
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2034

State of Washington

69th Legislature

2026 Regular Session

By House Appropriations (originally sponsored by Representatives Ormsby, Fitzgibbon, Gregerson, and Macri)

READ FIRST TIME 02/09/26.

1 AN ACT Relating to termination and restatement of plan 1 of the
2 law enforcement officers' and firefighters' retirement system;
3 amending RCW 41.26.010, 41.26.040, 41.26.061, 2.10.155, 6.15.020,
4 26.09.138, 28B.15.380, 28B.15.520, 35.21.935, 35A.21.380, 36.28A.010,
5 41.04.205, 41.04.270, 41.04.350, 41.04.393, 41.04.400, 41.04.440,
6 41.04.450, 41.04.803, 41.05.320, 41.16.020, 41.16.060, 41.16.145,
7 41.18.015, 41.18.104, 41.18.210, 41.20.010, 41.20.170, 41.20.175,
8 41.24.400, 41.32.800, 41.32.802, 41.32.860, 41.32.862, 41.35.060,
9 41.35.230, 41.37.050, 41.37.180, 41.40.010, 41.40.037, 41.40.059,
10 41.40.690, 41.40.850, 41.45.010, 41.45.020, 41.45.050, 41.45.060,
11 41.48.030, 41.48.050, 41.50.030, 41.50.033, 41.50.055, 41.50.075,
12 41.50.080, 41.50.090, 41.50.110, 41.50.112, 41.50.150, 41.50.255,
13 41.50.500, 41.50.650, 41.50.670, 41.50.700, 46.52.130, 49.44.160,
14 51.08.142, 51.32.050, 51.32.185, 72.72.060, 41.26.720, 41.26.730,
15 41.26.715, and 41.45.230; reenacting and amending RCW 41.26.030,
16 41.05.011, 41.56.030, 43.79A.040, and 43.79A.040; adding a new
17 chapter to Title 41 RCW; creating new sections; repealing RCW
18 41.26.005, 41.26.035, 41.26.045, 41.26.046, 41.26.047, 41.26.075,
19 41.26.080, 41.26.090, 41.26.100, 41.26.105, 41.26.110, 41.26.115,
20 41.26.120, 41.26.125, 41.26.130, 41.26.135, 41.26.140, 41.26.150,
21 41.26.160, 41.26.161, 41.26.162, 41.26.164, 41.26.170, 41.26.190,
22 41.26.192, 41.26.194, 41.26.195, 41.26.197, 41.26.199, 41.26.200,
23 41.26.211, 41.26.221, 41.26.240, 41.26.250, 41.26.260, 41.26.270,

1 41.26.281, 41.26.291, 41.26.3901, 41.26.3902, 41.26.3903, and
2 41.26.410; prescribing penalties; providing effective dates; and
3 providing an expiration date.

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

5 **PART I**
6 **GENERALLY**

7 NEW SECTION. **Sec. 101.** LEGISLATIVE FINDINGS AND DECLARATION.

8 The legislature finds that plan 1 of the Washington law enforcement
9 officers' and firefighters' retirement system (LEOFF plan 1) has been
10 closed to new members for nearly a quarter of a century and is now
11 comprised almost entirely of retirees and survivor beneficiaries.
12 Similarly, employers and employees have made no contributions to the
13 plan for nearly a quarter of a century, and over the life of the
14 plan, over 80 percent of all funds contributed have been from the
15 state through general fund—state appropriations.

16 As of January 2026, only six active members remain in the plan,
17 as compared to 6,000 annuitants. LEOFF plan 1 has far exceeded full
18 funding and has assets which exceed all projected future liabilities,
19 has a surplus of more than \$3,300,000,000 today, and no significant
20 amount of additional benefits can be earned in the plan. By the date
21 most of this act is effective, June 30, 2029, LEOFF plan 1 is
22 projected to reach more than 200 percent of full funding.

23 The supreme court of the state of Washington, in the 1972
24 decision *Weaver v. Evans*, established that the firefighters and
25 police officers, active and retired, have a constitutionally
26 protected contractual right to a secure retirement benefit, funded on
27 a systematic basis. The legislature recognizes that the state of
28 Washington is the ultimate guarantor of the LEOFF plan 1 retirement
29 benefits. While members have a constitutionally protected right to
30 the pension benefits that are provided as part of their contract of
31 employment, individual members and beneficiaries do not have a right
32 to any surplus assets of the retirement plan once there has been a
33 complete satisfaction of all liabilities under the plan.

