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HOUSE BILL 2825

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State of Washington                      61st Legislature                      2010 Regular Session

By Representatives Linville and Ericks; by request of Governor Gregoire  
Read first time 01/14/10. Referred to Committee on Ways & Means.

1            AN ACT Relating to transferring the administration of the voluntary  
2 firefighters' and reserve officers' relief and pension system to the  
3 department of retirement systems; amending RCW 41.24.010, 41.24.030,  
4 41.24.035, 41.24.070, 41.24.080, 41.24.110, 41.24.120, 41.24.150,  
5 41.24.155, 41.24.160, 41.24.185, 41.24.190, 41.24.210, 41.24.215,  
6 41.24.245, 41.24.290, 41.24.300, 41.24.310, 41.24.340, 41.24.410, and  
7 41.24.460; reenacting and amending RCW 41.24.172; creating a new  
8 section; and providing an effective date.

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

10            **Sec. 1.** RCW 41.24.010 and 2006 c 26 s 1 are each amended to read  
11 as follows:

12            The definitions in this section apply throughout this chapter  
13 unless the context clearly requires otherwise.

14            (1) "Municipal corporation" or "municipality" includes any county,  
15 city, town or combination thereof, fire protection district, local law  
16 enforcement agency, or any emergency medical service district or other  
17 special district, authorized by law to protect life or property within  
18 its boundaries through a fire department, emergency workers, or reserve  
19 officers.

1 (2) "Fire department" means any regularly organized fire department  
2 or emergency medical service district consisting wholly of volunteer  
3 firefighters, or any part-paid and part-volunteer fire department duly  
4 organized and maintained by any municipality: PROVIDED, That any such  
5 municipality wherein a part-paid fire department is maintained may by  
6 appropriate legislation permit the full-paid members of its department  
7 to come under the provisions of chapter 41.16 RCW.

8 (3) "Firefighter" includes any firefighter or emergency worker who  
9 is a member of any fire department of any municipality but shall not  
10 include firefighters who are eligible for participation in the  
11 Washington law enforcement officers' and firefighters' retirement  
12 system or the Washington public employees' retirement system, with  
13 respect to periods of service rendered in such capacity.

14 (4) "Emergency worker" means any emergency medical service  
15 personnel, regulated by chapters 18.71 and 18.73 RCW, who is a member  
16 of an emergency medical service district but shall not include  
17 emergency medical service personnel who are eligible for participation  
18 in the Washington law enforcement officers' and firefighters'  
19 retirement system or the Washington public employees' retirement  
20 system, with respect to periods of service rendered in such capacity.

21 (5) "Performance of duty" or "performance of service" shall be  
22 construed to mean and include any work in and about company quarters,  
23 any fire station, any law enforcement office or precinct, or any other  
24 place under the direction or general orders of the chief or other  
25 officer having authority to order such member to perform such work;  
26 performing other officially assigned duties that are secondary to his  
27 or her duties as a firefighter, emergency worker, or reserve officer  
28 such as maintenance, public education, inspections, investigations,  
29 court testimony, and fund-raising for the benefit of the department;  
30 being on call or on standby under the orders of the chief or designated  
31 officer of the department, except at the individual's home or place of  
32 business; responding to, working at, or returning from an alarm of  
33 fire, emergency call, or law enforcement duties; drill or training; or  
34 any work performed of an emergency nature in accordance with the rules  
35 and regulations of the fire department or local law enforcement agency.

36 (6) "State board" means the state board for volunteer firefighters  
37 and reserve officers.

1 (7) "Board of trustees" or "local board" means: (a) For matters  
2 affecting firefighters, a firefighter board of trustees created under  
3 RCW 41.24.060; (b) for matters affecting an emergency worker, an  
4 emergency medical service district board of trustees created under RCW  
5 41.24.330; or (c) for matters affecting reserve officers, a reserve  
6 officer board of trustees created under RCW 41.24.460.

7 (8) "Appropriate legislation" means an ordinance when an ordinance  
8 is the means of legislating by any municipality, and resolution in all  
9 other cases.

10 (9) "Reserve officer" means the same as defined by the Washington  
11 state criminal justice training commission under chapter 43.101 RCW,  
12 but shall not include enforcement officers who are eligible for  
13 participation in the Washington law enforcement officers' and  
14 firefighters' retirement system or the Washington public employees'  
15 retirement system, with respect to periods of service rendered in such  
16 capacity.

17 (10) "Participant" means: (a) For purposes of relief, any reserve  
18 officer who is or may become eligible for relief under this chapter or  
19 any firefighter or emergency worker; and (b) for purposes of retirement  
20 pension, any firefighter, emergency worker, or reserve officer who is  
21 or may become eligible to receive a benefit of any type under the  
22 retirement provisions of this chapter, or whose beneficiary may be  
23 eligible to receive any such benefit.

24 (11) "Relief" means all medical, death, and disability benefits  
25 available under this chapter that are made necessary from death,  
26 sickness, injury, or disability arising in the performance of duty,  
27 including benefits provided under RCW 41.24.110, 41.24.150, 41.24.160,  
28 41.24.175, 41.24.220, and 41.24.230, but does not include retirement  
29 pensions provided under this chapter.

30 (12) "Retirement pension" means retirement payments for the  
31 performance of service, as provided under RCW 41.24.170, 41.24.172,  
32 41.24.175, 41.24.180, and 41.24.185.

33 (13) "Principal fund" means the volunteer firefighters' and reserve  
34 officers' relief and pension principal fund created under RCW  
35 41.24.030.

36 (14) "Administrative fund" means the volunteer firefighters' and  
37 reserve officers' administrative fund created under RCW 41.24.030.

