

**ESHB 1699** - S COMM AMD  
By Committee on Ways & Means

**ADOPTED 03/10/2022**

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

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

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

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

15 (2) Any retired teacher or retired administrator who enters  
16 service in any public educational institution in Washington state at  
17 least one calendar month after his or her accrual date shall cease to  
18 receive pension payments while engaged in such service, after the  
19 retiree has rendered service for more than eight hundred sixty-seven  
20 hours in a school year.

21 (3) (a) Between the effective date of this section and July 1,  
22 2025, a retiree who reenters employment more than one calendar month  
23 after his or her accrual date, and who enters service in a school  
24 district in a nonadministrative position shall continue to receive  
25 pension payments while engaged in such service, until the retiree has  
26 rendered service for more than 1,040 hours in a school year.

27 (b) Between the effective date of this section and July 1, 2025,  
28 a retiree that retired before January 1, 2022, and who enters service  
29 in a second-class school district, as defined in RCW 28A.300.065, as  
30 either a district superintendent or an in-school administrator shall  
31 continue to receive pension payments while engaged in such service,

1 until the retiree has rendered service for more than 1,040 hours in a  
2 school year.

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

6 ((4)) (5) The legislature reserves the right to amend or repeal  
7 this section in the future and no member or beneficiary has a  
8 contractual right to be employed for more than five hundred twenty-  
9 five hours per year without a reduction of his or her pension.

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

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

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

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

30 (b) A retiree who has retired under the alternate early  
31 retirement provisions of RCW 41.32.765(3)(b) may be employed with an  
32 employer for up to 867 hours per calendar year without suspension of  
33 his or her benefit, provided that: (i) The retired teacher reenters  
34 employment more than one calendar month after his or her accrual date  
35 and after June 9, 2016; and (ii) the retired teacher is employed in a  
36 nonadministrative capacity.

37 (c)(i) Between the effective date of this section and July 1,  
38 2025, a retiree who reenters employment more than one month after his  
39 or her accrual date, and who enters service in a school district in a

1 nonadministrative position shall continue to receive pension payments  
2 while engaged in such service, until the retiree has rendered service  
3 for more than 1,040 hours in a calendar year.

4 (ii) Between the effective date of this section and July 1, 2025,  
5 a retiree that retired before January 1, 2022, and who enters service  
6 in a second-class school district, as defined in RCW 28A.300.065, as  
7 either a district superintendent or an in-school administrator shall  
8 continue to receive pension payments while engaged in such service,  
9 until the retiree has rendered service for more than 1,040 hours in a  
10 calendar year.

11 (iii) The legislature reserves the right to amend or repeal this  
12 subsection (2)(c) in the future and no member or beneficiary has a  
13 contractual right to be employed for more than 867 hours in a  
14 calendar year without a reduction of his or her pension.

15 (3) If the retiree opts to reestablish membership under RCW  
16 41.32.044, he or she terminates his or her retirement status and  
17 immediately becomes a member. Retirement benefits shall not accrue  
18 during the period of membership and the individual shall make  
19 contributions and receive membership credit. Such a member shall have  
20 the right to again retire if eligible.

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

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

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

33 (2)(a) A retiree who has satisfied the break in employment  
34 requirement of subsection (1) of this section, may work up to eight  
35 hundred sixty-seven hours per calendar year in an eligible position,  
36 as defined in RCW 41.32.010, 41.35.010, 41.37.010, or 41.40.010, or  
37 as a firefighter or law enforcement officer, as defined in RCW  
38 41.26.030, or in a position covered by annuity and retirement income

1 plans offered by institutions of higher education pursuant to RCW  
2 28B.10.400, without suspension of his or her benefit.

3 (b) A retiree who has retired under the alternate early  
4 retirement provisions of RCW 41.32.875(3)(b) may be employed with an  
5 employer for up to 867 hours per calendar year without suspension of  
6 his or her benefit, provided that: (i) The retired teacher reenters  
7 employment more than one calendar month after his or her accrual date  
8 and after June 9, 2016; and (ii) the retired teacher is employed in a  
9 nonadministrative capacity.

10 (c)(i) Between the effective date of this section and July 1,  
11 2025, a retired teacher or retired administrator who reenters  
12 employment more than one month after his or her accrual date, and who  
13 enters service in a school district in a nonadministrative position  
14 shall continue to receive pension payments while engaged in such  
15 service, until the retiree has rendered service for more than 1,040  
16 hours in a calendar year.

17 (ii) Between the effective date of this section and July 1, 2025,  
18 a retiree that retired before January 1, 2022, and who enters service  
19 in a second-class school district, as defined in RCW 28A.300.065, as  
20 either a district superintendent or an in-school administrator shall  
21 continue to receive pension payments while engaged in such service,  
22 until the retiree has rendered service for more than 1,040 hours in a  
23 calendar year.

24 (iii) The legislature reserves the right to amend or repeal this  
25 subsection (2)(c) in the future and no member or beneficiary has a  
26 contractual right to be employed for more than 867 hours in a  
27 calendar year without a reduction of his or her pension.

28 (3) If the retiree opts to reestablish membership under RCW  
29 41.32.044, he or she terminates his or her retirement status and  
30 immediately becomes a member. Retirement benefits shall not accrue  
31 during the period of membership and the individual shall make  
32 contributions and receive membership credit. Such a member shall have  
33 the right to again retire if eligible.

34 **Sec. 4.** RCW 41.35.060 and 2011 1st sp.s. c 47 s 15 are each  
35 amended to read as follows:

36 (1)(a) If a retiree enters employment with an employer sooner  
37 than one calendar month after his or her accrual date, the retiree's  
38 monthly retirement allowance will be reduced by five and one-half  
39 percent for every eight hours worked during that month. This

1 reduction will be applied each month until the retiree remains absent  
2 from employment with an employer for one full calendar month.

