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**HOUSE BILL 2167**

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**State of Washington**

**68th Legislature**

**2024 Regular Session**

**By** Representatives Paul, Leavitt, Callan, Rule, Timmons, Lekanoff, Fosse, and Shavers

Prefiled 01/05/24. Read first time 01/08/24. Referred to Committee on Appropriations.

1 AN ACT Relating to retirement benefit eligibility for law  
2 enforcement officers' and firefighters' retirement system plan  
3 retirees that separate from service and choose to work in eligible  
4 positions on a part-time basis; amending RCW 41.26.030, 41.26.030,  
5 and 41.26.500; providing an effective date; and providing an  
6 expiration date.

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

8 **Sec. 1.** RCW 41.26.030 and 2021 c 12 s 2 are each amended to read  
9 as follows:

10 As used in this chapter, unless a different meaning is plainly  
11 required by the context:

12 (1) "Accumulated contributions" means the employee's  
13 contributions made by a member, including any amount paid under RCW  
14 41.50.165(2), plus accrued interest credited thereon.

15 (2) "Actuarial reserve" means a method of financing a pension or  
16 retirement plan wherein reserves are accumulated as the liabilities  
17 for benefit payments are incurred in order that sufficient funds will  
18 be available on the date of retirement of each member to pay the  
19 member's future benefits during the period of retirement.

20 (3) "Actuarial valuation" means a mathematical determination of  
21 the financial condition of a retirement plan. It includes the

1 computation of the present monetary value of benefits payable to  
2 present members, and the present monetary value of future employer  
3 and employee contributions, giving effect to mortality among active  
4 and retired members and also to the rates of disability, retirement,  
5 withdrawal from service, salary and interest earned on investments.

6 (4) (a) "Basic salary" for plan 1 members, means the basic monthly  
7 rate of salary or wages, including longevity pay but not including  
8 overtime earnings or special salary or wages, upon which pension or  
9 retirement benefits will be computed and upon which employer  
10 contributions and salary deductions will be based.

11 (b) "Basic salary" for plan 2 members, means salaries or wages  
12 earned by a member during a payroll period for personal services,  
13 including overtime payments, and shall include wages and salaries  
14 deferred under provisions established pursuant to sections 403(b),  
15 414(h), and 457 of the United States Internal Revenue Code, but shall  
16 exclude lump sum payments for deferred annual sick leave, unused  
17 accumulated vacation, unused accumulated annual leave, or any form of  
18 severance pay. In any year in which a member serves in the  
19 legislature the member shall have the option of having such member's  
20 basic salary be the greater of:

21 (i) The basic salary the member would have received had such  
22 member not served in the legislature; or

23 (ii) Such member's actual basic salary received for  
24 nonlegislative public employment and legislative service combined.  
25 Any additional contributions to the retirement system required  
26 because basic salary under (b) (i) of this subsection is greater than  
27 basic salary under (b) (ii) of this subsection shall be paid by the  
28 member for both member and employer contributions.

29 (5) (a) "Beneficiary" for plan 1 members, means any person in  
30 receipt of a retirement allowance, disability allowance, death  
31 benefit, or any other benefit described herein.

32 (b) "Beneficiary" for plan 2 members, means any person in receipt  
33 of a retirement allowance or other benefit provided by this chapter  
34 resulting from service rendered to an employer by another person.

35 (6) (a) "Child" or "children" means an unmarried person who is  
36 under the age of eighteen or mentally or physically disabled as  
37 determined by the department, except a person who is disabled and in  
38 the full time care of a state institution, who is:

39 (i) A natural born child;

1 (ii) A stepchild where that relationship was in existence prior  
2 to the date benefits are payable under this chapter;

3 (iii) A posthumous child;

4 (iv) A child legally adopted or made a legal ward of a member  
5 prior to the date benefits are payable under this chapter; or

6 (v) An illegitimate child legitimized prior to the date any  
7 benefits are payable under this chapter.

8 (b) A person shall also be deemed to be a child up to and  
9 including the age of twenty years and eleven months while attending  
10 any high school, college, or vocational or other educational  
11 institution accredited, licensed, or approved by the state, in which  
12 it is located, including the summer vacation months and all other  
13 normal and regular vacation periods at the particular educational  
14 institution after which the child returns to school.

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

17 (8) "Director" means the director of the department.

18 (9) "Disability board" for plan 1 members means either the county  
19 disability board or the city disability board established in RCW  
20 41.26.110.

21 (10) "Disability leave" means the period of six months or any  
22 portion thereof during which a member is on leave at an allowance  
23 equal to the member's full salary prior to the commencement of  
24 disability retirement. The definition contained in this subsection  
25 shall apply only to plan 1 members.

26 (11) "Disability retirement" for plan 1 members, means the period  
27 following termination of a member's disability leave, during which  
28 the member is in receipt of a disability retirement allowance.

29 (12) "Domestic partners" means two adults who have registered as  
30 domestic partners under RCW 26.60.020.

31 (13) "Employee" means any law enforcement officer or firefighter  
32 as defined in subsections (17) and (19) of this section.

33 (14)(a) "Employer" for plan 1 members, means the legislative  
34 authority of any city, town, county, district, or regional fire  
35 protection service authority or the elected officials of any  
36 municipal corporation that employs any law enforcement officer and/or  
37 firefighter, any authorized association of such municipalities, and,  
38 except for the purposes of RCW 41.26.150, any labor guild,  
39 association, or organization, which represents the firefighters or  
40 law enforcement officers of at least seven cities of over 20,000

1 population and the membership of each local lodge or division of  
2 which is composed of at least sixty percent law enforcement officers  
3 or firefighters as defined in this chapter.

