

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1266

Chapter 487, Laws of 2007

60th Legislature
2007 Regular Session

PUBLIC EMPLOYEES--DEATH BENEFITS

EFFECTIVE DATE: 07/22/07

Passed by the House April 20, 2007
Yeas 98 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 20, 2007
Yeas 46 Nays 0

BRAD OWEN

President of the Senate

Approved May 15, 2007, 2:21 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1266** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

Chief Clerk

FILED

May 16, 2007

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 1266

AS AMENDED BY THE SENATE

Passed Legislature - 2007 Regular Session

State of Washington 60th Legislature 2007 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Conway, Fromhold, B. Sullivan, Kenney, Ericks, Simpson and Moeller; by request of Select Committee on Pension Policy and LEOFF Plan 2 Retirement Board)

READ FIRST TIME 02/01/07.

1 AN ACT Relating to death benefits for public employees; and
2 amending RCW 41.04.017, 41.26.048, 41.32.053, 41.35.115, 41.37.110,
3 41.40.0931, 41.40.0932, 41.40.700, and 43.43.285.

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

5 **Sec. 1.** RCW 41.04.017 and 2003 c 402 s 4 are each amended to read
6 as follows:

7 A one hundred fifty thousand dollar death benefit shall be paid as
8 a sundry claim to the estate of an employee of any state agency, the
9 common school system of the state, or institution of higher education
10 who dies as a result of (1) injuries sustained in the course of
11 employment; or (2) an occupational disease or infection that arises
12 naturally and proximately out of employment covered under this chapter,
13 and is not otherwise provided a death benefit through coverage under
14 their enrolled retirement system under chapter 402, Laws of 2003. The
15 determination of eligibility for the benefit shall be made consistent
16 with Title 51 RCW by the department of labor and industries. The
17 department of labor and industries shall notify the director of the
18 department of general administration by order under RCW 51.52.050.

1 **Sec. 2.** RCW 41.26.048 and 2006 c 351 s 1 are each amended to read
2 as follows:

3 (1) A one hundred fifty thousand dollar death benefit shall be paid
4 to the member's estate, or such person or persons, trust or
5 organization as the member shall have nominated by written designation
6 duly executed and filed with the department. If there be no such
7 designated person or persons still living at the time of the member's
8 death, such member's death benefit shall be paid to the member's
9 surviving spouse as if in fact such spouse had been nominated by
10 written designation, or if there be no such surviving spouse, then to
11 such member's legal representatives.

12 (2) The benefit under this section shall be paid only when death
13 occurs: (a) As a result of injuries sustained in the course of
14 employment; or (b) ~~((to a member of plan 2))~~ as a result of an
15 occupational disease or infection that arises naturally and proximately
16 out of employment covered under this chapter. The determination of
17 eligibility for the benefit shall be made consistent with Title 51 RCW
18 by the department of labor and industries. The department of labor and
19 industries shall notify the department of retirement systems by order
20 under RCW 51.52.050.

21 **Sec. 3.** RCW 41.32.053 and 2003 c 402 s 2 are each amended to read
22 as follows:

23 (1) A one hundred fifty thousand dollar death benefit shall be paid
24 to the member's estate, or such person or persons, trust or
25 organization as the member has nominated by written designation duly
26 executed and filed with the department. If no such designated person
27 or persons are still living at the time of the member's death, the
28 member's death benefit shall be paid to the member's surviving spouse
29 as if in fact the spouse had been nominated by written designation, or
30 if there is no surviving spouse, then to the member's legal
31 representatives.

32 (2) The benefit under this section shall be paid only where death
33 occurs as a result of (a) injuries sustained in the course of
34 employment; or (b) an occupational disease or infection that arises
35 naturally and proximately out of employment covered under this chapter.
36 The determination of eligibility for the benefit shall be made

1 consistent with Title 51 RCW by the department of labor and industries.
2 The department of labor and industries shall notify the department of
3 retirement systems by order under RCW 51.52.050.

4 **Sec. 4.** RCW 41.35.115 and 2003 c 402 s 3 are each amended to read
5 as follows:

6 (1) A one hundred fifty thousand dollar death benefit shall be paid
7 to the member's estate, or such person or persons, trust or
8 organization as the member has nominated by written designation duly
9 executed and filed with the department. If no such designated person
10 or persons are still living at the time of the member's death, the
11 member's death benefit shall be paid to the member's surviving spouse
12 as if in fact the spouse had been nominated by written designation, or
13 if there is no surviving spouse, then to the member's legal
14 representatives.