38 (15) "Department" means the department of retirement systems.

1       **Sec. 2.** RCW 41.24.030 and 2005 c 37 s 2 are each amended to read  
2 as follows:

3       (1) The volunteer firefighters' and reserve officers' relief and  
4 pension principal fund is created in the state treasury as a trust fund  
5 for the benefit of the participants covered by this chapter consisting  
6 of:

7       (a) All bequests, fees, gifts, emoluments, or donations given or  
8 paid to the fund.

9       (b) An annual fee for each member of its fire department to be paid  
10 by each municipal corporation for the purpose of affording relief  
11 provided in this chapter for firefighters as follows:

12       (i) Thirty dollars for each volunteer or part-paid member of its  
13 fire department;

14       (ii) A sum equal to one and one-half of one percent of the annual  
15 salary attached to the rank of each full-paid member of its fire  
16 department, prorated for 1970 on the basis of services prior to March  
17 1, 1970.

18       (c) An annual fee for each emergency worker of an emergency medical  
19 service district paid by the district that is sufficient to pay the  
20 full costs of covering the emergency worker under the relief provisions  
21 of this chapter, including operating expenses. The state board shall  
22 determine the amount of this fee based on the latest actuarial  
23 valuation of the system.

24       (d) Where a municipal corporation has elected to make relief  
25 provisions of this chapter available to its reserve officers, an annual  
26 fee for each reserve officer paid by the municipal corporation that is  
27 sufficient to pay the full costs of covering the reserve officer under  
28 the relief provisions of this chapter, including operating expenses.  
29 The state board shall determine the amount of this fee based on the  
30 latest actuarial valuation of the system.

31       (e) Where a municipal corporation has elected to make the  
32 retirement pension provisions of this chapter available to members of  
33 its fire department, an annual fee of sixty dollars for each of its  
34 firefighters electing to enroll, thirty dollars of which shall be paid  
35 by the municipality and thirty dollars of which shall be paid by the  
36 firefighter. However, nothing in this section prohibits any  
37 municipality from voluntarily paying the firefighters' fee for this  
38 retirement pension coverage.

1 (f) Where an emergency medical service district has elected to make  
2 the retirement pension provisions of this chapter available to its  
3 emergency workers, for each emergency worker electing to enroll: (i)  
4 An annual fee of thirty dollars shall be paid by the emergency worker;  
5 and (ii) an annual fee paid by the emergency medical service district  
6 that, together with the thirty-dollar fee per emergency worker, is  
7 sufficient to pay the full costs of covering the emergency worker under  
8 the retirement pension benefits provided under this chapter, including  
9 operating expenses. The state board shall determine the amount of this  
10 fee based on the latest actuarial valuation of the system. However,  
11 nothing in this section prohibits any emergency medical service  
12 district from voluntarily paying the emergency workers' fees for this  
13 retirement pension coverage.

14 (g) Where a municipal corporation has elected to make the  
15 retirement pension provisions of this chapter available to its reserve  
16 officers, for each reserve officer electing to enroll: (i) An annual  
17 fee of thirty dollars shall be paid by the reserve officer; and (ii) an  
18 annual fee paid by the municipal corporation that, together with the  
19 thirty-dollar fee per reserve officer, is sufficient to pay the full  
20 costs of covering the reserve officer under the retirement pension  
21 benefits provided under this chapter, including operating expenses.  
22 The state board shall determine the amount of this fee based on the  
23 latest actuarial valuation of the system. However, nothing in this  
24 section prohibits any municipal corporation from voluntarily paying the  
25 reserve officers' fees for this retirement pension coverage.

26 (h) Moneys transferred from the administrative fund, as provided  
27 under subsection (4) of this section, which may only be used to pay  
28 relief and retirement pensions for firefighters.

29 (i) Earnings from the investment of moneys in the principal fund.

30 (2) The state investment board, upon request of the state treasurer  
31 shall have full power to invest, reinvest, manage, contract, sell, or  
32 exchange investments acquired from that portion of the amounts credited  
33 to the principal fund as is not, in the judgment of the (~~state board~~)  
34 department, required to meet current withdrawals. Investments shall be  
35 made in the manner prescribed by RCW 43.84.150 and not otherwise.

36 All bonds, investments, or other obligations purchased by the state  
37 investment board shall be placed in the custody of the state treasurer,

1 and he or she shall collect the principal thereof and interest thereon  
2 when due.

3 The state investment board may sell any of the bonds, investments,  
4 or obligations so acquired and the proceeds thereof shall be paid to  
5 the state treasurer.

6 (3) The interest, earnings, and proceeds from the sale and  
7 redemption of any investments held by the principal fund and invested  
8 by the state investment board shall be credited to and form a part of  
9 the principal fund, less the allocation to the state investment board  
10 expense account pursuant to RCW 43.33A.160.

11 Subject to restrictions contained in this chapter, all amounts  
12 credited to the principal fund shall be available for making the  
13 benefit payments required by this chapter.

14 The state treasurer shall make an annual report showing the  
15 condition of the fund.

16 (4) The volunteer firefighters' and reserve officers'  
17 administrative fund is created in the state treasury. Moneys in the  
18 fund, including unanticipated revenues under RCW 43.79.270, may be  
19 spent only after appropriation, and may be used only for operating  
20 expenses of the volunteer firefighters' and reserve officers' relief  
21 and pension principal fund, the operating expenses of the volunteer  
22 firefighters' and reserve officers' administrative fund, or for  
23 transfer from the administrative fund to the principal fund.

24 (a) Forty percent of all moneys received by the state from taxes on  
25 fire insurance premiums shall be paid into the state treasury and  
26 credited to the administrative fund.

