

ESHB 1445 - S COMM AMD

By Committee on Transportation

ADOPTED 04/08/2009

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

3 "Sec. 1. RCW 43.43.120 and 2001 c 329 s 3 are each amended to read
4 as follows:

5 As used in (~~the following sections~~) RCW 43.43.120 through
6 43.43.320, unless a different meaning is plainly required by the
7 context:

8 (1) "Retirement system" means the Washington state patrol
9 retirement system.

10 (2) "Retirement fund" means the Washington state patrol retirement
11 fund.

12 (3) "State treasurer" means the treasurer of the state of
13 Washington.

14 (4) "Member" means any person included in the membership of the
15 retirement fund.

16 (5) "Employee" means any commissioned employee of the Washington
17 state patrol.

18 (6)(a) "Cadet," for a person who became a member of the retirement
19 system after June 12, 1980, is a person who has passed the Washington
20 state patrol's entry-level oral, written, physical performance, and
21 background examinations and is, thereby, appointed by the chief as a
22 candidate to be a commissioned officer of the Washington state patrol.

23 (b) "Cadet," for a person who became a member of the retirement
24 system before June 12, 1980, is a trooper cadet, patrol cadet, or
25 employee of like classification, employed for the express purpose of
26 receiving the on-the-job training required for attendance at the state
27 patrol academy and for becoming a commissioned trooper. "Like
28 classification" includes: Radio operators or dispatchers; persons
29 providing security for the governor or legislature; patrolmen; drivers'

1 license examiners; weighmasters; vehicle safety inspectors; central
2 wireless operators; and warehousemen.

3 (7) "Beneficiary" means any person in receipt of retirement
4 allowance or any other benefit allowed by this chapter.

5 (8) "Regular interest" means interest compounded annually at such
6 rates as may be determined by the director.

7 (9) "Retirement board" means the board provided for in this
8 chapter.

9 (10) "Insurance commissioner" means the insurance commissioner of
10 the state of Washington.

11 (11) "Lieutenant governor" means the lieutenant governor of the
12 state of Washington.

13 (12) "Service" shall mean services rendered to the state of
14 Washington or any political subdivisions thereof for which compensation
15 has been paid. Full time employment for seventy or more hours in any
16 given calendar month shall constitute one month of service. An
17 employee who is reinstated in accordance with RCW 43.43.110 shall
18 suffer no loss of service for the period reinstated subject to the
19 contribution requirements of this chapter. Only months of service
20 shall be counted in the computation of any retirement allowance or
21 other benefit provided for herein. Years of service shall be
22 determined by dividing the total number of months of service by twelve.
23 Any fraction of a year of service as so determined shall be taken into
24 account in the computation of such retirement allowance or benefit.

25 (13) "Prior service" shall mean all services rendered by a member
26 to the state of Washington, or any of its political subdivisions prior
27 to August 1, 1947, unless such service has been credited in another
28 public retirement or pension system operating in the state of
29 Washington.

30 (14) "Current service" shall mean all service as a member rendered
31 on or after August 1, 1947.

32 (15)(a) "Average final salary," for members commissioned prior to
33 January 1, 2003, shall mean the average monthly salary received by a
34 member during the member's last two years of service or any consecutive
35 two-year period of service, whichever is the greater, as an employee of
36 the Washington state patrol; or if the member has less than two years
37 of service, then the average monthly salary received by the member
38 during the member's total years of service.

1 (b) "Average final salary," for members commissioned on or after
2 January 1, 2003, shall mean the average monthly salary received by a
3 member for the highest consecutive sixty service credit months; or if
4 the member has less than sixty months of service, then the average
5 monthly salary received by the member during the member's total months
6 of service.

7 (16) "Actuarial equivalent" shall mean a benefit of equal value
8 when computed upon the basis of such mortality table as may be adopted
9 and such interest rate as may be determined by the director.

10 (17) Unless the context expressly indicates otherwise, words
11 importing the masculine gender shall be extended to include the
12 feminine gender and words importing the feminine gender shall be
13 extended to include the masculine gender.

14 (18) "Director" means the director of the department of retirement
15 systems.

16 (19) "Department" means the department of retirement systems
17 created in chapter 41.50 RCW.

18 (20) "State actuary" or "actuary" means the person appointed
19 pursuant to RCW 44.44.010(2).