4 (b) "Employer" for plan 2 members, means the following entities  
5 to the extent that the entity employs any law enforcement officer  
6 and/or firefighter:

7 (i) The legislative authority of any city, town, county,  
8 district, public corporation, or regional fire protection service  
9 authority established under RCW 35.21.730 to provide emergency  
10 medical services as defined in RCW 18.73.030;

11 (ii) The elected officials of any municipal corporation;

12 (iii) The governing body of any other general authority law  
13 enforcement agency;

14 (iv) A four-year institution of higher education having a fully  
15 operational fire department as of January 1, 1996; or

16 (v) The department of social and health services or the  
17 department of corrections when employing firefighters serving at a  
18 prison or civil commitment center on an island.

19 (c) Except as otherwise specifically provided in this chapter,  
20 "employer" does not include a government contractor. For purposes of  
21 this subsection, a "government contractor" is any entity, including a  
22 partnership, limited liability company, for-profit or nonprofit  
23 corporation, or person, that provides services pursuant to a contract  
24 with an "employer." The determination whether an employer-employee  
25 relationship has been established is not based on the relationship  
26 between a government contractor and an "employer," but is based  
27 solely on the relationship between a government contractor's employee  
28 and an "employer" under this chapter.

29 (15)(a) "Final average salary" for plan 1 members, means (i) for  
30 a member holding the same position or rank for a minimum of twelve  
31 months preceding the date of retirement, the basic salary attached to  
32 such same position or rank at time of retirement; (ii) for any other  
33 member, including a civil service member who has not served a minimum  
34 of twelve months in the same position or rank preceding the date of  
35 retirement, the average of the greatest basic salaries payable to  
36 such member during any consecutive twenty-four month period within  
37 such member's last ten years of service for which service credit is  
38 allowed, computed by dividing the total basic salaries payable to  
39 such member during the selected twenty-four month period by twenty-  
40 four; (iii) in the case of disability of any member, the basic salary

1 payable to such member at the time of disability retirement; (iv) in  
2 the case of a member who hereafter vests pursuant to RCW 41.26.090,  
3 the basic salary payable to such member at the time of vesting.

4 (b) "Final average salary" for plan 2 members, means the monthly  
5 average of the member's basic salary for the highest consecutive  
6 sixty service credit months of service prior to such member's  
7 retirement, termination, or death. Periods constituting authorized  
8 unpaid leaves of absence may not be used in the calculation of final  
9 average salary.

10 (c) In calculating final average salary under (a) or (b) of this  
11 subsection, the department of retirement systems shall include:

12 (i) Any compensation forgone by a member employed by a state  
13 agency or institution during the 2009-2011 fiscal biennium as a  
14 result of reduced work hours, mandatory or voluntary leave without  
15 pay, temporary reduction in pay implemented prior to December 11,  
16 2010, or temporary layoffs if the reduced compensation is an integral  
17 part of the employer's expenditure reduction efforts, as certified by  
18 the employer;

19 (ii) Any compensation forgone by a member employed by the state  
20 or a local government employer during the 2011-2013 fiscal biennium  
21 as a result of reduced work hours, mandatory leave without pay,  
22 temporary layoffs, or reductions to current pay if the reduced  
23 compensation is an integral part of the employer's expenditure  
24 reduction efforts, as certified by the employer. Reductions to  
25 current pay shall not include elimination of previously agreed upon  
26 future salary increases; and

27 (iii) Any compensation forgone by a member employed by the state  
28 or a local government employer during the 2019-2021 and 2021-2023  
29 fiscal biennia as a result of reduced work hours, mandatory leave  
30 without pay, temporary layoffs, furloughs, reductions to current pay,  
31 or other similar measures resulting from the COVID-19 budgetary  
32 crisis, if the reduced compensation is an integral part of the  
33 employer's expenditure reduction efforts, as certified by the  
34 employer. Reductions to current pay shall not include elimination of  
35 previously agreed upon future salary increases.

36 (16) "Fire department" includes a fire station operated by the  
37 department of social and health services or the department of  
38 corrections when employing firefighters serving a prison or civil  
39 commitment center on an island.

40 (17) "Firefighter" means:

1 (a) Any person who is serving on a full time, fully compensated  
2 basis as a member of a fire department of an employer and who is  
3 serving in a position which requires passing a civil service  
4 examination for firefighter, and who is actively employed as such;

5 (b) Anyone who is actively employed as a full time firefighter  
6 where the fire department does not have a civil service examination;

7 (c) Supervisory firefighter personnel;

8 (d) Any full time executive secretary of an association of fire  
9 protection districts authorized under RCW 52.12.031. The provisions  
10 of this subsection (17)(d) shall not apply to plan 2 members;

11 (e) The executive secretary of a labor guild, association or  
12 organization (which is an employer under subsection (14) of this  
13 section), if such individual has five years previous membership in a  
14 retirement system established in chapter 41.16 or 41.18 RCW. The  
15 provisions of this subsection (17)(e) shall not apply to plan 2  
16 members;

17 (f) Any person who is serving on a full time, fully compensated  
18 basis for an employer, as a fire dispatcher, in a department in  
19 which, on March 1, 1970, a dispatcher was required to have passed a  
20 civil service examination for firefighter;

21 (g) Any person who on March 1, 1970, was employed on a full time,  
22 fully compensated basis by an employer, and who on May 21, 1971, was  
23 making retirement contributions under the provisions of chapter 41.16  
24 or 41.18 RCW; and

25 (h) Any person who is employed on a full-time, fully compensated  
26 basis by an employer as an emergency medical technician that meets  
27 the requirements of RCW 18.71.200 or 18.73.030(~~((12))~~) (13), and  
28 whose duties include providing emergency medical services as defined  
29 in RCW 18.73.030.

30 (18) "General authority law enforcement agency" means any agency,  
31 department, or division of a municipal corporation, political  
32 subdivision, or other unit of local government of this state, and any  
33 agency, department, or division of state government, having as its  
34 primary function the detection and apprehension of persons committing  
35 infractions or violating the traffic or criminal laws in general, but  
36 not including the Washington state patrol. Such an agency,  
37 department, or division is distinguished from a limited authority law  
38 enforcement agency having as one of its functions the apprehension or  
39 detection of persons committing infractions or violating the traffic  
40 or criminal laws relating to limited subject areas, including but not

1 limited to, the state departments of natural resources and social and  
2 health services, the state gambling commission, the state lottery  
3 commission, the state parks and recreation commission, the state  
4 utilities and transportation commission, the state liquor and  
5 cannabis board, and the state department of corrections. A general  
6 authority law enforcement agency under this chapter does not include  
7 a government contractor.