27 (b) The (~~state board~~) department shall compute a percentage of  
28 the amounts credited to the administrative fund to be paid into the  
29 principal fund.

30 (c) For the purpose of providing amounts to be used to defray the  
31 cost of administration of the principal and administrative funds, the  
32 (~~state board~~) department shall ascertain at the beginning of each  
33 biennium and request from the legislature an appropriation from the  
34 administrative fund sufficient to cover estimated expenses for the  
35 biennium.

36 **Sec. 3.** RCW 41.24.035 and 1999 c 148 s 4 are each amended to read  
37 as follows:

1       The ((~~state board~~)) department is authorized to pay from the  
2 earnings of the principal fund and administrative fund lawful  
3 obligations of the system for legal expenses and medical expenses which  
4 expenses are primarily incurred for the purpose of protecting the  
5 principal fund or are incurred in compliance with statutes governing  
6 such funds.

7       The term "legal expense" includes, but is not limited to, legal  
8 services provided through the legal services revolving fund, fees for  
9 expert witnesses, travel expenses, fees for court reporters, cost of  
10 transcript preparation, and reproduction of documents.

11       The term "medical costs" includes, but is not limited to, expenses  
12 for the medical examination or reexamination of members or retirees,  
13 the costs of preparation of medical reports, and fees charged by  
14 medical professionals for attendance at discovery proceedings or  
15 hearings.

16       **Sec. 4.** RCW 41.24.070 and 1999 c 148 s 7 are each amended to read  
17 as follows:

18       The mayor or chair of the board or commission of any municipality  
19 with a fire department, or his or her designee, shall be chair of the  
20 firefighter board of trustees, and the clerk or comptroller or  
21 secretary of any such municipality, board, or commission, or his or her  
22 designee, shall be the secretary-treasurer of the board of trustees.

23       The secretary shall keep a public record of all proceedings and of  
24 all receipts and disbursements made by the board of trustees, shall  
25 make an annual report of its expenses and disbursements with a full  
26 list of the beneficiaries of the principal fund in the municipality,  
27 and shall make all required reports to the ((~~state board~~)) department.  
28 The ((~~state board~~)) department shall provide all necessary forms to  
29 firefighter boards of trustees.

30       **Sec. 5.** RCW 41.24.080 and 1999 c 148 s 8 are each amended to read  
31 as follows:

32       The board of trustees of each municipal corporation shall provide  
33 for enrollment of all members of its fire department under the relief  
34 provisions of this chapter; provide for enrollment of all its reserve  
35 officers under the relief provisions of this chapter if it has extended  
36 these relief provisions to its reserve officers; receive all

1 applications for the enrollment under the retirement pension provisions  
2 of this chapter when the municipality has extended these retirement  
3 pension provisions to its firefighters or reserve officers; provide for  
4 disbursements of relief; determine the eligibility of firefighters and  
5 reserve officers for retirement pensions; and pass on all claims and  
6 direct payment thereof from the principal fund to those entitled  
7 thereto. Vouchers shall be issued to the persons entitled thereto by  
8 the local board. It shall send to the ((~~state board~~)) department,  
9 after each meeting, a voucher for each person entitled to payment from  
10 the principal fund, stating the amount of such payment and for what  
11 granted, which voucher shall be certified and signed by the chair and  
12 secretary of the local board. The ((~~state board~~)) department, after  
13 review and approval, shall cause a warrant to be issued on the  
14 principal fund for the amount specified and approved on each voucher.  
15 However, in retirement pension cases after the applicant's eligibility  
16 for pension is verified, the ((~~state board~~)) department shall authorize  
17 the regular issuance of monthly warrants or electronic transfers of  
18 funds in payment of the retirement pension without further action of  
19 the board of trustees of any such municipality.

20 **Sec. 6.** RCW 41.24.110 and 1999 c 148 s 10 are each amended to read  
21 as follows:

22 The local board shall make provisions for reimbursing regularly  
23 licensed practicing physicians and other medical staff who examine  
24 participants making application for membership. Physicians and other  
25 medical staff shall perform such services and operations and render all  
26 medical aid and care necessary for the recovery and treatment of  
27 participants on account of injury, sickness, or disability received  
28 while in the performance of duties and shall be paid for these services  
29 from the principal fund, but not in excess of the schedule of fees for  
30 like services approved by the director of labor and industries under  
31 Title 51 RCW. A physician or other medical staff, who is not approved  
32 by the local board, shall not receive or be entitled to any  
33 compensation from the principal fund as the private or attending  
34 physician or other private or attending medical staff of any  
35 participant. A person shall not have any right of action against the  
36 local board for the negligence of any physician or other medical staff  
37 who is reimbursed from the principal fund. Any physician or other



1 medical staff who is reimbursed from the principal fund for providing  
2 service or care for a participant shall report his or her findings in  
3 writing to the local board and the (~~state board~~) department.

4 **Sec. 7.** RCW 41.24.120 and 1999 c 148 s 11 are each amended to read  
5 as follows:

6 The local board shall initially hear and decide all applications  
7 for relief or retirement pensions under this chapter, subject to review  
8 by(~~, or~~) the department, and appeal by the proper person to, the  
9 state board where decision on such (~~review or~~) appeal shall be final  
10 and conclusive.