20 (21) "Contributions" means the deduction from the compensation of
21 each member in accordance with the contribution rates established under
22 chapter 41.45 RCW.

23 (22) "Annual increase" means as of July 1, 1999, seventy-seven
24 cents per month per year of service which amount shall be increased
25 each subsequent July 1st by three percent, rounded to the nearest cent.

26 (23)(a) "Salary," for members commissioned prior to July 1, 2001,
27 shall exclude any overtime earnings related to RCW 47.46.040, or any
28 voluntary overtime, earned on or after July 1, 2001.

29 (b) "Salary," for members commissioned on or after July 1, 2001,
30 shall exclude any overtime earnings related to RCW 47.46.040 or any
31 voluntary overtime, lump sum payments for deferred annual sick leave,
32 unused accumulated vacation, unused accumulated annual leave, holiday
33 pay, or any form of severance pay.

34 (24) "Plan 2" means the Washington state patrol retirement system
35 plan 2, providing the benefits and funding provisions covering
36 commissioned employees who first become members of the system on or
37 after January 1, 2003.

1 (25) "Domestic partners" means two adults who have registered as
2 domestic partners under RCW 26.60.020.

3 **Sec. 2.** RCW 43.43.260 and 2005 c 64 s 10 are each amended to read
4 as follows:

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

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

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

13 (3)(a) Any member commissioned prior to January 1, 2003, with
14 twenty-five years service in the Washington state patrol may have the
15 member's service in the uniformed services credited as a member whether
16 or not the individual left the employ of the Washington state patrol to
17 enter such uniformed services: PROVIDED, That in no instance shall
18 military service in excess of five years be credited: AND PROVIDED
19 FURTHER, That in each instance, a member must restore all withdrawn
20 accumulated contributions, which restoration must be completed on the
21 date of the member's retirement, or as provided under RCW 43.43.130,
22 whichever occurs first: AND PROVIDED FURTHER, That this section shall
23 not apply to any individual, not a veteran within the meaning of RCW
24 41.06.150.

25 (b) A member who leaves the Washington state patrol to enter the
26 uniformed services of the United States shall be entitled to retirement
27 system service credit for up to five years of military service. This
28 subsection shall be administered in a manner consistent with the
29 requirements of the federal uniformed services employment and
30 reemployment rights act.

31 (i) The member qualifies for service credit under this subsection
32 if:

33 (A) Within ninety days of the member's honorable discharge from the
34 uniformed services of the United States, the member applies for
35 reemployment with the employer who employed the member immediately
36 prior to the member entering the uniformed services; and

1 (B) The member makes the employee contributions required under RCW
2 41.45.0631 and 41.45.067 within five years of resumption of service or
3 prior to retirement, whichever comes sooner; or

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

7 (ii) Upon receipt of member contributions under (b)(i)(B),
8 (b)(iv)(C), and (b)(v)(C) of this subsection, the department shall
9 establish the member's service credit and shall bill the employer for
10 its contribution required under RCW 41.45.060 for the period of
11 military service, plus interest as determined by the department.

12 (iii) The contributions required under (b)(i)(B), (b)(iv)(C), and
13 (b)(v)(C) of this subsection shall be based on the compensation the
14 member would have earned if not on leave, or if that cannot be
15 estimated with reasonable certainty, the compensation reported for the
16 member in the year prior to when the member went on military leave.

17 (iv) The surviving spouse or lawful domestic partner or eligible
18 child or children of a member who left the employ of an employer to
19 enter the uniformed services of the United States and died while
20 serving in the uniformed services may, on behalf of the deceased
21 member, apply for retirement system service credit under this
22 subsection up to the date of the member's death in the uniformed
23 services. The department shall establish the deceased member's service
24 credit if the surviving spouse or lawful domestic partner or eligible
25 child or children:

26 (A) Provides to the director proof of the member's death while
27 serving in the uniformed services;

28 (B) Provides to the director proof of the member's honorable
29 service in the uniformed services prior to the date of death; and

30 (C) If the member was commissioned on or after January 1, 2003,
31 pays the employee contributions required under chapter 41.45 RCW within
32 five years of the date of death or prior to the distribution of any
33 benefit, whichever comes first.