15 (2) The benefit under this section shall be paid only where death
16 occurs as a result of (a) injuries sustained in the course of
17 employment; or (b) an occupational disease or infection that arises
18 naturally and proximately out of employment covered under this chapter.
19 The determination of eligibility for the benefit shall be made
20 consistent with Title 51 RCW by the department of labor and industries.
21 The department of labor and industries shall notify the department of
22 retirement systems by order under RCW 51.52.050.

23 **Sec. 5.** RCW 41.37.110 and 2004 c 242 s 14 are each amended to read
24 as follows:

25 (1) A one hundred fifty thousand dollar death benefit shall be paid
26 to the member's estate, or the person or persons, trust, or
27 organization the member has nominated by written designation duly
28 executed and filed with the department. If the designated person or
29 persons are not still living at the time of the member's death, the
30 member's death benefit shall be paid to the member's surviving spouse
31 as if in fact the spouse had been nominated by written designation, or
32 if there is no surviving spouse, then to the member's legal
33 representatives.

34 (2) The benefit under this section shall be paid only where death
35 occurs as a result of (a) injuries sustained in the course of
36 employment; or (b) an occupational disease or infection that arises

1 naturally and proximately out of employment covered under this chapter.
2 The determination of eligibility for the benefit shall be made
3 consistent with Title 51 RCW by the department of labor and industries.
4 The department of labor and industries shall notify the department of
5 retirement systems by order under RCW 51.52.050.

6 **Sec. 6.** RCW 41.40.0931 and 1998 c 157 s 1 are each amended to read
7 as follows:

8 (1) A one hundred fifty thousand dollar death benefit for members
9 who had the opportunity to transfer to the law enforcement officers'
10 and fire fighters' retirement system pursuant to chapter 502, Laws of
11 1993, but elected to remain in the public employees' retirement system,
12 shall be paid to the member's estate, or such person or persons, trust,
13 or organization as the member has nominated by written designation duly
14 executed and filed with the department. If there is no designated
15 person or persons still living at the time of the member's death, the
16 member's death benefit shall be paid to the member's surviving spouse
17 as if in fact the spouse had been nominated by written designation, or
18 if there is no surviving spouse, then to the member's legal
19 representatives.

20 (2) Subject to subsection (3) of this section, the benefit under
21 this section shall be paid only where death occurs as a result of (a)
22 injuries sustained in the course of employment as a general authority
23 police officer; or (b) an occupational disease or infection that arises
24 naturally and proximately out of employment covered under this chapter.
25 The determination of eligibility for the benefit shall be made
26 consistent with Title 51 RCW by the department of labor and industries.
27 The department of labor and industries shall notify the department of
28 retirement systems by order under RCW 51.52.050.

29 (3) The benefit under this section shall not be paid in the event
30 the member was in the act of committing a felony when the fatal
31 injuries were suffered.

32 **Sec. 7.** RCW 41.40.0932 and 2003 c 402 s 1 are each amended to read
33 as follows:

34 (1) A one hundred fifty thousand dollar death benefit shall be paid
35 to the member's estate, or such person or persons, trust or
36 organization as the member has nominated by written designation duly

1 executed and filed with the department. If no such designated person
2 or persons are still living at the time of the member's death, the
3 member's death benefit shall be paid to the member's surviving spouse
4 as if in fact the spouse had been nominated by written designation, or
5 if there is no surviving spouse, then to the member's legal
6 representatives.

7 (2) The benefit under this section shall be paid only where death
8 occurs as a result of (a) injuries sustained in the course of
9 employment; or (b) an occupational disease or infection that arises
10 naturally and proximately out of employment covered under this chapter.

11 The determination of eligibility for the benefit shall be made
12 consistent with Title 51 RCW by the department of labor and industries.
13 The department of labor and industries shall notify the department of
14 retirement systems by order under RCW 51.52.050.