11 **Sec. 8.** RCW 41.24.150 and 2001 c 134 s 1 are each amended to read  
12 as follows:

13 (1)(a) Whenever a participant becomes physically or mentally  
14 disabled, injured, or sick, in consequence or as the result of the  
15 performance of his or her duties, so as to be wholly prevented from  
16 engaging in each and every duty of his or her regular occupation,  
17 business, or profession, he or she shall be paid from the principal  
18 fund monthly, an amount (i) equal to his or her monthly wage as  
19 certified by the local board or (ii) two thousand five hundred fifty  
20 dollars, whichever is less, for a period not to exceed six months, or  
21 an amount equal to his or her daily wage as certified by the local  
22 board or eighty-five dollars, whichever is less, per day for such  
23 period as is part of a month, after which period, if the member is  
24 incapacitated to such an extent that he or she is thereby prevented  
25 from engaging in any occupation or performing any work for compensation  
26 or profit or if the member sustained an injury after October 1, 1978,  
27 which resulted in the loss or paralysis of both legs or arms, or one  
28 leg and one arm, or total loss of eyesight, but such injury has not  
29 prevented the member from engaging in an occupation or performing work  
30 for compensation or profit, he or she is entitled to draw from the fund  
31 monthly, the sum of one thousand two hundred seventy-five dollars so  
32 long as the disability continues, except as hereinafter provided.  
33 However, if the participant has a wife or husband and/or a child or  
34 children unemancipated or under eighteen years of age, he or she is  
35 entitled to draw from the fund monthly the additional sums of two  
36 hundred fifty-five dollars because of the fact of his wife or her

1 husband, and one hundred ten dollars because of the fact of each child  
2 unemancipated or under eighteen years of age, all to a total maximum  
3 amount of two thousand five hundred fifty dollars.

4 (b) Beginning on July 1, 2001, and each July 1st thereafter, the  
5 compensation amounts specified in (a)(ii) of this subsection shall be  
6 readjusted to reflect the percentage change in the consumer price  
7 index, calculated as follows: The index for the calendar year  
8 preceding the year in which the July calculation is made, to be known  
9 as "calendar year A," is divided by the index for the calendar year  
10 preceding calendar year A, and the resulting ratio is multiplied by the  
11 compensation amount in effect on June 30th immediately preceding the  
12 July 1st on which the respective calculation is made. For the purposes  
13 of this subsection, "index" means the same as the definition in RCW  
14 2.12.037(1).

15 (2) The ((~~state board~~)) department may at any time reopen the grant  
16 of such disability pension if the pensioner is gainfully employed, and  
17 may reduce it in the proportion that the annual income from such  
18 gainful employment bears to the annual income received by the pensioner  
19 at the time of his or her disability.

20 (3) Where a participant sustains a permanent partial disability the  
21 ((~~state board~~)) department may provide that the injured participant  
22 receive a lump sum compensation therefor to the same extent as is  
23 provided for permanent partial disability under the workers'  
24 compensation act under Title 51 RCW in lieu of such monthly disability  
25 payments.

26 **Sec. 9.** RCW 41.24.155 and 2007 c 57 s 1 are each amended to read  
27 as follows:

28 (1) One of the primary purposes of this section is to enable  
29 injured participants to return to their regular occupation, business,  
30 or profession, or to engage in any occupation or perform any work for  
31 compensation or profit. To this end, the ((~~state board~~)) department  
32 shall utilize the services of individuals and organizations, public or  
33 private, whose experience, training, and interests in vocational  
34 rehabilitation and retraining qualify them to lend expert assistance to  
35 the ((~~state board~~)) department in such programs of vocational  
36 rehabilitation as may be reasonable to make the participant return to  
37 his or her regular occupation, business, or profession, or to engage in

1 any occupation or perform any work for compensation or profit  
2 consistent with his or her physical and mental status. After  
3 evaluation and recommendation by such individuals or organizations and  
4 prior to final evaluation of the participant's permanent disability, if  
5 in the sole opinion of the (~~state board~~) department, whether or not  
6 medical treatment has been concluded, vocational rehabilitation is both  
7 necessary and likely to enable the injured participant to return to his  
8 or her regular occupation, business, or profession, or to engage in any  
9 occupation or perform any work for compensation or profit, the (~~state  
10 board~~) department may, in its sole discretion, pay the cost as  
11 provided in subsection (3) or (4) of this section.

12 (2) When, in the sole discretion of the (~~state board~~) department,  
13 vocational rehabilitation is both necessary and likely to make the  
14 participant return to his or her regular occupation, business, or  
15 profession, or to engage in any occupation or perform any work for  
16 compensation or profit, then the following order of priorities shall be  
17 used:

- 18 (a) Return to the previous job with the same employer;
- 19 (b) Modification of the previous job with the same employer  
20 including transitional return to work;
- 21 (c) A new job with the same employer in keeping with any  
22 limitations or restrictions;
- 23 (d) Modification of a new job with the same employer including  
24 transitional return to work;
- 25 (e) Modification of the previous job with a new employer;
- 26 (f) A new job with a new employer or self-employment based upon  
27 transferable skills;
- 28 (g) Modification of a new job with a new employer;
- 29 (h) A new job with a new employer or self-employment involving  
30 on-the-job training;
- 31 (i) Short-term retraining and job placement.

32 (3)(a) Except as provided in (b) of this subsection, costs for  
33 vocational rehabilitation benefits allowed by the (~~state board~~)  
34 department under subsection (1) of this section may include the cost of  
35 books, tuition, fees, supplies, equipment, transportation, child or  
36 dependent care, and other necessary expenses in an amount not to exceed  
37 four thousand dollars. This amount must be used within fifty-two weeks

1 of the determination that vocational rehabilitation is permitted under  
2 this section.