34 (v) A member who leaves the employ of an employer to enter the
35 uniformed services of the United States and becomes totally
36 incapacitated for continued employment by an employer while serving in
37 the uniformed services is entitled to retirement system service credit

1 under this subsection up to the date of discharge from the uniformed
2 services if:

3 (A) The member obtains a determination from the director that he or
4 she is totally incapacitated for continued employment due to conditions
5 or events that occurred while serving in the uniformed services;

6 (B) The member provides to the director proof of honorable
7 discharge from the uniformed services; and

8 (C) If the member was commissioned on or after January 1, 2003, the
9 member pays the employee contributions required under chapter 41.45 RCW
10 within five years of the director's determination of total disability
11 or prior to the distribution of any benefit, whichever comes first.

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

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

- 19 (a) The original dollar amount of the retirement allowance;
- 20 (b) The index for the calendar year prior to the effective date of
21 the retirement allowance, to be known as "index A";
- 22 (c) The index for the calendar year prior to the date of
23 determination, to be known as "index B"; and
- 24 (d) The ratio obtained when index B is divided by index A.

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

- 28 (i) Produce a retirement allowance which is lower than the original
29 retirement allowance;
- 30 (ii) Exceed three percent in the initial annual adjustment; or
- 31 (iii) Differ from the previous year's annual adjustment by more
32 than three percent.

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

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

3 **Sec. 3.** RCW 43.43.270 and 2006 c 94 s 1 are each amended to read
4 as follows:

5 For members commissioned prior to January 1, 2003:

6 (1) The normal form of retirement allowance shall be an allowance
7 which shall continue as long as the member lives.

8 (2) If a member should die while in service the member's lawful
9 spouse or lawful domestic partner shall be paid an allowance which
10 shall be equal to fifty percent of the average final salary of the
11 member. If the member should die after retirement the member's lawful
12 spouse or lawful domestic partner shall be paid an allowance which
13 shall be equal to the retirement allowance then payable to the member
14 or fifty percent of the final average salary used in computing the
15 member's retirement allowance, whichever is less. The allowance paid
16 to the lawful spouse or lawful domestic partner shall continue as long
17 as the spouse or domestic partner lives: PROVIDED, That if a surviving
18 spouse or domestic partner who is receiving benefits under this
19 subsection marries, or enters into a domestic partnership with, another
20 member of this retirement system who subsequently predeceases such
21 spouse or domestic partner, the spouse or domestic partner shall then
22 be entitled to receive the higher of the two survivors' allowances for
23 which eligibility requirements were met, but a surviving spouse or
24 domestic partner shall not receive more than one survivor's allowance
25 from this system at the same time under this subsection. To be
26 eligible for an allowance the lawful surviving spouse or lawful
27 domestic partner of a retired member shall have been married to, or in
28 a domestic partnership with, the member prior to the member's
29 retirement and continuously thereafter until the date of the member's
30 death or shall have been married to, or in a domestic partnership with,
31 the retired member at least two years prior to the member's death. The
32 allowance paid to the lawful spouse or lawful domestic partner may be
33 divided with an ex spouse or ex domestic partner of the member by a
34 dissolution order as defined in RCW 41.50.500(3) incident to a
35 (~~divorce~~) dissolution occurring after July 1, 2002. The dissolution
36 order must specifically divide both the member's benefit and any

1 spousal or domestic partner survivor benefit, and must fully comply
2 with RCW 41.50.670 and 41.50.700.

3 (3) If a member should die, either while in service or after
4 retirement, the member's surviving unmarried children under the age of
5 eighteen years shall be provided for in the following manner:

6 (a) If there is a surviving spouse or domestic partner, each child
7 shall be entitled to a benefit equal to five percent of the final
8 average salary of the member or retired member. The combined benefits
9 to the surviving spouse or domestic partner and all children shall not
10 exceed sixty percent of the final average salary of the member or
11 retired member; and

12 (b) If there is no surviving spouse or domestic partner or the
13 spouse or domestic partner should die, the child or children shall be
14 entitled to a benefit equal to thirty percent of the final average
15 salary of the member or retired member for one child and an additional
16 ten percent for each additional child. The combined benefits to the
17 children under this subsection shall not exceed sixty percent of the
18 final average salary of the member or retired member. Payments under
19 this subsection shall be prorated equally among the children, if more
20 than one.