8 (19) "Law enforcement officer" beginning January 1, 1994, means  
9 any person who is commissioned and employed by an employer on a full  
10 time, fully compensated basis to enforce the criminal laws of the  
11 state of Washington generally, with the following qualifications:

12 (a) No person who is serving in a position that is basically  
13 clerical or secretarial in nature, and who is not commissioned shall  
14 be considered a law enforcement officer;

15 (b) Only those deputy sheriffs, including those serving under a  
16 different title pursuant to county charter, who have successfully  
17 completed a civil service examination for deputy sheriff or the  
18 equivalent position, where a different title is used, and those  
19 persons serving in unclassified positions authorized by RCW 41.14.070  
20 except a private secretary will be considered law enforcement  
21 officers;

22 (c) Only such full time commissioned law enforcement personnel as  
23 have been appointed to offices, positions, or ranks in the police  
24 department which have been specifically created or otherwise  
25 expressly provided for and designated by city charter provision or by  
26 ordinance enacted by the legislative body of the city shall be  
27 considered city police officers;

28 (d) The term "law enforcement officer" also includes the  
29 executive secretary of a labor guild, association or organization  
30 (which is an employer under subsection (14) of this section) if that  
31 individual has five years previous membership in the retirement  
32 system established in chapter 41.20 RCW. The provisions of this  
33 subsection (19)(d) shall not apply to plan 2 members; and

34 (e) The term "law enforcement officer" also includes a person  
35 employed on or after January 1, 1993, as a public safety officer or  
36 director of public safety, so long as the job duties substantially  
37 involve only either police or fire duties, or both, and no other  
38 duties in a city or town with a population of less than ten thousand.  
39 The provisions of this subsection (19)(e) shall not apply to any

1 public safety officer or director of public safety who is receiving a  
2 retirement allowance under this chapter as of May 12, 1993.

3 (20) "Medical services" for plan 1 members, shall include the  
4 following as minimum services to be provided. Reasonable charges for  
5 these services shall be paid in accordance with RCW 41.26.150.

6 (a) Hospital expenses: These are the charges made by a hospital,  
7 in its own behalf, for

8 (i) Board and room not to exceed semiprivate room rate unless  
9 private room is required by the attending physician due to the  
10 condition of the patient.

11 (ii) Necessary hospital services, other than board and room,  
12 furnished by the hospital.

13 (b) Other medical expenses: The following charges are considered  
14 "other medical expenses," provided that they have not been considered  
15 as "hospital expenses".

16 (i) The fees of the following:

17 (A) A physician or surgeon licensed under the provisions of  
18 chapter 18.71 RCW;

19 (B) An osteopathic physician and surgeon licensed under the  
20 provisions of chapter 18.57 RCW;

21 (C) A chiropractor licensed under the provisions of chapter 18.25  
22 RCW.

23 (ii) The charges of a registered graduate nurse other than a  
24 nurse who ordinarily resides in the member's home, or is a member of  
25 the family of either the member or the member's spouse.

26 (iii) The charges for the following medical services and  
27 supplies:

28 (A) Drugs and medicines upon a physician's prescription;

29 (B) Diagnostic X-ray and laboratory examinations;

30 (C) X-ray, radium, and radioactive isotopes therapy;

31 (D) Anesthesia and oxygen;

32 (E) Rental of iron lung and other durable medical and surgical  
33 equipment;

34 (F) Artificial limbs and eyes, and casts, splints, and trusses;

35 (G) Professional ambulance service when used to transport the  
36 member to or from a hospital when injured by an accident or stricken  
37 by a disease;

38 (H) Dental charges incurred by a member who sustains an  
39 accidental injury to his or her teeth and who commences treatment by  
40 a legally licensed dentist within ninety days after the accident;

- 1 (I) Nursing home confinement or hospital extended care facility;  
2 (J) Physical therapy by a registered physical therapist;  
3 (K) Blood transfusions, including the cost of blood and blood  
4 plasma not replaced by voluntary donors;  
5 (L) An optometrist licensed under the provisions of chapter 18.53  
6 RCW.

7 (21) "Member" means any firefighter, law enforcement officer, or  
8 other person as would apply under subsection (17) or (19) of this  
9 section whose membership is transferred to the Washington law  
10 enforcement officers' and firefighters' retirement system on or after  
11 March 1, 1970, and every law enforcement officer and firefighter who  
12 is employed in that capacity on or after such date.

13 (22) "Plan 1" means the law enforcement officers' and  
14 firefighters' retirement system, plan 1 providing the benefits and  
15 funding provisions covering persons who first became members of the  
16 system prior to October 1, 1977.

17 (23) "Plan 2" means the law enforcement officers' and  
18 firefighters' retirement system, plan 2 providing the benefits and  
19 funding provisions covering persons who first became members of the  
20 system on and after October 1, 1977.

21 (24) "Position" means the employment held at any particular time,  
22 which may or may not be the same as civil service rank.

23 (25) "Regular interest" means such rate as the director may  
24 determine.

25 (26) "Retiree" for persons who establish membership in the  
26 retirement system on or after October 1, 1977, means any member in  
27 receipt of a retirement allowance or other benefit provided by this  
28 chapter resulting from service rendered to an employer by such  
29 member.

30 (27) "Retirement fund" means the "Washington law enforcement  
31 officers' and firefighters' retirement system fund" as provided for  
32 herein.

33 (28) "Retirement system" means the "Washington law enforcement  
34 officers' and firefighters' retirement system" provided herein.

