
 - (5) If a surviving spouse receiving benefits under this section remarries after June 13, 2002, the surviving spouse shall continue to receive the benefits under this section.
 - (6) If a surviving spouse receiving benefits under the provisions of this section thereafter dies and there are children as defined in RCW 41.26.030(7), payment to the spouse shall cease and the child or children shall receive the benefits as provided in subsection (3) of this section.
- (7) The payment provided by this section shall become due the day following the date of death and payments shall be retroactive to that date.
- 30 **Sec. 3.** RCW 41.26.162 and 2002 c 158 s 3 are each amended to read 31 as follows:
- 32 $(1)((\frac{1}{2}))$ An ex spouse of a law enforcement officers' and fire 33 fighters' retirement system retiree shall qualify as surviving spouse 34 under RCW 41.26.160 or 41.26.161 if the ex spouse((÷
- $\frac{(i)}{h}$ been provided benefits under any currently effective court decree of dissolution or legal separation or in any court order

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or court-approved property settlement agreement incident to any court decree of dissolution or legal separation ((entered after the member's retirement and prior to December 31, 1979; and

- (ii) Was married to the retiree for at least thirty years, including at least twenty years prior to the member's retirement or separation from service if a vested member.
- (b) If two or more persons are eligible for a surviving spouse benefit under this subsection, benefits shall be divided between the surviving spouses based on the percentage of total service credit the member accrued during each marriage.
 - (c) This subsection shall apply retroactively.

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- 12 (2)(a) An ex spouse of a law enforcement officers' and fire 13 fighters' retirement system plan 1 retiree who:
 - (i) Divorces the member before separation from service; and
- (ii) Entered into the court order or court approved property
 settlement agreement incident to the divorce of the member and ex
 spouse after July 1, 2003;
 - may be awarded a portion of the member's benefit and a portion of any spousal survivor's benefit pursuant to RCW 41.26.160 or 41.26.161 after the member's death if specified in the court order or court approved property settlement.
 - (b) This subsection shall not apply retroactively.
 - (3)(a) An ex spouse of a law enforcement officers' and fire fighters' retirement system plan 1 member with at least thirty years of service who:
 - (i) Divorced the member after being married to the member for at least twenty-five years; and
 - (ii) Entered into a court order or court-approved property settlement agreement incident to the divorce that awarded a portion of the member's benefits to the ex spouse after June 13, 2002;)). Such an ex spouse shall continue to receive ((that)) the court-awarded portion of the member's benefit after the member's death as if the member was still alive.
- (((b) This subsection shall apply only to a divorce entered into after January 1, 1997. However, no payments shall be made to an ex spouse of a deceased member qualifying under this subsection for any period prior to June 13, 2002.))

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- (2) An ex spouse whose benefit resumes as a result of this act shall receive an initial payment equivalent to that portion of the member's benefit received prior to its suspension. The benefit will not be adjusted under RCW 41.26.240 for the period the allowance was suspended.
 - (3) This act shall not result in the payment of benefits for the period during which benefits were suspended.
 - (4) This section shall apply retroactively.

Passed by the House March 10, 2005. Passed by the Senate April 5, 2005. Approved by the Governor April 15, 2005. Filed in Office of Secretary of State April 15, 2005.

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