21 (4) If a member should die in the line of duty while employed by
22 the Washington state patrol, the member's surviving children under the
23 age of twenty years and eleven months if attending any high school,
24 college, university, or vocational or other educational institution
25 accredited or approved by the state of Washington shall be provided for
26 in the following manner:

27 (a) If there is a surviving spouse or domestic partner, each child
28 shall be entitled to a benefit equal to five percent of the final
29 average salary of the member. The combined benefits to the surviving
30 spouse or domestic partner and all children shall not exceed sixty
31 percent of the final average salary of the member;

32 (b) If there is no surviving spouse or domestic partner or the
33 spouse or domestic partner should die, the unmarried child or children
34 shall be entitled to receive a benefit equal to thirty percent of the
35 final average salary of the member or retired member for one child and
36 an additional ten percent for each additional child. The combined
37 benefits to the children under this subsection shall not exceed sixty

1 percent of the final average salary. Payments under this subsection
2 shall be prorated equally among the children, if more than one; and

3 (c) If a beneficiary under this subsection reaches the age of
4 twenty-one years during the middle of a term of enrollment the benefit
5 shall continue until the end of that term.

6 (5)(a) The provisions of this section shall apply to members who
7 have been retired on disability as provided in RCW 43.43.040 if the
8 officer was a member of the Washington state patrol retirement system
9 at the time of such disability retirement.

10 (b) For the purposes of this subsection, average final salary as
11 used in subsection (2) of this section means:

12 (i) For members commissioned prior to January 1, 2003, the average
13 monthly salary received by active members of the patrol of the rank at
14 which the member became disabled, during the two years prior to the
15 death of the disabled member; and

16 (ii) For members commissioned on or after January 1, 2003, the
17 average monthly salary received by active members of the patrol of the
18 rank at which the member became disabled, during the five years prior
19 to the death of the disabled member.

20 (c) The changes to the definitions of average final salary for the
21 survivors of disabled members in this subsection shall apply
22 retroactively. The department shall correct future payments to
23 eligible survivors of members disabled prior to June 7, 2006, and, as
24 soon as administratively practicable, pay each survivor a lump sum
25 payment reflecting the difference, as determined by the director,
26 between the survivor benefits previously received by the member, and
27 those the member would have received under the definitions of average
28 final salary created in chapter 94, Laws of 2006.

29 **Sec. 4.** RCW 43.43.271 and 2003 c 294 s 14 are each amended to read
30 as follows:

31 (1) A member commissioned on or after January 1, 2003, upon
32 retirement for service as prescribed in RCW 43.43.250 shall elect to
33 have the retirement allowance paid pursuant to the following options,
34 calculated so as to be actuarially equivalent to each other.

35 (a) Standard allowance. A member electing this option shall
36 receive a retirement allowance payable throughout the member's life.
37 However, if the retiree dies before the total of the retirement

1 allowance paid to the retiree equals the amount of the retiree's
2 accumulated contributions at the time of retirement, then the balance
3 shall be paid to the member's estate, or such person or persons, trust,
4 or organization as the retiree shall have nominated by written
5 designation duly executed and filed with the department; or if there be
6 no such designated person or persons still living at the time of the
7 retiree's death, then to the surviving spouse or domestic partner; or
8 if there be neither such designated person or persons still living at
9 the time of death nor a surviving spouse or domestic partner, then to
10 the retiree's legal representative.

11 (b) The department shall adopt rules that allow a member to select
12 a retirement option that pays the member a reduced retirement allowance
13 and upon death, such portion of the member's reduced retirement
14 allowance as the department by rule designates shall be continued
15 throughout the life of and paid to a designated person. Such person
16 shall be nominated by the member by written designation duly executed
17 and filed with the department at the time of retirement. The options
18 adopted by the department shall include, but are not limited to, a
19 joint and one hundred percent survivor option and a joint and fifty
20 percent survivor option.

21 (2)(a) A member, if married or in a domestic partnership, must
22 provide the written consent of his or her spouse or domestic partner to
23 the option selected under this section, except as provided in (b) of
24 this subsection. If a member is married or in a domestic partnership
25 and both the member and member's spouse or domestic partner do not give
26 written consent to an option under this section, the department will
27 pay the member a joint and fifty percent survivor benefit and record
28 the member's spouse or domestic partner as the beneficiary. This
29 benefit shall be calculated to be actuarially equivalent to the benefit
30 options available under subsection (1) of this section unless
31 (~~spouse~~) consent by the spouse or domestic partner is not required
32 as provided in (b) of this subsection.