35 (29) "Separation from service" occurs when a person has  
36 terminated all employment with an employer. Separation from service  
37 or employment does not occur, and if claimed by an employer or  
38 employee may be a violation of RCW 41.26.062, when an employee and  
39 employer have a written or oral agreement to resume employment with  
40 the same employer following termination. Mere expressions or

1 inquiries about postretirement employment by an employer or employee  
2 that do not constitute a commitment to reemploy the employee after  
3 retirement are not an agreement under this subsection.

4 (30)(a) "Service" for plan 1 members, means all periods of  
5 employment for an employer as a firefighter or law enforcement  
6 officer, for which compensation is paid, together with periods of  
7 suspension not exceeding thirty days in duration. For the purposes of  
8 this chapter service shall also include service in the armed forces  
9 of the United States as provided in RCW 41.26.190. Credit shall be  
10 allowed for all service credit months of service rendered by a member  
11 from and after the member's initial commencement of employment as a  
12 firefighter or law enforcement officer, during which the member  
13 worked for seventy or more hours, or was on disability leave or  
14 disability retirement. Only service credit months of service shall be  
15 counted in the computation of any retirement allowance or other  
16 benefit provided for in this chapter.

17 (i) For members retiring after May 21, 1971 who were employed  
18 under the coverage of a prior pension act before March 1, 1970,  
19 "service" shall also include (A) such military service not exceeding  
20 five years as was creditable to the member as of March 1, 1970, under  
21 the member's particular prior pension act, and (B) such other periods  
22 of service as were then creditable to a particular member under the  
23 provisions of RCW 41.18.165, 41.20.160, or 41.20.170. However, in no  
24 event shall credit be allowed for any service rendered prior to March  
25 1, 1970, where the member at the time of rendition of such service  
26 was employed in a position covered by a prior pension act, unless  
27 such service, at the time credit is claimed therefor, is also  
28 creditable under the provisions of such prior act.

29 (ii) A member who is employed by two employers at the same time  
30 shall only be credited with service to one such employer for any  
31 month during which the member rendered such dual service.

32 (iii) Reduction efforts such as furloughs, reduced work hours,  
33 mandatory leave without pay, temporary layoffs, or other similar  
34 situations as contemplated by subsection (15)(c)(iii) of this section  
35 do not result in a reduction in service credit that otherwise would  
36 have been earned for that month of work, and the member shall receive  
37 the full service credit for the hours that were scheduled to be  
38 worked before the reduction.

39 (b)(i) "Service" for plan 2 members, means periods of employment  
40 by a member for one or more employers for which basic salary is

1 earned for ninety or more hours per calendar month which shall  
2 constitute a service credit month. Periods of employment by a member  
3 for one or more employers for which basic salary is earned for at  
4 least seventy hours but less than ninety hours per calendar month  
5 shall constitute one-half service credit month. Periods of employment  
6 by a member for one or more employers for which basic salary is  
7 earned for less than seventy hours shall constitute a one-quarter  
8 service credit month.

9 (ii) Members of the retirement system who are elected or  
10 appointed to a state elective position may elect to continue to be  
11 members of this retirement system.

12 (iii) Service credit years of service shall be determined by  
13 dividing the total number of service credit months of service by  
14 twelve. Any fraction of a service credit year of service as so  
15 determined shall be taken into account in the computation of such  
16 retirement allowance or benefits.

17 (iv) If a member receives basic salary from two or more employers  
18 during any calendar month, the individual shall receive one service  
19 credit month's service credit during any calendar month in which  
20 multiple service for ninety or more hours is rendered; or one-half  
21 service credit month's service credit during any calendar month in  
22 which multiple service for at least seventy hours but less than  
23 ninety hours is rendered; or one-quarter service credit month during  
24 any calendar month in which multiple service for less than seventy  
25 hours is rendered.

26 (v) Reduction efforts such as furloughs, reduced work hours,  
27 mandatory leave without pay, temporary layoffs, or other similar  
28 situations as contemplated by subsection (15)(c)(iii) of this section  
29 do not result in a reduction in service credit that otherwise would  
30 have been earned for that month of work, and the member shall receive  
31 the full service credit for the hours that were scheduled to be  
32 worked before the reduction.

33 ~~((+30))~~ (31) "Service credit month" means a full service credit  
34 month or an accumulation of partial service credit months that are  
35 equal to one.

36 ~~((+31))~~ (32) "Service credit year" means an accumulation of  
37 months of service credit which is equal to one when divided by  
38 twelve.

39 ~~((+32))~~ (33) "State actuary" or "actuary" means the person  
40 appointed pursuant to RCW 44.44.010(2).

1       (~~(33)~~) (34) "State elective position" means any position held  
2 by any person elected or appointed to statewide office or elected or  
3 appointed as a member of the legislature.

4       (~~(34)~~) (35) "Surviving spouse" means the surviving widow or  
5 widower of a member. "Surviving spouse" shall not include the  
6 divorced spouse of a member except as provided in RCW 41.26.162.

7       **Sec. 2.** RCW 41.26.030 and 2023 c 77 s 1 are each amended to read  
8 as follows:

9       As used in this chapter, unless a different meaning is plainly  
10 required by the context:

11       (1) "Accumulated contributions" means the employee's  
12 contributions made by a member, including any amount paid under RCW  
13 41.50.165(2), plus accrued interest credited thereon.

14       (2) "Actuarial reserve" means a method of financing a pension or  
15 retirement plan wherein reserves are accumulated as the liabilities  
16 for benefit payments are incurred in order that sufficient funds will  
17 be available on the date of retirement of each member to pay the  
18 member's future benefits during the period of retirement.

19       (3) "Actuarial valuation" means a mathematical determination of  
20 the financial condition of a retirement plan. It includes the  
21 computation of the present monetary value of benefits payable to  
22 present members, and the present monetary value of future employer  
23 and employee contributions, giving effect to mortality among active  
24 and retired members and also to the rates of disability, retirement,  
25 withdrawal from service, salary and interest earned on investments.