3 (b) The benefit reduction provided in (a) of this subsection will  
4 accrue for a maximum of one hundred sixty hours per month. Any  
5 benefit reduction over one hundred percent will be applied to the  
6 benefit the retiree is eligible to receive in subsequent months.

7 (2)(a) A retiree who has satisfied the break in employment  
8 requirement of subsection (1) of this section may work up to eight  
9 hundred sixty-seven hours per calendar year in an eligible position,  
10 as defined in RCW 41.32.010, 41.35.010, 41.37.010, or 41.40.010, or  
11 as a firefighter or law enforcement officer, as defined in RCW  
12 41.26.030, or in a position covered by annuity and retirement income  
13 plans offered by institutions of higher education pursuant to RCW  
14 28B.10.400, without suspension of his or her benefit.

15 (b) A retiree in the school employees' retirement system plan 2  
16 or plan 3 who has retired under the alternate early retirement  
17 provisions of RCW 41.35.420(3)(b) may be employed with an employer  
18 for up to 867 hours per calendar year without suspension of his or  
19 her benefit, provided that: (i) The retiree reenters employment more  
20 than one calendar month after his or her accrual date; and (ii) the  
21 retiree is employed in a nonadministrative position.

22 (c) Between the effective date of this section and July 1, 2025,  
23 a retiree, including a retiree who has retired under the alternate  
24 early retirement provisions of RCW 41.35.420(3)(b) or  
25 41.35.680(3)(b), who reenters employment more than one month after  
26 his or her accrual date, and who enters service in a school district  
27 in a nonadministrative position shall continue to receive pension  
28 payments while engaged in such service, until the retiree has  
29 rendered service for more than 1,040 hours in a calendar year. The  
30 legislature reserves the right to amend or repeal this subsection  
31 (2)(c) in the future and no member or beneficiary has a contractual  
32 right to be employed for more than 867 hours in a calendar year  
33 without a reduction of his or her pension.

34 (3) If the retiree opts to reestablish membership under RCW  
35 41.35.030, he or she terminates his or her retirement status and  
36 becomes a member. Retirement benefits shall not accrue during the  
37 period of membership and the individual shall make contributions and  
38 receive membership credit. Such a member shall have the right to  
39 again retire if eligible in accordance with RCW 41.35.420 or  
40 41.35.680. However, if the right to retire is exercised to become

1 effective before the member has rendered two uninterrupted years of  
2 service, the retirement formula and survivor options the member had  
3 at the time of the member's previous retirement shall be reinstated.

4 **Sec. 5.** RCW 41.40.037 and 2015 c 75 s 1 are each amended to read  
5 as follows:

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

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

16 (2)(a) A retiree from plan 1, plan 2, or plan 3 who has satisfied  
17 the break in employment requirement of subsection (1) of this section  
18 may work up to eight hundred sixty-seven hours per calendar year in  
19 an eligible position, as defined in RCW 41.32.010, 41.35.010,  
20 41.37.010, or 41.40.010, or as a firefighter or law enforcement  
21 officer, as defined in RCW 41.26.030, or in a position covered by  
22 annuity and retirement income plans offered by institutions of higher  
23 education pursuant to RCW 28B.10.400, without suspension of his or  
24 her benefit.

25 (b) Between the effective date of this section and July 1, 2025,  
26 a retiree, including a retiree who has retired under the alternate  
27 early retirement provisions of RCW 41.40.630(3)(b) or  
28 41.40.820(3)(b), who reenters employment more than 100 days after his  
29 or her accrual date, and who enters service in a school district in a  
30 nonadministrative position shall continue to receive pension payments  
31 while engaged in such service, until the retiree has rendered service  
32 for more than 1,040 hours in a calendar year.

33 (3) If the retiree opts to reestablish membership under RCW  
34 41.40.023(12), he or she terminates his or her retirement status and  
35 becomes a member. Retirement benefits shall not accrue during the  
36 period of membership and the individual shall make contributions and  
37 receive membership credit. Such a member shall have the right to  
38 again retire if eligible in accordance with RCW 41.40.180. However,  
39 if the right to retire is exercised to become effective before the

1 member has rendered two uninterrupted years of service, the  
2 retirement formula and survivor options the member had at the time of  
3 the member's previous retirement shall be reinstated.

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

7 (5) 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 months in a calendar year  
10 without a reduction of his or her pension.

11 NEW SECTION. **Sec. 6.** The following acts or parts of acts are  
12 each repealed:

13 (1) RCW 41.35.065 (Postretirement employment options) and 2019 c  
14 295 s 308; and

15 (2) RCW 41.32.068 (Postretirement employment options) and 2019 c  
16 295 s 307 & 2016 c 233 s 7.

17 NEW SECTION. **Sec. 7.** This act is necessary for the immediate  
18 preservation of the public peace, health, or safety, or support of  
19 the state government and its existing public institutions, and takes  
20 effect immediately."

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By Committee on Ways & Means

**ADOPTED 03/10/2022**

21 On page 1, line 5 of the title, after "2025;" strike the  
22 remainder of the title and insert "amending RCW 41.32.570, 41.32.802,  
23 41.32.862, 41.35.060, and 41.40.037; repealing RCW 41.35.065 and  
24 41.32.068; and declaring an emergency."

EFFECT: Corrects references from school year to calendar year.  
Provides that the legislature's reservation of rights to amend or  
repeal this added benefit also applies to provisions allowing certain  
school administrators to return to work for additional hours while  
continuing to collect a retirement benefit.

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