33 (b) If a copy of a dissolution order designating a survivor
34 beneficiary under RCW 41.50.790 has been filed with the department at
35 least thirty days prior to a member's retirement:

36 (i) The department shall honor the designation as if made by the
37 member under subsection (1) of this section; and

1 (ii) The (~~spousal~~) spouse or domestic partner consent provisions
2 of (a) of this subsection do not apply.

3 (3) No later than January 1, 2003, the department shall adopt rules
4 that allow a member additional actuarially equivalent survivor benefit
5 options, and shall include, but are not limited to:

6 (a)(i) A retired member who retired without designating a survivor
7 beneficiary shall have the opportunity to designate their spouse or
8 domestic partner from a postretirement marriage or domestic partnership
9 as a survivor during a one-year period beginning one year after the
10 date of the postretirement marriage or domestic partnership provided
11 the retirement allowance payable to the retiree is not subject to
12 periodic payments pursuant to a property division obligation as
13 provided for in RCW 41.50.670.

14 (ii) A member who entered into a postretirement marriage or
15 domestic partnership prior to the effective date of the rules adopted
16 pursuant to this subsection and satisfies the conditions of (a)(i) of
17 this subsection shall have one year to designate their spouse or
18 domestic partner as a survivor beneficiary following the adoption of
19 the rules.

20 (b) A retired member who elected to receive a reduced retirement
21 allowance under this section and designated a nonspouse or a
22 nondomestic partner as survivor beneficiary shall have the opportunity
23 to remove the survivor designation and have their future benefit
24 adjusted.

25 (c) The department may make an additional charge, if necessary, to
26 ensure that the benefits provided under this subsection remain
27 actuarially equivalent.

28 (4) No later than July 1, 2003, the department shall adopt rules to
29 permit:

30 (a) A court-approved property settlement incident to a court decree
31 of dissolution made before retirement to provide that benefits payable
32 to a member who has completed at least five years of service and the
33 member's divorcing spouse or former domestic partner be divided into
34 two separate benefits payable over the life of each spouse or domestic
35 partner.

36 The member shall have available the benefit options of subsection
37 (1) of this section upon retirement, and if remarried or in a domestic
38 partnership at the time of retirement remains subject to the

1 (~~spouse~~) spouse or domestic partner consent requirements of
2 subsection (2) of this section. Any reductions of the member's benefit
3 subsequent to the division into two separate benefits shall be made
4 solely to the separate benefit of the member.

5 The nonmember ex spouse or former domestic partner shall be
6 eligible to commence receiving their separate benefit upon reaching the
7 ages provided in RCW 43.43.250(2) and after filing a written
8 application with the department.

9 (b) A court-approved property settlement incident to a court decree
10 of dissolution made after retirement may only divide the benefit into
11 two separate benefits payable over the life of each spouse or domestic
12 partner if the nonmember ex spouse or former domestic partner was
13 selected as a survivor beneficiary at retirement.

14 The retired member may later choose the survivor benefit options
15 available in subsection (3) of this section. Any actuarial reductions
16 subsequent to the division into two separate benefits shall be made
17 solely to the separate benefit of the member.

18 Both the retired member and the nonmember divorced spouse or former
19 domestic partner shall be eligible to commence receiving their separate
20 benefits upon filing a copy of the dissolution order with the
21 department in accordance with RCW 41.50.670.

22 (c) The department may make an additional charge or adjustment if
23 necessary to ensure that the separate benefits provided under this
24 subsection are actuarially equivalent to the benefits payable prior to
25 the decree of dissolution.

26 **Sec. 5.** RCW 43.43.278 and 2001 c 329 s 9 are each amended to read
27 as follows:

28 By July 1, 2000, the department of retirement systems shall adopt
29 rules that allow a member to select an actuarially equivalent
30 retirement option that pays the member a reduced retirement allowance
31 and upon death shall be continued throughout the life of a lawful
32 surviving spouse or lawful domestic partner. The continuing allowance
33 to the lawful surviving spouse or lawful domestic partner shall be
34 subject to the yearly increase provided by RCW 43.43.260(5). The
35 allowance to the lawful surviving spouse or lawful domestic partner
36 under this section, and the allowance for an eligible child or children

1 under RCW 43.43.270, shall not be subject to the limit for combined
2 benefits under RCW 43.43.270.

