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## HOUSE BILL 1547

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State of Washington

14

61st Legislature

2009 Regular Session

By Representatives Bailey, Conway, Seaquist, Crouse, Kenney, Simpson, and Ormsby; by request of Select Committee on Pension Policy and LEOFF Plan 2 Retirement Board

Read first time 01/23/09. Referred to Committee on Ways & Means.

- 1 AN ACT Relating to increasing the duty-related death benefit for
- 2 public employees; amending RCW 41.04.017, 41.24.160, 41.26.048,
- 3 41.32.053, 41.35.115, 41.37.110, 41.40.0931, and 41.40.0932; reenacting
- 4 and amending RCW 43.43.285; and declaring an emergency.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 41.04.017 and 2007 c 487 s 1 are each amended to read 7 as follows:
- 8 A one hundred ((fifty)) seventy-five thousand dollar death benefit
- 9 shall be paid as a sundry claim to the estate of an employee of any
- 10 state agency, the common school system of the state, or institution of
- 11 higher education who dies as a result of (1) injuries sustained in the
- 12 course of employment; or (2) an occupational disease or infection that
- 13 arises naturally and proximately out of employment covered under this

chapter, and is not otherwise provided a death benefit through coverage

- under their enrolled retirement system under chapter 402, Laws of 2003.
- 16 The determination of eligibility for the benefit shall be made
- 17 consistent with Title 51 RCW by the department of labor and industries.
- 18 The department of labor and industries shall notify the director of the
- 19 department of general administration by order under RCW 51.52.050.

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- Sec. 2. RCW 41.24.160 and 2001 c 134 s 2 are each amended to read as follows:
- (1)(a) Whenever a participant dies as the result of injuries received, or sickness contracted in consequence or as the result of the performance of his or her duties, the board of trustees shall order and direct the payment from the principal fund of (i) the sum of one hundred ((fifty-two)) seventy-seven thousand dollars to his widow or her widower, or if there is no widow or widower, then to his or her dependent child or children, or if there is no dependent child or children, then to his or her dependent parents or either of them, or if there are no dependent parents or parent, then the death benefit shall be paid to the member's estate, and (ii)(A) the sum of one thousand two hundred seventy-five dollars per month to his widow or her widower during his or her life together with the additional monthly sum of one hundred ten dollars for each child of the member, unemancipated or under eighteen years of age, dependent upon the member for support at the time of his or her death, (B) to a maximum total of two thousand five hundred fifty dollars per month.
  - (b) Beginning on July 1, 2001, and each July 1st thereafter, the compensation amount specified in (a)(ii)(B) of this subsection shall be readjusted to reflect the percentage change in the consumer price index, calculated as follows: The index for the calendar year preceding the year in which the July calculation is made, to be known as "calendar year A," is divided by the index for the calendar year preceding calendar year A, and the resulting ratio is multiplied by the compensation amount in effect on June 30th immediately preceding the July 1st on which the respective calculation is made. For the purposes of this subsection, "index" means the same as the definition in RCW 2.12.037(1).
  - (2) If the widow or widower does not have legal custody of one or more dependent children of the deceased participant or if, after the death of the participant, legal custody of such child or children passes from the widow or widower to another person, any payment on account of such child or children not in the legal custody of the widow or widower shall be made to the person or persons having legal custody of such child or children. Such payments on account of such child or children shall be subtracted from the amount to which such widow or widower would have been entitled had such widow or widower had legal

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custody of all the children and the widow or widower shall receive the 1 2 remainder after such payments on account of such child or children have been subtracted. If there is no widow or widower, or the widow or 3 4 widower dies while there are children, unemancipated or under eighteen years of age, then the amount of one thousand two hundred seventy-five 5 dollars per month shall be paid for the youngest or only child together 6 7 with an additional one hundred ten dollars per month for each 8 additional of such children to a maximum of two thousand five hundred fifty dollars per month until they become emancipated or reach the age 9 10 of eighteen years; and if there are no widow or widower, child, or children entitled thereto, then to his or her parents or either of them 11 12 the sum of one thousand two hundred seventy-five dollars per month for 13 life, if it is proved to the satisfaction of the board that the parents, or either of them, were dependent on the deceased for their 14 support at the time of his or her death. In any instance in 15 subsections (1) and (2) of this section, if the widow or widower, child 16 17 or children, or the parents, or either of them, marries while receiving 18 such pension the person so marrying shall thereafter receive no further 19 pension from the fund.

(3) In the case provided for in this section, the monthly payment provided may be converted in whole or in part into a lump sum payment, not in any case to exceed twelve thousand dollars, equal or proportionate, as the case may be, to the actuarial equivalent of the monthly payment in which event the monthly payments shall cease in whole or in part accordingly or proportionately. Such conversion may be made either upon written application to the state board and shall rest in the discretion of the state board; or the state board is authorized to make, and authority is given it to make, on its own motion, lump sum payments, equal or proportionate, as the case may be, to the value of the annuity then remaining in full satisfaction of claims due to dependents. Within the rule under this subsection the amount and value of the lump sum payment may be agreed upon between the applicant and the state board.