3 (b) The expenses allowed under (a) of this subsection may include  
4 training fees for on-the-job training and the cost of furnishing tools  
5 and other equipment necessary for self-employment or reemployment.  
6 However, compensation or payment of retraining with job placement  
7 expenses under (a) of this subsection may not be authorized for a  
8 period of more than fifty-two weeks, except that such period may, in  
9 the sole discretion of the ((~~state board~~)) department, after its  
10 review, be extended for an additional fifty-two weeks or portion  
11 thereof by written order of the ((~~state board~~)) department. However,  
12 under no circumstances shall the total amount of benefit paid under  
13 this section exceed four thousand dollars.

14 (4) In addition to the vocational rehabilitation expenditures  
15 provided for under subsection (3) of this section, an additional five  
16 thousand dollars may, upon authorization of the ((~~state board~~))  
17 department, be expended for: (a) Accommodations for an injured  
18 participant that are medically necessary for participation in an  
19 approved retraining plan; and (b) accommodations necessary to perform  
20 the essential functions of an occupation in which an injured  
21 participant is seeking employment, consistent with the retraining plan  
22 or the recommendations of a vocational evaluation. The injured  
23 participant's attending physician or licensed advanced registered nurse  
24 practitioner must verify the necessity of the modifications or  
25 accommodations. The total expenditures authorized in this subsection  
26 shall not exceed five thousand dollars.

27 (5) The ((~~state board~~)) department shall follow the established  
28 criteria set forth by the department of labor and industries to monitor  
29 the quality and effectiveness of rehabilitation services provided by  
30 the individuals and organizations used under subsection (1) of this  
31 section. The ((~~state board~~)) department shall make referrals for  
32 vocational rehabilitation services based on these performance criteria.

33 (6) The ((~~state board~~)) department may engage, where feasible and  
34 cost-effective, in a cooperative program with the state employment  
35 security department to provide job placement services under this  
36 section.

37 (7) Except as otherwise provided in this section, the vocational

1 benefits provided for in this section are available to participants who  
2 have claims currently pending as of April 17, 2007, or whose injury  
3 occurred on or after January 1, 2006.

4 **Sec. 10.** RCW 41.24.160 and 2001 c 134 s 2 are each amended to read  
5 as follows:

6 (1)(a) Whenever a participant dies as the result of injuries  
7 received, or sickness contracted in consequence or as the result of the  
8 performance of his or her duties, the board of trustees shall order and  
9 direct the payment from the principal fund of (i) the sum of one  
10 hundred fifty-two thousand dollars to his widow or her widower, or if  
11 there is no widow or widower, then to his or her dependent child or  
12 children, or if there is no dependent child or children, then to his or  
13 her dependent parents or either of them, or if there are no dependent  
14 parents or parent, then the death benefit shall be paid to the member's  
15 estate, and (ii)(A) the sum of one thousand two hundred seventy-five  
16 dollars per month to his widow or her widower during his or her life  
17 together with the additional monthly sum of one hundred ten dollars for  
18 each child of the member, unemancipated or under eighteen years of age,  
19 dependent upon the member for support at the time of his or her death,  
20 (B) to a maximum total of two thousand five hundred fifty dollars per  
21 month.

22 (b) Beginning on July 1, 2001, and each July 1st thereafter, the  
23 compensation amount specified in (a)(ii)(B) of this subsection shall be  
24 readjusted to reflect the percentage change in the consumer price  
25 index, calculated as follows: The index for the calendar year  
26 preceding the year in which the July calculation is made, to be known  
27 as "calendar year A," is divided by the index for the calendar year  
28 preceding calendar year A, and the resulting ratio is multiplied by the  
29 compensation amount in effect on June 30th immediately preceding the  
30 July 1st on which the respective calculation is made. For the purposes  
31 of this subsection, "index" means the same as the definition in RCW  
32 2.12.037(1).

33 (2) If the widow or widower does not have legal custody of one or  
34 more dependent children of the deceased participant or if, after the  
35 death of the participant, legal custody of such child or children  
36 passes from the widow or widower to another person, any payment on  
37 account of such child or children not in the legal custody of the widow

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

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

1           **Sec. 11.** RCW 41.24.172 and 1999 c 148 s 16 and 1999 c 117 s 6 are  
2 each reenacted and amended to read as follows:

3           Before beginning to receive the retirement pension provided for in  
4 RCW 41.24.170, the participant shall elect, in a writing filed with the  
5 (~~state board~~) department, to have the retirement pension paid under  
6 either option 1 or 2, with option 2 calculated so as to be actuarially  
7 equivalent to option 1.

8           (1) Option 1. A participant electing this option shall receive a  
9 monthly pension payable throughout the participant's life. However, if  
10 the participant dies before the total retirement pension paid to the  
11 participant equals the amount paid on behalf of the participant into  
12 the principal fund, then the balance shall be paid to the participant's  
13 surviving spouse, or if there be no surviving spouse, then to the  
14 participant's legal representatives.

15           (2) Option 2. A participant electing this option shall receive a  
16 reduced monthly pension, which upon the participant's death shall be  
17 continued throughout the life of and paid to the participant's  
18 surviving spouse named in the written election filed with the (~~state  
19 board~~) department, however, in the event that the surviving spouse  
20 dies before the participant, the participant's monthly retirement  
21 allowance shall increase, effective the first day of the following  
22 month, to the monthly amount that would have been received had the  
23 participant elected option 1.

24           **Sec. 12.** RCW 41.24.185 and 2003 c 62 s 2 are each amended to read  
25 as follows:

26           Any monthly pension, payable under this chapter, which will not  
27 amount to fifty dollars may be converted into a lump sum payment equal  
28 to the actuarial equivalent of the monthly pension. The conversion may  
29 be made either upon written application to the (~~state board~~)  
30 department and shall rest at the discretion of the (~~state board~~)  
31 department; or the (~~state board~~) department may make, on its own  
32 motion, lump sum payments, equal or proportionate, as the case may be,  
33 to the value of the annuity then remaining in full satisfaction of  
34 claims due. Any person receiving a monthly payment of less than  
35 twenty-five dollars at the time of September 1, 1979, may elect, within  
36 two years, to convert such payments into a lump sum payment as provided  
37 in this section.