26       (4)(a) "Basic salary" for plan 1 members, means the basic monthly  
27 rate of salary or wages, including longevity pay but not including  
28 overtime earnings or special salary or wages, upon which pension or  
29 retirement benefits will be computed and upon which employer  
30 contributions and salary deductions will be based.

31       (b) "Basic salary" for plan 2 members, means salaries or wages  
32 earned by a member during a payroll period for personal services,  
33 including overtime payments, and shall include wages and salaries  
34 deferred under provisions established pursuant to sections 403(b),  
35 414(h), and 457 of the United States Internal Revenue Code, but shall  
36 exclude lump sum payments for deferred annual sick leave, unused  
37 accumulated vacation, unused accumulated annual leave, or any form of  
38 severance pay. In any year in which a member serves in the

1 legislature the member shall have the option of having such member's  
2 basic salary be the greater of:

3 (i) The basic salary the member would have received had such  
4 member not served in the legislature; or

5 (ii) Such member's actual basic salary received for  
6 nonlegislative public employment and legislative service combined.  
7 Any additional contributions to the retirement system required  
8 because basic salary under (b)(i) of this subsection is greater than  
9 basic salary under (b)(ii) of this subsection shall be paid by the  
10 member for both member and employer contributions.

11 (5)(a) "Beneficiary" for plan 1 members, means any person in  
12 receipt of a retirement allowance, disability allowance, death  
13 benefit, or any other benefit described herein.

14 (b) "Beneficiary" for plan 2 members, means any person in receipt  
15 of a retirement allowance or other benefit provided by this chapter  
16 resulting from service rendered to an employer by another person.

17 (6)(a) "Child" or "children" means an unmarried person who is  
18 under the age of eighteen or mentally or physically disabled as  
19 determined by the department, except a person who is disabled and in  
20 the full time care of a state institution, who is:

21 (i) A natural born child;

22 (ii) A stepchild where that relationship was in existence prior  
23 to the date benefits are payable under this chapter;

24 (iii) A posthumous child;

25 (iv) A child legally adopted or made a legal ward of a member  
26 prior to the date benefits are payable under this chapter; or

27 (v) An illegitimate child legitimized prior to the date any  
28 benefits are payable under this chapter.

29 (b) A person shall also be deemed to be a child up to and  
30 including the age of twenty years and eleven months while attending  
31 any high school, college, or vocational or other educational  
32 institution accredited, licensed, or approved by the state, in which  
33 it is located, including the summer vacation months and all other  
34 normal and regular vacation periods at the particular educational  
35 institution after which the child returns to school.

36 (7) "Department" means the department of retirement systems  
37 created in chapter 41.50 RCW.

38 (8) "Director" means the director of the department.

1 (9) "Disability board" for plan 1 members means either the county  
2 disability board or the city disability board established in RCW  
3 41.26.110.

4 (10) "Disability leave" means the period of six months or any  
5 portion thereof during which a member is on leave at an allowance  
6 equal to the member's full salary prior to the commencement of  
7 disability retirement. The definition contained in this subsection  
8 shall apply only to plan 1 members.

9 (11) "Disability retirement" for plan 1 members, means the period  
10 following termination of a member's disability leave, during which  
11 the member is in receipt of a disability retirement allowance.

12 (12) "Domestic partners" means two adults who have registered as  
13 domestic partners under RCW 26.60.020.

14 (13) "Employee" means any law enforcement officer or firefighter  
15 as defined in subsections (17) and (19) of this section.

16 (14)(a) "Employer" for plan 1 members, means the legislative  
17 authority of any city, town, county, district, or regional fire  
18 protection service authority or the elected officials of any  
19 municipal corporation that employs any law enforcement officer and/or  
20 firefighter, any authorized association of such municipalities, and,  
21 except for the purposes of RCW 41.26.150, any labor guild,  
22 association, or organization, which represents the firefighters or  
23 law enforcement officers of at least seven cities of over 20,000  
24 population and the membership of each local lodge or division of  
25 which is composed of at least sixty percent law enforcement officers  
26 or firefighters as defined in this chapter.

27 (b) "Employer" for plan 2 members, means the following entities  
28 to the extent that the entity employs any law enforcement officer  
29 and/or firefighter:

30 (i) The legislative authority of any city, town, county,  
31 district, public corporation, or regional fire protection service  
32 authority established under RCW 35.21.730 to provide emergency  
33 medical services as defined in RCW 18.73.030;

34 (ii) The elected officials of any municipal corporation;

35 (iii) The governing body of any other general authority law  
36 enforcement agency;

37 (iv) A four-year institution of higher education having a fully  
38 operational fire department as of January 1, 1996; or

1 (v) The department of social and health services or the  
2 department of corrections when employing firefighters serving at a  
3 prison or civil commitment center on an island.

4 (c) Except as otherwise specifically provided in this chapter,  
5 "employer" does not include a government contractor. For purposes of  
6 this subsection, a "government contractor" is any entity, including a  
7 partnership, limited liability company, for-profit or nonprofit  
8 corporation, or person, that provides services pursuant to a contract  
9 with an "employer." The determination whether an employer-employee  
10 relationship has been established is not based on the relationship  
11 between a government contractor and an "employer," but is based  
12 solely on the relationship between a government contractor's employee  
13 and an "employer" under this chapter.

14 (15)(a) "Final average salary" for plan 1 members, means (i) for  
15 a member holding the same position or rank for a minimum of twelve  
16 months preceding the date of retirement, the basic salary attached to  
17 such same position or rank at time of retirement; (ii) for any other  
18 member, including a civil service member who has not served a minimum  
19 of twelve months in the same position or rank preceding the date of  
20 retirement, the average of the greatest basic salaries payable to  
21 such member during any consecutive twenty-four month period within  
22 such member's last ten years of service for which service credit is  
23 allowed, computed by dividing the total basic salaries payable to  
24 such member during the selected twenty-four month period by twenty-  
25 four; (iii) in the case of disability of any member, the basic salary  
26 payable to such member at the time of disability retirement; (iv) in  
27 the case of a member who hereafter vests pursuant to RCW 41.26.090,  
28 the basic salary payable to such member at the time of vesting.