3 **Sec. 6.** RCW 43.43.280 and 1994 c 197 s 35 are each amended to read
4 as follows:

5 (1) If a member dies before retirement, and has no surviving spouse
6 or domestic partner or children under the age of eighteen years, all
7 contributions made by the member, including any amount paid under RCW
8 41.50.165(2), with interest as determined by the director, less any
9 amount identified as owing to an obligee upon withdrawal of accumulated
10 contributions pursuant to a court order filed under RCW 41.50.670,
11 shall be paid to such person or persons as the member shall have
12 nominated by written designation duly executed and filed with the
13 department, or if there be no such designated person or persons, then
14 to the member's legal representative.

15 (2) If a member should cease to be an employee before attaining age
16 sixty for reasons other than the member's death, or retirement, the
17 individual shall thereupon cease to be a member except as provided
18 under RCW 43.43.130 (2) (~~and~~), (3), and (4) and, the individual may
19 withdraw the member's contributions to the retirement fund, including
20 any amount paid under RCW 41.50.165(2), with interest as determined by
21 the director, by making application therefor to the department, except
22 that: A member who ceases to be an employee after having completed at
23 least five years of service shall remain a member during the period of
24 the member's absence from employment for the exclusive purpose only of
25 receiving a retirement allowance to begin at attainment of age sixty,
26 however such a member may upon written notice to the department elect
27 to receive a reduced retirement allowance on or after age fifty-five
28 which allowance shall be the actuarial equivalent of the sum necessary
29 to pay regular retirement benefits as of age sixty: PROVIDED, That if
30 such member should withdraw all or part of the member's accumulated
31 contributions, the individual shall thereupon cease to be a member and
32 this subsection shall not apply.

33 **Sec. 7.** RCW 43.43.285 and 2007 c 488 s 1 and 2007 c 487 s 9 are
34 each reenacted and amended to read as follows:

35 (1) A one hundred fifty thousand dollar death benefit shall be paid
36 to the member's estate, or such person or persons, trust or

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

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

17 (b) The retirement allowance paid to the spouse or domestic partner
18 and dependent children of a member who is killed in the course of
19 employment, as set forth in RCW 41.05.011(14), shall include
20 reimbursement for any payments of premium rates to the Washington state
21 health care authority under RCW 41.05.080.

22 **Sec. 8.** RCW 43.43.295 and 2004 c 171 s 1 are each amended to read
23 as follows:

24 (1) For members commissioned on or after January 1, 2003, except as
25 provided in RCW 11.07.010, if a member or a vested member who has not
26 completed at least ten years of service dies, the amount of the
27 accumulated contributions standing to such member's credit in the
28 retirement system at the time of such member's death, 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 estate, or such person or persons, trust,
32 or organization as the member shall have nominated by written
33 designation duly executed and filed with the department. If there be
34 no such designated person or persons still living at the time of the
35 member's death, such member's accumulated contributions standing to
36 such member's credit in the retirement system, less any amount
37 identified as owing to an obligee upon withdrawal of accumulated

1 contributions pursuant to a court order filed under RCW 41.50.670,
2 shall be paid to the member's surviving spouse or domestic partner as
3 if in fact such spouse or domestic partner had been nominated by
4 written designation, or if there be no such surviving spouse or
5 domestic partner, then to such member's legal representatives.

6 (2) If a member who is eligible for retirement or a member who has
7 completed at least ten years of service dies, the surviving spouse or
8 domestic partner or eligible child or children shall elect to receive
9 either:

10 (a) A retirement allowance computed as provided for in RCW
11 43.43.260, actuarially reduced, except under subsection (4) of this
12 section, by the amount of any lump sum benefit identified as owing to
13 an obligee upon withdrawal of accumulated contributions pursuant to a
14 court order filed under RCW 41.50.670 and actuarially adjusted to
15 reflect a joint and one hundred percent survivor option under RCW
16 43.43.278 and if the member was not eligible for normal retirement at
17 the date of death a further reduction from age fifty-five or when the
18 member could have attained twenty-five years of service, whichever is
19 less; if a surviving spouse or domestic partner who is receiving a
20 retirement allowance dies leaving a child or children of the member
21 under the age of majority, then such child or children shall continue
22 to receive an allowance in an amount equal to that which was being
23 received by the surviving spouse or domestic partner, share and share
24 alike, until such child or children reach the age of majority; if there
25 is no surviving spouse or domestic partner eligible to receive an
26 allowance at the time of the member's death, such member's child or
27 children under the age of majority shall receive an allowance share and
28 share alike calculated under this section making the assumption that
29 the ages of the spouse or domestic partner and member were equal at the
30 time of the member's death; or