1       **Sec. 13.** RCW 41.24.190 and 1995 c 11 s 11 are each amended to read  
2 as follows:

3       The filing of reports of enrollment shall be prima facie evidence  
4 of the service of the participants therein listed for the year of such  
5 report as to service rendered subsequent to July 6, 1945. Proof of  
6 service of (~~firefighters~~ [~~participants~~]) participants prior to that  
7 date shall be by documentary evidence, or such other evidence reduced  
8 to writing and sworn to under oath, as shall be submitted to the  
9 (~~state board~~) department and certified by it as sufficient.

10       **Sec. 14.** RCW 41.24.210 and 1999 c 148 s 19 are each amended to  
11 read as follows:

12       A participant shall not receive relief for disability, sickness, or  
13 injuries received in the performance of his or her duties, unless there  
14 is filed with the board of trustees a report of accident, which report  
15 shall be subscribed to by the claimant, the head of the department, and  
16 the authorized attending physician, if there is one. A claim for  
17 benefits arising from disability, sickness, or injuries incurred in  
18 consequence or as a result of the performance of duties shall not be  
19 allowed by the (~~state board~~) department unless there has been filed  
20 with it a report of accident within ninety days after its occurrence  
21 and a claim based thereon within one year after the occurrence of the  
22 accident on which such claim is based. The (~~state board~~) department  
23 may require such other or further evidence as it deems advisable before  
24 ordering any relief.

25       **Sec. 15.** RCW 41.24.215 and 2005 c 37 s 3 are each amended to read  
26 as follows:

27       (1) If an injured volunteer seeks damages from a third party, the  
28 (~~state board~~) department may also seek recovery of actual costs from  
29 the responsible third party. A volunteer seeking damages from a third  
30 party is required to notify the (~~state board~~) department about the  
31 legal proceeding.

32       (2) The (~~state board~~) department is responsible for its  
33 proportionate share of the costs and attorneys' fees of the legal  
34 proceedings.

35       (3) Any recovery is subject to a lien by the (~~state board~~)  
36 department for its share under this section.



1 (4) This section does not restrict or prohibit the ((state  
2 board's)) department's right to seek recovery from a third party when  
3 a volunteer firefighter is injured.

4 **Sec. 16.** RCW 41.24.245 and 1999 c 148 s 22 are each amended to  
5 read as follows:

6 (1) If the ((state board or the secretary)) department makes  
7 payments to a spouse or ex spouse to the extent expressly provided for  
8 in any court decree of dissolution or legal separation or in any court  
9 order or court-approved property settlement agreement incident to a  
10 court decree of dissolution or legal separation, it shall be a  
11 sufficient answer to any claim of a beneficiary against the ((state  
12 board, the secretary,)) department or the principal fund for the  
13 ((state board or secretary)) department to show that the payments were  
14 made pursuant to a court decree.

15 (2) All payments made to a nonmember spouse or ex spouse pursuant  
16 to RCW 41.24.240 shall cease upon the death of such a nonmember spouse  
17 or ex spouse. Upon such a death, the ((state board and the secretary))  
18 department shall pay to the member his or her full monthly entitlement  
19 of benefits.

20 (3) The provisions of RCW 41.24.240 and this section shall apply to  
21 all court decrees of dissolution or legal separation and court-approved  
22 property settlement agreements, regardless of when entered, but shall  
23 apply only to those persons who have actually retired or who have  
24 requested withdrawal of any or all of their contributions to the  
25 principal fund: PROVIDED, That the ((state board or secretary))  
26 department shall not be responsible for making court-ordered divisions  
27 of withdrawals unless the order is filed with the ((state board))  
28 department at least thirty days before the withdrawal payment date.

29 **Sec. 17.** RCW 41.24.290 and 1999 c 148 s 25 are each amended to  
30 read as follows:

31 The state board shall:

32 (1) ((Generally supervise and control the administration of this  
33 chapter;

34 (2) Promulgate, amend, or repeal rules and regulations)) Advise the  
35 department on the adoption, amendment, and repeal of rules not  
36 inconsistent with this chapter for the purpose of effecting a uniform

1 and efficient manner of carrying out the provisions of this chapter and  
2 the purposes to be accomplished thereby, and for the government of  
3 boards of trustees of the municipalities of this state in the discharge  
4 of their functions under this chapter;

5 ~~((3) Review any action, and))~~ (2) Hear and determine any appeal  
6 which may be taken from the decision of the department or the board of  
7 trustees of any municipality made pursuant to this chapter;

8 ~~((4) Take such action))~~ (3) Advise the department on such actions  
9 as may be necessary to secure compliance of the municipalities governed  
10 by this chapter and to provide for the collection of all fees and  
11 penalties which are, or may be, due and delinquent from any such  
12 municipality;

13 ~~((5))~~ (4) Review and advise the department on the action of the  
14 board of trustees of any municipality authorizing any pension as  
15 provided by this chapter; ~~((and authorize the regular issuance of~~  
16 ~~monthly warrants in payment thereof without further action of the board~~  
17 ~~of trustees of such municipality;~~

18 ~~(6) Require periodic reports from the recipient of any benefits~~  
19 ~~under this chapter for the purpose of determining their continued~~  
20 ~~eligibility therefor;~~