29 (b) "Final average salary" for plan 2 members, means the monthly  
30 average of the member's basic salary for the highest consecutive  
31 sixty service credit months of service prior to such member's  
32 retirement, termination, or death. Periods constituting authorized  
33 unpaid leaves of absence may not be used in the calculation of final  
34 average salary.

35 (c) In calculating final average salary under (a) or (b) of this  
36 subsection, the department of retirement systems shall include:

37 (i) Any compensation forgone by a member employed by a state  
38 agency or institution during the 2009-2011 fiscal biennium as a  
39 result of reduced work hours, mandatory or voluntary leave without  
40 pay, temporary reduction in pay implemented prior to December 11,

1 2010, or temporary layoffs if the reduced compensation is an integral  
2 part of the employer's expenditure reduction efforts, as certified by  
3 the employer;

4 (ii) Any compensation forgone by a member employed by the state  
5 or a local government employer during the 2011-2013 fiscal biennium  
6 as a result of reduced work hours, mandatory leave without pay,  
7 temporary layoffs, or reductions to current pay if the reduced  
8 compensation is an integral part of the employer's expenditure  
9 reduction efforts, as certified by the employer. Reductions to  
10 current pay shall not include elimination of previously agreed upon  
11 future salary increases; and

12 (iii) Any compensation forgone by a member employed by the state  
13 or a local government employer during the 2019-2021 and 2021-2023  
14 fiscal biennia as a result of reduced work hours, mandatory leave  
15 without pay, temporary layoffs, furloughs, reductions to current pay,  
16 or other similar measures resulting from the COVID-19 budgetary  
17 crisis, if the reduced compensation is an integral part of the  
18 employer's expenditure reduction efforts, as certified by the  
19 employer. Reductions to current pay shall not include elimination of  
20 previously agreed upon future salary increases.

21 (16) "Fire department" includes a fire station operated by the  
22 department of social and health services or the department of  
23 corrections when employing firefighters serving a prison or civil  
24 commitment center on an island.

25 (17) "Firefighter" means:

26 (a) Any person who is serving on a full time, fully compensated  
27 basis as a member of a fire department of an employer and who is  
28 serving in a position which requires passing a civil service  
29 examination for firefighter, and who is actively employed as such;

30 (b) Anyone who is actively employed as a full time firefighter  
31 where the fire department does not have a civil service examination;

32 (c) Supervisory firefighter personnel;

33 (d) Any full time executive secretary of an association of fire  
34 protection districts authorized under RCW 52.12.031. The provisions  
35 of this subsection (17)(d) shall not apply to plan 2 members;

36 (e) The executive secretary of a labor guild, association or  
37 organization (which is an employer under subsection (14) of this  
38 section), if such individual has five years previous membership in a  
39 retirement system established in chapter 41.16 or 41.18 RCW. The

1 provisions of this subsection (17)(e) shall not apply to plan 2  
2 members;

3 (f) Any person who is serving on a full time, fully compensated  
4 basis for an employer, as a fire dispatcher, in a department in  
5 which, on March 1, 1970, a dispatcher was required to have passed a  
6 civil service examination for firefighter;

7 (g) Any person who on March 1, 1970, was employed on a full time,  
8 fully compensated basis by an employer, and who on May 21, 1971, was  
9 making retirement contributions under the provisions of chapter 41.16  
10 or 41.18 RCW; and

11 (h) Any person who is employed on a full-time, fully compensated  
12 basis by an employer as an emergency medical technician that meets  
13 the requirements of RCW 18.71.200 or 18.73.030(13), and whose duties  
14 include providing emergency medical services as defined in RCW  
15 18.73.030.

16 (18) "General authority law enforcement agency" means any agency,  
17 department, or division of a municipal corporation, political  
18 subdivision, or other unit of local government of this state, the  
19 government of a federally recognized tribe, and any agency,  
20 department, or division of state government, having as its primary  
21 function the detection and apprehension of persons committing  
22 infractions or violating the traffic or criminal laws in general, but  
23 not including the Washington state patrol. Such an agency,  
24 department, or division is distinguished from a limited authority law  
25 enforcement agency having as one of its functions the apprehension or  
26 detection of persons committing infractions or violating the traffic  
27 or criminal laws relating to limited subject areas, including but not  
28 limited to, the state departments of natural resources and social and  
29 health services, the state gambling commission, the state lottery  
30 commission, the state parks and recreation commission, the state  
31 utilities and transportation commission, the state liquor and  
32 cannabis board, and the state department of corrections. A general  
33 authority law enforcement agency under this chapter does not include  
34 a government contractor.

35 (19) "Law enforcement officer" beginning January 1, 1994, means  
36 any person who is commissioned and employed by an employer on a full  
37 time, fully compensated basis to enforce the criminal laws of the  
38 state of Washington generally, with the following qualifications:

1 (a) No person who is serving in a position that is basically  
2 clerical or secretarial in nature, and who is not commissioned shall  
3 be considered a law enforcement officer;

4 (b) Only those deputy sheriffs, including those serving under a  
5 different title pursuant to county charter, who have successfully  
6 completed a civil service examination for deputy sheriff or the  
7 equivalent position, where a different title is used, and those  
8 persons serving in unclassified positions authorized by RCW 41.14.070  
9 except a private secretary will be considered law enforcement  
10 officers;

11 (c) Only such full time commissioned law enforcement personnel as  
12 have been appointed to offices, positions, or ranks in the police  
13 department which have been specifically created or otherwise  
14 expressly provided for and designated by city charter provision or by  
15 ordinance enacted by the legislative body of the city shall be  
16 considered city police officers;

17 (d) The term "law enforcement officer" also includes the  
18 executive secretary of a labor guild, association or organization  
19 (which is an employer under subsection (14) of this section) if that  
20 individual has five years previous membership in the retirement  
21 system established in chapter 41.20 RCW. The provisions of this  
22 subsection (19)(d) shall not apply to plan 2 members;