15 **Sec. 8.** RCW 41.40.700 and 2003 c 155 s 7 are each amended to read
16 as follows:

17 (1) Except as provided in RCW 11.07.010, if a member or a vested
18 member who has not completed at least ten years of service dies, the
19 amount of the accumulated contributions standing to such member's
20 credit in the retirement system at the time of such member's death,
21 less any amount identified as owing to an obligee upon withdrawal of
22 accumulated contributions pursuant to a court order filed under RCW
23 41.50.670, shall be paid to the member's estate, or such person or
24 persons, trust, or organization as the member shall have nominated by
25 written designation duly executed and filed with the department. If
26 there be no such designated person or persons still living at the time
27 of the member's death, such member's accumulated contributions standing
28 to such member's credit in the retirement system, less any amount
29 identified as owing to an obligee upon withdrawal of accumulated
30 contributions pursuant to a court order filed under RCW 41.50.670,
31 shall be paid to the member's surviving spouse as if in fact such
32 spouse had been nominated by written designation, or if there be no
33 such surviving spouse, then to such member's legal representatives.

34 (2) If a member who is eligible for retirement or a member who has
35 completed at least ten years of service dies, the surviving spouse or
36 eligible child or children shall elect to receive (~~either~~) one of the
37 following:

1 (a) A retirement allowance computed as provided for in RCW
2 41.40.630, actuarially reduced by the amount of any lump sum benefit
3 identified as owing to an obligee upon withdrawal of accumulated
4 contributions pursuant to a court order filed under RCW 41.50.670 and
5 actuarially adjusted to reflect a joint and one hundred percent
6 survivor option under RCW 41.40.660 and, except under subsection (4) of
7 this section, if the member was not eligible for normal retirement at
8 the date of death a further reduction as described in RCW 41.40.630; if
9 a surviving spouse who is receiving a retirement allowance dies leaving
10 a child or children of the member under the age of majority, then such
11 child or children shall continue to receive an allowance in an amount
12 equal to that which was being received by the surviving spouse, share
13 and share alike, until such child or children reach the age of
14 majority; if there is no surviving spouse eligible to receive an
15 allowance at the time of the member's death, such member's child or
16 children under the age of majority shall receive an allowance share and
17 share alike calculated as herein provided making the assumption that
18 the ages of the spouse and member were equal at the time of the
19 member's death; ((~~or~~))

20 (b) The member's accumulated contributions, less any amount
21 identified as owing to an obligee upon withdrawal of accumulated
22 contributions pursuant to a court order filed under RCW 41.50.670; or

23 (c) For a member who leaves the employ of an employer to enter the
24 uniformed services of the United States and who dies after January 1,
25 2007, while honorably serving in the uniformed services of the United
26 States in Operation Enduring Freedom or Persian Gulf, Operation Iraqi
27 Freedom, an amount equal to two hundred percent of the member's
28 accumulated contributions, less any amount identified as owing to an
29 obligee upon withdrawal of accumulated contributions pursuant to a
30 court order filed under RCW 41.50.670.

31 (3) If a member who is eligible for retirement or a member who has
32 completed at least ten years of service dies after October 1, 1977, and
33 is not survived by a spouse or an eligible child, then the accumulated
34 contributions standing to the member's credit, less any amount
35 identified as owing to an obligee upon withdrawal of accumulated
36 contributions pursuant to a court order filed under RCW 41.50.670,
37 shall be paid:

1 (a) To a person or persons, estate, trust, or organization as the
2 member shall have nominated by written designation duly executed and
3 filed with the department; or

4 (b) If there is no such designated person or persons still living
5 at the time of the member's death, then to the member's legal
6 representatives.

7 (4) A member who is killed in the course of employment, as
8 determined by the director of the department of labor and industries,
9 is not subject to an actuarial reduction under RCW 41.40.630. The
10 member's retirement allowance is computed under RCW 41.40.620.

11 **Sec. 9.** RCW 43.43.285 and 1996 c 226 s 2 are each amended to read
12 as follows:

13 (1) A one hundred fifty thousand dollar death benefit shall be paid
14 to the member's estate, or such person or persons, trust or
15 organization as the member shall have nominated by written designation
16 duly executed and filed with the department. If there be no such
17 designated person or persons still living at the time of the member's
18 death, such member's death benefit shall be paid to the member's
19 surviving spouse as if in fact such spouse had been nominated by
20 written designation, or if there be no such surviving spouse, then to
21 such member's legal representatives.

22 (2) The benefit under this section shall be paid only where death
23 occurs as a result of (a) injuries sustained in the course of
24 employment; or (b) an occupational disease or infection that arises
25 naturally and proximately out of employment covered under this chapter.
26 The determination of eligibility for the benefit shall be made
27 consistent with Title 51 RCW by the department of labor and industries.
28 The department of labor and industries shall notify the department of
29 retirement systems by order under RCW 51.52.050.

Passed by the House April 20, 2007.

Passed by the Senate April 20, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.