21 ~~(7) Maintain such records as may be necessary and proper for the~~  
22 ~~proper maintenance and operation of the principal fund, including~~  
23 ~~records of the names of every person enrolled under this chapter, and~~  
24 ~~provide all necessary forms to enable local boards of trustees to~~  
25 ~~effectively carry out their duties as provided by this chapter;~~

26 ~~(8))~~ (5) Compel the taking of testimony, for purposes of hearing  
27 appeals, from witnesses under oath before the state board, or any  
28 member ~~((or the secretary))~~ thereof, or before the department or any  
29 member thereof, or before the local board of trustees or any member  
30 thereof, for the purpose of obtaining evidence, at any time, in  
31 connection with any claim or pension pending or authorized for payment.  
32 For such purpose the state board shall have the same power of subpoena  
33 as prescribed in RCW 51.52.100. Failure of any claimant to appear and  
34 give any testimony as herein provided shall suspend any rights or  
35 eligibility to receive payments for the period of such failure to  
36 appear and testify;

37 ~~((9) Appoint a secretary to hold office at the pleasure of the~~  
38 ~~state board, fix the secretary's compensation at such sum as it shall~~

1 ~~deem appropriate, and prescribe the secretary's duties not otherwise~~  
2 ~~provided by this chapter)) (6) Review and adopt such actuarial factors~~  
3 ~~as necessary to provide the benefits authorized under this chapter;~~  
4 (7) Study issues related to the administration of this chapter and  
5 the benefits provided therein, and recommend changes to the department  
6 or the legislature as deemed necessary;  
7 (8) Annually review and adopt fees based on the latest actuarial  
8 valuation of the system as provided for in RCW 41.24.030; and  
9 (9) Review and advise the department on legislative appropriation  
10 requests to be submitted in accordance with RCW 41.24.030(4)(c).

11 **Sec. 18.** RCW 41.24.300 and 1999 c 148 s 26 are each amended to  
12 read as follows:

13 All expenses incurred by the (~~state board~~) department shall be  
14 (~~accomplished by vouchers signed by the secretary and one member of~~  
15 ~~the state board and~~) issued to the persons entitled thereto and sent  
16 to the proper state agency. The proper state agency shall issue a  
17 warrant on the principal fund or administrative fund for the amount  
18 specified.

19 **Sec. 19.** RCW 41.24.310 and 1999 c 148 s 27 are each amended to  
20 read as follows:

21 The (~~secretary shall maintain an office at Olympia at a place to~~  
22 ~~be provided, wherein the secretary shall~~) department shall be granted  
23 the general powers, duties, and functions provided in chapter 41.50  
24 RCW, for purposes of administering the retirement systems in RCW  
25 41.50.030, to administer the benefits provided for in this chapter, to  
26 include but not be limited to:

27 (1) Keep a record of all proceedings of the state board, which  
28 shall be public;

29 (2) Maintain a record of all members of the pension fund, including  
30 such pertinent information relative thereto as may be required by law  
31 or rule of the state board;

32 (3) Receive and promptly remit to the state treasurer all moneys  
33 received for the principal fund;

34 (4) Transmit periodically to the proper state agency for payment  
35 all claims payable from the principal fund, stating the amount and  
36 purpose of such payment;

1 (5) Certify monthly for payment a list of all persons approved for  
2 retirement pensions and the amount to which each is entitled; (~~and~~)

3 (6) (~~Perform such other and further duties as shall be prescribed~~  
4 ~~by the state board.~~

5 ~~The secretary shall receive such compensation as shall be fixed by~~  
6 ~~the state board, together with travel expenses in carrying out his or~~  
7 ~~her duties authorized by the state board in accordance with RCW~~  
8 ~~43.03.050 and 43.03.060)) Provide such administrative and staff support  
9 as necessary for the state board to perform the duties authorized in  
10 this chapter;~~

11 (7) Require periodic reports from the recipient of any benefits  
12 under this chapter for the purpose of determining their continued  
13 eligibility therefor;

14 (8) Maintain such records as may be necessary and proper for the  
15 proper maintenance and operation of the principal fund, including  
16 records of the names of every person enrolled under this chapter, and  
17 provide all necessary forms to enable local boards of trustees to  
18 effectively carry out their duties as provided by this chapter;

19 (9) Engage, in consultation with the state board, where feasible  
20 and cost-effective, in a cooperative program with other state agencies  
21 to provide the services under this chapter.

22 **Sec. 20.** RCW 41.24.340 and 1999 c 148 s 30 are each amended to  
23 read as follows:

24 The chair of the county legislative authority, or the chair's  
25 designee, shall be chair of the emergency medical service district  
26 board of trustees, and the county auditor, or the auditor's designee,  
27 shall be the secretary-treasurer of the emergency medical service  
28 district board of trustees.

29 The secretary shall keep a public record of all proceedings and of  
30 all receipts and disbursements made by the emergency medical service  
31 district board of trustees, shall make an annual report of its expenses  
32 and disbursements with a full list of the beneficiaries of the  
33 principal fund in the county, and shall make all required reports to  
34 the (~~state board~~) department. The (~~state board~~) department shall  
35 provide all necessary forms to emergency worker boards of trustees.