23 (e) The term "law enforcement officer" also includes a person  
24 employed on or after January 1, 1993, as a public safety officer or  
25 director of public safety, so long as the job duties substantially  
26 involve only either police or fire duties, or both, and no other  
27 duties in a city or town with a population of less than ten thousand.  
28 The provisions of this subsection (19)(e) shall not apply to any  
29 public safety officer or director of public safety who is receiving a  
30 retirement allowance under this chapter as of May 12, 1993; and

31 (f) The term "law enforcement officer" also includes a person who  
32 is employed on or after January 1, 2024, on a full-time basis by the  
33 government of a federally recognized tribe within the state of  
34 Washington that meets the terms and conditions of RCW 41.26.565, is  
35 employed in a police department maintained by that tribe, and who is  
36 currently certified as a general authority peace officer under  
37 chapter 43.101 RCW.

38 (20) "Medical services" for plan 1 members, shall include the  
39 following as minimum services to be provided. Reasonable charges for  
40 these services shall be paid in accordance with RCW 41.26.150.

1 (a) Hospital expenses: These are the charges made by a hospital,  
2 in its own behalf, for

3 (i) Board and room not to exceed semiprivate room rate unless  
4 private room is required by the attending physician due to the  
5 condition of the patient.

6 (ii) Necessary hospital services, other than board and room,  
7 furnished by the hospital.

8 (b) Other medical expenses: The following charges are considered  
9 "other medical expenses," provided that they have not been considered  
10 as "hospital expenses".

11 (i) The fees of the following:

12 (A) A physician or surgeon licensed under the provisions of  
13 chapter 18.71 RCW;

14 (B) An osteopathic physician and surgeon licensed under the  
15 provisions of chapter 18.57 RCW;

16 (C) A chiropractor licensed under the provisions of chapter 18.25  
17 RCW.

18 (ii) The charges of a registered graduate nurse other than a  
19 nurse who ordinarily resides in the member's home, or is a member of  
20 the family of either the member or the member's spouse.

21 (iii) The charges for the following medical services and  
22 supplies:

23 (A) Drugs and medicines upon a physician's prescription;

24 (B) Diagnostic X-ray and laboratory examinations;

25 (C) X-ray, radium, and radioactive isotopes therapy;

26 (D) Anesthesia and oxygen;

27 (E) Rental of iron lung and other durable medical and surgical  
28 equipment;

29 (F) Artificial limbs and eyes, and casts, splints, and trusses;

30 (G) Professional ambulance service when used to transport the  
31 member to or from a hospital when injured by an accident or stricken  
32 by a disease;

33 (H) Dental charges incurred by a member who sustains an  
34 accidental injury to his or her teeth and who commences treatment by  
35 a legally licensed dentist within ninety days after the accident;

36 (I) Nursing home confinement or hospital extended care facility;

37 (J) Physical therapy by a registered physical therapist;

38 (K) Blood transfusions, including the cost of blood and blood  
39 plasma not replaced by voluntary donors;

1 (L) An optometrist licensed under the provisions of chapter 18.53  
2 RCW.

3 (21) "Member" means any firefighter, law enforcement officer, or  
4 other person as would apply under subsection (17) or (19) of this  
5 section whose membership is transferred to the Washington law  
6 enforcement officers' and firefighters' retirement system on or after  
7 March 1, 1970, and every law enforcement officer and firefighter who  
8 is employed in that capacity on or after such date.

9 (22) "Plan 1" means the law enforcement officers' and  
10 firefighters' retirement system, plan 1 providing the benefits and  
11 funding provisions covering persons who first became members of the  
12 system prior to October 1, 1977.

13 (23) "Plan 2" means the law enforcement officers' and  
14 firefighters' retirement system, plan 2 providing the benefits and  
15 funding provisions covering persons who first became members of the  
16 system on and after October 1, 1977.

17 (24) "Position" means the employment held at any particular time,  
18 which may or may not be the same as civil service rank.

19 (25) "Regular interest" means such rate as the director may  
20 determine.

21 (26) "Retiree" for persons who establish membership in the  
22 retirement system on or after October 1, 1977, means any member in  
23 receipt of a retirement allowance or other benefit provided by this  
24 chapter resulting from service rendered to an employer by such  
25 member.

26 (27) "Retirement fund" means the "Washington law enforcement  
27 officers' and firefighters' retirement system fund" as provided for  
28 herein.

29 (28) "Retirement system" means the "Washington law enforcement  
30 officers' and firefighters' retirement system" provided herein.

31 (29) "Separation from service" occurs when a person has  
32 terminated all employment with an employer. Separation from service  
33 or employment does not occur, and if claimed by an employer or  
34 employee may be a violation of RCW 41.26.062, when an employee and  
35 employer have a written or oral agreement to resume employment with  
36 the same employer following termination. Mere expressions or  
37 inquiries about postretirement employment by an employer or employee  
38 that do not constitute a commitment to reemploy the employee after  
39 retirement are not an agreement under this subsection.

1       (30)(a) "Service" for plan 1 members, means all periods of  
2 employment for an employer as a firefighter or law enforcement  
3 officer, for which compensation is paid, together with periods of  
4 suspension not exceeding thirty days in duration. For the purposes of  
5 this chapter service shall also include service in the armed forces  
6 of the United States as provided in RCW 41.26.190. Credit shall be  
7 allowed for all service credit months of service rendered by a member  
8 from and after the member's initial commencement of employment as a  
9 firefighter or law enforcement officer, during which the member  
10 worked for seventy or more hours, or was on disability leave or  
11 disability retirement. Only service credit months of service shall be  
12 counted in the computation of any retirement allowance or other  
13 benefit provided for in this chapter.

