
HOUSE BILL 1933

State of Washington

63rd Legislature

2013 Regular Session

By Representatives Ormsby and Moscoso

Read first time 02/19/13. Referred to Committee on Appropriations.

1 AN ACT Relating to postretirement employment in the public
2 employees' retirement system and the teachers' retirement system; and
3 amending RCW 41.32.570, 41.32.802, 41.32.862, and 41.40.037.

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

5 **Sec. 1.** RCW 41.32.570 and 2011 1st sp.s. c 47 s 10 are each
6 amended to read as follows:

7 (1)(a) If a retiree enters employment with an employer sooner than
8 one calendar month after his or her accrual date, the retiree's monthly
9 retirement allowance will be reduced by five and one-half percent for
10 every seven hours worked during that month. This reduction will be
11 applied each month until the retiree remains absent from employment
12 with an employer for one full calendar month.

13 (b) The benefit reduction provided in (a) of this subsection will
14 accrue for a maximum of one hundred forty hours per month. Any monthly
15 benefit reduction over one hundred percent will be applied to the
16 benefit the retiree is eligible to receive in subsequent months.

17 (2) Any retired teacher or retired administrator who enters service
18 in any public educational institution in Washington state at least one
19 calendar month after his or her accrual date shall (~~cease to~~) receive

1 pension payments while engaged in such service(~~(, after the retiree has~~
2 ~~rendered service for more than eight hundred sixty seven hours in a~~
3 ~~school year))~~).

4 (3) The department shall collect and provide the state actuary with
5 information relevant to the use of this section for the select
6 committee on pension policy.

7 (4) The legislature reserves the right to amend or repeal this
8 section in the future and no member or beneficiary has a contractual
9 right to be employed for more than five hundred twenty-five hours per
10 year without a reduction of his or her pension.

11 **Sec. 2.** RCW 41.32.802 and 2011 1st sp.s. c 47 s 12 are each
12 amended to read as follows:

13 (1)(a) If a retiree enters employment with an employer sooner than
14 one calendar month after his or her accrual date, the retiree's monthly
15 retirement allowance will be reduced by five and one-half percent for
16 every seven hours worked during that month. This reduction will be
17 applied each month until the retiree remains absent from employment
18 with an employer for one full calendar month.

19 (b) The benefit reduction provided in (a) of this subsection will
20 accrue for a maximum of one hundred forty hours per month. Any benefit
21 reduction over one hundred percent will be applied to the benefit the
22 retiree is eligible to receive in subsequent months.

23 (2) A retiree who has satisfied the break in employment requirement
24 of subsection (1) of this section(~~(,)~~) may work (~~(up to eight hundred~~
25 ~~sixty seven hours per calendar year in an eligible position, as defined~~
26 ~~in RCW 41.32.010, 41.35.010, 41.37.010, or 41.40.010, or as a~~
27 ~~firefighter or law enforcement officer, as defined in RCW 41.26.030, or~~
28 ~~in a position covered by annuity and retirement income plans offered by~~
29 ~~institutions of higher education pursuant to RCW 28B.10.400,)) without
30 suspension of his or her benefit.~~

31 (3) If the retiree opts to reestablish membership under RCW
32 41.32.044, he or she terminates his or her retirement status and
33 immediately becomes a member. Retirement benefits shall not accrue
34 during the period of membership and the individual shall make
35 contributions and receive membership credit. Such a member shall have
36 the right to again retire if eligible.

1 **Sec. 3.** RCW 41.32.862 and 2011 1st sp.s. c 47 s 14 are each
2 amended to read as follows:

3 (1)(a) If a retiree enters employment with an employer sooner than
4 one calendar month after his or her accrual date, the retiree's monthly
5 retirement allowance will be reduced by five and one-half percent for
6 every seven hours worked during that month. This reduction will be
7 applied each month until the retiree remains absent from employment
8 with an employer for one full calendar month.

9 (b) The benefit reduction provided in (a) of this subsection will
10 accrue for a maximum of one hundred forty hours per month. Any benefit
11 reduction over one hundred percent will be applied to the benefit the
12 retiree is eligible to receive in subsequent months.

13 (2) A retiree who has satisfied the break in employment requirement
14 of subsection (1) of this section(~~(7)~~) may work (~~((up to eight hundred
15 sixty seven hours per calendar year in an eligible position, as defined
16 in RCW 41.32.010, 41.35.010, 41.37.010, or 41.40.010, or as a
17 firefighter or law enforcement officer, as defined in RCW 41.26.030, or
18 in a position covered by annuity and retirement income plans offered by
19 institutions of higher education pursuant to RCW 28B.10.400,))~~) without
20 suspension of his or her benefit.

21 (3) If the retiree opts to reestablish membership under RCW
22 41.32.044, he or she terminates his or her retirement status and
23 immediately becomes a member. Retirement benefits shall not accrue
24 during the period of membership and the individual shall make
25 contributions and receive membership credit. Such a member shall have
26 the right to again retire if eligible.

27 **Sec. 4.** RCW 41.40.037 and 2011 1st sp.s. c 47 s 19 are each
28 amended to read as follows:

29 (1)(a) If a retiree enters employment with an employer sooner than
30 one calendar month after his or her accrual date, the retiree's monthly
31 retirement allowance will be reduced by five and one-half percent for
32 every eight hours worked during that month. This reduction will be
33 applied each month until the retiree remains absent from employment
34 with an employer for one full calendar month.

35 (b) The benefit reduction provided in (a) of this subsection will
36 accrue for a maximum of one hundred sixty hours per month. Any benefit

1 reduction over one hundred percent will be applied to the benefit the
2 retiree is eligible to receive in subsequent months.

3 (2) A retiree from plan 1, plan 2, or plan 3 who enters employment
4 with an employer at least one calendar month after his or her accrual
5 date may continue to receive pension payments while engaged in such
6 service (~~((for up to eight hundred sixty seven hours of service in a
7 calendar year without a reduction of pension))~~). For purposes of this
8 section, employment includes positions covered by annuity and
9 retirement income plans offered by institutions of higher education
10 pursuant to RCW 28B.10.400.

11 (3) If the retiree opts to reestablish membership under RCW
12 41.40.023(12), he or she terminates his or her retirement status and
13 becomes a member. Retirement benefits shall not accrue during the
14 period of membership and the individual shall make contributions and
15 receive membership credit. Such a member shall have the right to again
16 retire if eligible in accordance with RCW 41.40.180. However, if the
17 right to retire is exercised to become effective before the member has
18 rendered two uninterrupted years of service, the retirement formula and
19 survivor options the member had at the time of the member's previous
20 retirement shall be reinstated.

21 (4) The department shall collect and provide the state actuary with
22 information relevant to the use of this section for the select
23 committee on pension policy.

24 (5) The legislature reserves the right to amend or repeal this
25 section in the future and no member or beneficiary has a contractual
26 right to be employed for more than five months in a calendar year
27 without a reduction of his or her pension.

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