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- 34 **Sec. 3.** RCW 41.26.048 and 2007 c 487 s 2 are each amended to read as follows:
- 36 (1) A one hundred ((fifty)) seventy-five thousand dollar death 37 benefit shall be paid to the member's estate, or such person or

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- persons, trust or organization as the member shall have nominated by written designation duly executed and filed with the department. If there be no such designated person or persons still living at the time of the member's death, such member's death benefit shall be paid to the member's surviving spouse as if in fact such spouse had been nominated by written designation, or if there be no such surviving spouse, then to such member's legal representatives.
  - (2) The benefit under this section shall be paid only when death occurs: (a) As a result of injuries sustained in the course of employment; or (b) as a result of an occupational disease or infection that arises naturally and proximately out of employment covered under this chapter. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.
- **Sec. 4.** RCW 41.32.053 and 2007 c 487 s 3 are each amended to read 17 as follows:
  - (1) A one hundred ((fifty)) seventy-five thousand dollar death benefit shall be paid to the member's estate, or such person or persons, trust or organization as the member has nominated by written designation duly executed and filed with the department. If no such designated person or persons are still living at the time of the member's death, the member's death benefit shall be paid to the member's surviving spouse as if in fact the spouse had been nominated by written designation, or if there is no surviving spouse, then to the member's legal representatives.
  - (2) The benefit under this section shall be paid only where death occurs as a result of (a) injuries sustained in the course of employment; or (b) an occupational disease or infection that arises naturally and proximately out of employment covered under this chapter. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.
- **Sec. 5.** RCW 41.35.115 and 2007 c 487 s 4 are each amended to read as follows:

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

- (2) The benefit under this section shall be paid only where death occurs as a result of (a) injuries sustained in the course of employment; or (b) an occupational disease or infection that arises naturally and proximately out of employment covered under this chapter. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.
- **Sec. 6.** RCW 41.37.110 and 2007 c 487 s 5 are each amended to read 19 as follows:
  - (1) A one hundred ((fifty)) seventy-five thousand dollar death benefit shall be paid to the member's estate, or the person or persons, trust, or organization the member has nominated by written designation duly executed and filed with the department. If the designated person or persons are not still living at the time of the member's death, the member's death benefit shall be paid to the member's surviving spouse as if in fact the spouse had been nominated by written designation, or if there is no surviving spouse, then to the member's legal representatives.
  - (2) The benefit under this section shall be paid only where death occurs as a result of (a) injuries sustained in the course of employment; or (b) an occupational disease or infection that arises naturally and proximately out of employment covered under this chapter. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.

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Sec. 7. RCW 41.40.0931 and 2007 c 487 s 6 are each amended to read as follows:

- (1) A one hundred ((fifty)) seventy-five thousand dollar death benefit for members who had the opportunity to transfer to the law enforcement officers' and firefighters' retirement system pursuant to chapter 502, Laws of 1993, but elected to remain in the public employees' retirement system, shall be paid to the member's estate, or such person or persons, trust, or organization as the member has nominated by written designation duly executed and filed with the department. If there is no designated person or persons still living at the time of the member's death, the member's death benefit shall be paid to the member's surviving spouse as if in fact the spouse had been nominated by written designation, or if there is no surviving spouse, then to the member's legal representatives.
  - (2) Subject to subsection (3) of this section, the benefit under this section shall be paid only where death occurs as a result of (a) injuries sustained in the course of employment as a general authority police officer; or (b) an occupational disease or infection that arises naturally and proximately out of employment covered under this chapter. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.
- 24 (3) The benefit under this section shall not be paid in the event 25 the member was in the act of committing a felony when the fatal 26 injuries were suffered.
- **Sec. 8.** RCW 41.40.0932 and 2007 c 487 s 7 are each amended to read as follows:
  - (1) A one hundred ((fifty)) seventy-five thousand dollar death benefit shall be paid to the member's estate, or such person or persons, trust or organization as the member has nominated by written designation duly executed and filed with the department. If no such designated person or persons are still living at the time of the member's death, the member's death benefit shall be paid to the member's surviving spouse as if in fact the spouse had been nominated by written designation, or if there is no surviving spouse, then to the member's legal representatives.

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- (2) The benefit under this section shall be paid only where death occurs as a result of (a) injuries sustained in the course of employment; or (b) an occupational disease or infection that arises naturally and proximately out of employment covered under this chapter. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.
  - Sec. 9. RCW 43.43.285 and 2007 c 488 s 1 and 2007 c 487 s 9 are each reenacted and amended to read as follows:

- (1) A one hundred ((fifty)) seventy-five thousand dollar death benefit shall be paid to the member's estate, or such person or persons, trust or organization as the member shall have nominated by written designation duly executed and filed with the department. If there be no such designated person or persons still living at the time of the member's death, such member's death benefit shall be paid to the member's surviving spouse as if in fact such spouse had been nominated by written designation, or if there be no such surviving spouse, then to such member's legal representatives.
- (2)(a) The benefit under this section shall be paid only where death occurs as a result of (i) injuries sustained in the course of employment; or (ii) an occupational disease or infection that arises naturally and proximately out of employment covered under this chapter. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.
- (b) The retirement allowance paid to the spouse and dependent children of a member who is killed in the course of employment, as set forth in RCW 41.05.011(14), shall include reimbursement for any payments of premium rates to the Washington state health care authority under RCW 41.05.080.
- 33 <u>NEW SECTION.</u> **Sec. 10.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the

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- 1 state government and its existing public institutions, and takes effect
- 2 immediately.

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