14       (i) For members retiring after May 21, 1971 who were employed  
15 under the coverage of a prior pension act before March 1, 1970,  
16 "service" shall also include (A) such military service not exceeding  
17 five years as was creditable to the member as of March 1, 1970, under  
18 the member's particular prior pension act, and (B) such other periods  
19 of service as were then creditable to a particular member under the  
20 provisions of RCW 41.18.165, 41.20.160, or 41.20.170. However, in no  
21 event shall credit be allowed for any service rendered prior to March  
22 1, 1970, where the member at the time of rendition of such service  
23 was employed in a position covered by a prior pension act, unless  
24 such service, at the time credit is claimed therefor, is also  
25 creditable under the provisions of such prior act.

26       (ii) A member who is employed by two employers at the same time  
27 shall only be credited with service to one such employer for any  
28 month during which the member rendered such dual service.

29       (iii) Reduction efforts such as furloughs, reduced work hours,  
30 mandatory leave without pay, temporary layoffs, or other similar  
31 situations as contemplated by subsection (15)(c)(iii) of this section  
32 do not result in a reduction in service credit that otherwise would  
33 have been earned for that month of work, and the member shall receive  
34 the full service credit for the hours that were scheduled to be  
35 worked before the reduction.

36       (b)(i) "Service" for plan 2 members, means periods of employment  
37 by a member for one or more employers for which basic salary is  
38 earned for ninety or more hours per calendar month which shall  
39 constitute a service credit month. Periods of employment by a member  
40 for one or more employers for which basic salary is earned for at

1 least seventy hours but less than ninety hours per calendar month  
2 shall constitute one-half service credit month. Periods of employment  
3 by a member for one or more employers for which basic salary is  
4 earned for less than seventy hours shall constitute a one-quarter  
5 service credit month.

6 (ii) Members of the retirement system who are elected or  
7 appointed to a state elective position may elect to continue to be  
8 members of this retirement system.

9 (iii) Service credit years of service shall be determined by  
10 dividing the total number of service credit months of service by  
11 twelve. Any fraction of a service credit year of service as so  
12 determined shall be taken into account in the computation of such  
13 retirement allowance or benefits.

14 (iv) If a member receives basic salary from two or more employers  
15 during any calendar month, the individual shall receive one service  
16 credit month's service credit during any calendar month in which  
17 multiple service for ninety or more hours is rendered; or one-half  
18 service credit month's service credit during any calendar month in  
19 which multiple service for at least seventy hours but less than  
20 ninety hours is rendered; or one-quarter service credit month during  
21 any calendar month in which multiple service for less than seventy  
22 hours is rendered.

23 (v) Reduction efforts such as furloughs, reduced work hours,  
24 mandatory leave without pay, temporary layoffs, or other similar  
25 situations as contemplated by subsection (15)(c)(iii) of this section  
26 do not result in a reduction in service credit that otherwise would  
27 have been earned for that month of work, and the member shall receive  
28 the full service credit for the hours that were scheduled to be  
29 worked before the reduction.

30 ~~((30))~~ (31) "Service credit month" means a full service credit  
31 month or an accumulation of partial service credit months that are  
32 equal to one.

33 ~~((31))~~ (32) "Service credit year" means an accumulation of  
34 months of service credit which is equal to one when divided by  
35 twelve.

36 ~~((32))~~ (33) "State actuary" or "actuary" means the person  
37 appointed pursuant to RCW 44.44.010(2).

38 ~~((33))~~ (34) "State elective position" means any position held  
39 by any person elected or appointed to statewide office or elected or  
40 appointed as a member of the legislature.

1       (~~(34)~~) (35) "Surviving spouse" means the surviving widow or  
2 widower of a member. "Surviving spouse" shall not include the  
3 divorced spouse of a member except as provided in RCW 41.26.162.

4       **Sec. 3.** RCW 41.26.500 and 2005 c 372 s 2 are each amended to  
5 read as follows:

6       (1) Except under subsection (3) of this section, a retiree under  
7 the provisions of plan 2 shall not be eligible to receive such  
8 retiree's monthly retirement allowance if he or she is employed in an  
9 eligible position as defined in RCW 41.40.010, 41.32.010, 41.37.010,  
10 or 41.35.010, or as a law enforcement officer or firefighter as  
11 defined in RCW 41.26.030. If a retiree's benefits have been suspended  
12 under this section, his or her benefits shall be reinstated when the  
13 retiree terminates the employment that caused his or her benefits to  
14 be suspended. Upon reinstatement, the retiree's benefits shall be  
15 actuarially recomputed pursuant to the rules adopted by the  
16 department.

17       (2) The department shall adopt rules implementing this section.

18       (3) A member or retiree who becomes employed in an eligible  
19 position as defined in RCW 41.40.010, 41.32.010, 41.35.010, or  
20 41.37.010 shall have the option to enter into membership in the  
21 corresponding retirement system for that position notwithstanding any  
22 provision of RCW 41.04.270. A retiree who elects to enter into plan  
23 membership shall have his or her benefits suspended as provided in  
24 subsection (1) of this section. A retiree who does not elect to enter  
25 into plan membership shall continue to receive his or her benefits  
26 without interruption.

27       (4) A retiree that has separated from service with an employer as  
28 defined in RCW 41.40.010, 41.32.010, 41.37.010, or 41.35.010, or as a  
29 law enforcement officer or firefighter as defined in RCW  
30 41.26.030(29) for six months or more may:

31       (a) Enter employment with an employer as a law enforcement  
32 officer or firefighter for up to 1040 hours per calendar year for  
33 three years without suspension of retirement benefits;

34       (b) Forgo any service credit or other accrual of retirement  
35 benefits during this period of part-time employment as a retiree; and

36       (c) Accept that this provision of expanded benefit eligibility  
37 during postretirement employment in a law enforcement or firefighter  
38 position is not provided as a matter of contractual right, and may be  
39 repealed or modified by the legislature at any time.

1        NEW SECTION.    **Sec. 4.**    Section 1 of this act expires July 1,  
2    2025.

3        NEW SECTION.    **Sec. 5.**    Section 2 of this act takes effect July 1,  
4    2025.

--- **END** ---