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

34 (ii) If the member dies, one hundred fifty percent of the member's
35 accumulated contributions, less any amount identified as owing to an
36 obligee upon withdrawal of accumulated contributions pursuant to a
37 court order filed under RCW 41.50.670. Any accumulated contributions

1 attributable to restorations made under RCW 41.50.165(2) shall be
2 refunded at one hundred percent.

3 (3) If a member who is eligible for retirement or a member who has
4 completed at least ten years of service dies, and is not survived by a
5 spouse or domestic partner or an eligible child, then the accumulated
6 contributions standing to the member's credit, less any amount
7 identified as owing to an obligee upon withdrawal of accumulated
8 contributions pursuant to a court order filed under RCW 41.50.670,
9 shall be paid:

10 (a) To an estate, a person or persons, trust, or organization as
11 the member shall have nominated by written designation duly executed
12 and filed with the department; or

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

16 (4) The retirement allowance of a member who is killed in the
17 course of employment, as determined by the director of the department
18 of labor and industries, is not subject to an actuarial reduction.

19 **Sec. 9.** RCW 41.05.080 and 2007 c 114 s 6 are each amended to read
20 as follows:

21 (1) Under the qualifications, terms, conditions, and benefits set
22 by the board:

23 (a) Retired or disabled state employees, retired or disabled school
24 employees, retired or disabled employees of county, municipal, or other
25 political subdivisions, or retired or disabled employees of tribal
26 governments covered by this chapter may continue their participation in
27 insurance plans and contracts after retirement or disablement;

28 (b) Separated employees may continue their participation in
29 insurance plans and contracts if participation is selected immediately
30 upon separation from employment;

31 (c) Surviving spouses, surviving spouses or surviving domestic
32 partners in the case of members of the Washington state patrol
33 retirement system, and dependent children of emergency service
34 personnel killed in the line of duty may participate in insurance plans
35 and contracts.

36 (2) Rates charged surviving spouses, or surviving spouses or
37 surviving domestic partners in the case of members of the Washington

1 state patrol retirement system, of emergency service personnel killed
2 in the line of duty, retired or disabled employees, separated
3 employees, spouses, or dependent children who are not eligible for
4 parts A and B of medicare shall be based on the experience of the
5 community rated risk pool established under RCW 41.05.022.

6 (3) Rates charged to surviving spouses, or surviving spouses or
7 surviving domestic partners in the case of members of the Washington
8 state patrol retirement system, of emergency service personnel killed
9 in the line of duty, retired or disabled employees, separated
10 employees, spouses, or children who are eligible for parts A and B of
11 medicare shall be calculated from a separate experience risk pool
12 comprised only of individuals eligible for parts A and B of medicare;
13 however, the premiums charged to medicare-eligible retirees and
14 disabled employees shall be reduced by the amount of the subsidy
15 provided under RCW 41.05.085.

16 (4) Surviving spouses, surviving spouses or surviving domestic
17 partners in the case of members of the Washington state patrol
18 retirement system, and dependent children of emergency service
19 personnel killed in the line of duty and retired or disabled and
20 separated employees shall be responsible for payment of premium rates
21 developed by the authority which shall include the cost to the
22 authority of providing insurance coverage including any amounts
23 necessary for reserves and administration in accordance with this
24 chapter. These self pay rates will be established based on a separate
25 rate for the employee, the spouse, the spouse or domestic partner in
26 the case of members of the Washington state patrol retirement system,
27 and the children.

28 (5) The term "retired state employees" for the purpose of this
29 section shall include but not be limited to members of the legislature
30 whether voluntarily or involuntarily leaving state office."

ESHB 1445 - S COMM AMD

By Committee on Transportation

ADOPTED 04/08/2009

1 On page 1, line 2 of the title, after "system;" strike the
2 remainder of the title and insert "amending RCW 43.43.120, 43.43.260,
3 43.43.270, 43.43.271, 43.43.278, 43.43.280, 43.43.295, and 41.05.080;
4 and reenacting and amending RCW 43.43.285."

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