1       **Sec. 21.** RCW 41.24.410 and 1995 c 11 s 4 are each amended to read  
2 as follows:

3       Credit for service as a reserve officer shall not be counted for  
4 purposes of RCW 41.24.170 except as stated in this section: Within one  
5 year of an election to cover reserve officers under the retirement  
6 provisions of this chapter, the municipality must elect, on a one-time  
7 basis, one of the following:

8       (1)(a) To count credit for service only after July 23, 1995;

9       (b) To pay annual fees only for service after July 23, 1995; or

10       (2)(a) To count credit for all service as a reserve officer, but  
11 only if the actuarial cost, as determined by the (~~state board~~)  
12 department, is paid by the municipality. The municipality may charge  
13 reserve officers for any portion of the cost; and

14       (b) To pay annual fees only for service after July 23, 1995; or

15       (3)(a) To count credit for all service as a reserve officer, but  
16 only if the actuarial cost, as determined by the (~~state board~~)  
17 department, is paid by the municipality. The municipality may charge  
18 reserve officers for any portion of the cost; and

19       (b) To pay annual fees for service prior to July 23, 1995, if:

20       (i) The reserve officer elects, within one year of the  
21 municipality's election under this section, to pay the annual fee plus  
22 one percent per month interest for each year of past service counted;  
23 and

24       (ii) The municipality pays the actuarial cost, as determined by the  
25 (~~state board~~) department, of the benefit provided in (b) of this  
26 subsection. The municipality may charge reserve officers for any  
27 portion of the cost.

28       Payments under this section may be made in a lump sum or in a  
29 manner prescribed by the (~~state board~~) department.

30       **Sec. 22.** RCW 41.24.460 and 1999 c 148 s 33 are each amended to  
31 read as follows:

32       A municipality that adopts appropriate legislation extending the  
33 relief provisions of this chapter to its reserve officers shall create  
34 a reserve officer board of trustees to administer this chapter composed  
35 as follows:

36       (1) A county reserve officer board of trustees shall consist of the  
37 following five members: (a) Two members of the county legislative

1 authority and the county auditor, or their designees; (b) the sheriff;  
2 and (c) one reserve officer who is elected by reserve officers of the  
3 county for an annual one-year term.

4 (2) Any other reserve officer board of trustees shall consist of  
5 the following five members: (a) The mayor, if one exists for the  
6 municipality, and one member of the municipality's legislative  
7 authority, or two members of the municipality's legislative authority  
8 if a mayor does not exist for the municipality, or their designees; (b)  
9 the clerk, comptroller, or chief fiscal officer of the municipality;  
10 (c) the head of the law enforcement agency; and (d) one reserve officer  
11 who is elected by reserve officers of the municipality for an annual  
12 term of one year.

13 (3) The secretary of the board of trustees shall keep a public  
14 record of all proceedings and of all receipts and disbursements made by  
15 the board of trustees, shall make an annual report of its expenses and  
16 disbursements with a full list of the beneficiaries of the principal  
17 fund in the municipality, and shall make all required reports to the  
18 ((state board)) department. The ((state board)) department shall  
19 provide the boards of trustees with all necessary forms.

20 NEW SECTION. **Sec. 23.** (1) The state board for volunteer  
21 firefighters and reserve officers is transferred to the department of  
22 retirement systems.

23 (2)(a) All reports, documents, surveys, books, records, files,  
24 papers, or written material in the possession of the state board for  
25 volunteer firefighters and reserve officers shall be delivered to the  
26 custody of the department of retirement systems. All cabinets,  
27 furniture, office equipment, motor vehicles, and other tangible  
28 property employed by the state board for volunteer firefighters and  
29 reserve officers shall be made available to the department of  
30 retirement systems. All funds, credits, or other assets held by the  
31 state board for volunteer firefighters and reserve officers shall be  
32 assigned to the department of retirement systems.

33 (b) Any appropriations made to the state board for volunteer  
34 firefighters and reserve officers shall, on the effective date of this  
35 section, be transferred and credited to the department of retirement  
36 systems.

1 (c) If any question arises as to the transfer of any personnel,  
2 funds, books, documents, records, papers, files, equipment, or other  
3 tangible property used or held in the exercise of the powers and the  
4 performance of the duties and functions transferred, the director of  
5 financial management shall make a determination as to the proper  
6 allocation and certify the same to the state agencies concerned.

7 (3) All employees of the state board for volunteer firefighters and  
8 reserve officers are transferred to the jurisdiction of the department  
9 of retirement systems. All employees classified under chapter 41.06  
10 RCW, the state civil service law, are assigned to the department of  
11 retirement systems to perform their usual duties upon the same terms as  
12 formerly, without any loss of rights, subject to any action that may be  
13 appropriate thereafter in accordance with the laws and rules governing  
14 state civil service.

15 (4) All rules and all pending business before the state board for  
16 volunteer firefighters and reserve officers shall be continued and  
17 acted upon by the department of retirement systems. All existing  
18 contracts and obligations shall remain in full force and shall be  
19 performed by the department of retirement systems.

20 (5) The transfer of the powers, duties, functions, and personnel of  
21 the state board for volunteer firefighters and reserve officers shall  
22 not affect the validity of any act performed before the effective date  
23 of this section.

24 (6) If apportionments of budgeted funds are required because of the  
25 transfers directed by this section, the director of financial  
26 management shall certify the apportionments to the agencies affected,  
27 the state auditor, and the state treasurer. Each of these shall make  
28 the appropriate transfer and adjustments in funds and appropriation  
29 accounts and equipment records in accordance with the certification.

30 (7) All classified employees of the state board for volunteer  
31 firefighters and reserve officers assigned to the department of  
32 retirement systems under this act whose positions are within an  
33 existing bargaining unit description at the department of retirement  
34 systems shall become a part of the existing bargaining unit at the  
35 department of retirement systems and shall be considered an appropriate  
36 inclusion or modification of the existing bargaining unit under the

1 provisions of chapter 41.80 RCW.

2 NEW SECTION. **Sec. 24.** This act takes effect July 1, 2010.

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