34 As the plan sponsor, the state retains the inherent power to
35 terminate a retirement plan and, upon the satisfaction of all
36 liabilities under the plan, is entitled to a reversion of the surplus
37 assets. The restatement of LEOFF plan 1 shall include the transfer of

1 actuarially sufficient resources to ensure the satisfaction of all
2 liabilities under LEOFF plan 1.

3 The legislature has determined that, in order to accomplish the
4 foregoing goals and objectives, it is in the best interest of the
5 members and beneficiaries of LEOFF plan 1 that the plan be terminated
6 and that a restated retirement plan created. Recognizing that the
7 assets of LEOFF plan 1 are intended for the exclusive benefit of the
8 plan's members and beneficiaries, only after actuarially sufficient
9 assets have been transferred to the restated law enforcement
10 officers' and firefighters' retirement system shall there be a
11 reversion of any surplus assets to the state in the interest of the
12 health, safety, and welfare of the citizens of the state.

13 It is the intent of the legislature that the LEOFF plan 1
14 restatement and termination be performed in accordance with the
15 provisions of the federal internal revenue code that apply to state
16 government pension plans and in recognition of the contract rights of
17 the members and beneficiaries of the plan to an actuarially sound
18 retirement program. Between the enactment of this law and the
19 restatement and termination of LEOFF plan 1, the legislature intends
20 to make any changes necessary to conform with federal requirements
21 following receipt of formal guidance from the federal internal
22 revenue service.

23 NEW SECTION. **Sec. 102.** RESTATEMENT AND TERMINATION OF LEOFF
24 PLAN 1. Plan 1 of the Washington law enforcement officers' and
25 firefighters' retirement system (LEOFF plan 1) is restated, and
26 hereby terminated, effective June 30, 2029. During the transition
27 between the restatement and termination of LEOFF plan 1 and the
28 establishment of the restated law enforcement officers' and
29 firefighters' retirement system, all LEOFF plan 1 benefits, as they
30 existed prior to termination and restatement, shall continue without
31 interruption.

32 NEW SECTION. **Sec. 103.** RESTATED LAW ENFORCEMENT OFFICERS' AND
33 FIREFIGHTERS' RETIREMENT SYSTEM ESTABLISHED. The restated law
34 enforcement officers' and firefighters' retirement system is hereby
35 established as provided in this chapter. The restated law enforcement
36 officers' and firefighters' retirement system established by this
37 chapter may also be referred to by statute and rule as the law
38 enforcement officers' and firefighters' retirement system plan 1. The

1 restated law enforcement plan does not create benefits for members
2 and beneficiaries different than, nor in addition to, those that
3 existed prior to restatement and termination, with the exception of
4 vesting benefits for nonvested members upon the creation of the
5 restated plan in section 318 of this act.

6 NEW SECTION. **Sec. 104.** RESTATED LAW ENFORCEMENT OFFICERS' AND
7 FIREFIGHTERS' DEFINED BENEFIT RETIREMENT FUND ESTABLISHED. (1) The
8 restated law enforcement officers' and firefighters' defined benefit
9 retirement fund is created in the custody of the state treasurer. The
10 fund shall consist of assets transferred from the Washington law
11 enforcement officers' and firefighters' system plan 1 retirement
12 fund, investment earnings, and other amounts deposited to the fund.
13 At direction of the director of retirement systems, the state
14 treasurer shall transfer to the restated law enforcement officers'
15 and firefighters' defined benefit retirement fund an amount equal to
16 110 percent of the actuarial present value of the fully projected
17 benefits of plan 1 of the Washington law enforcement officers' and
18 firefighters' retirement system. On direction of the director of
19 retirement systems, the state treasurer shall transfer this amount
20 through a direct trustee-to-trustee transfer, to the restated law
21 enforcement officers' and firefighters' defined benefit retirement
22 fund. The state actuary must determine the actuarial present value of
23 fully projected benefits of plan 1 of the Washington law enforcement
24 officers' and firefighters' retirement system as of June 30, 2029,
25 using the latest actuarial valuation available at the time of
26 determination.

27 (2) The pension funding council shall conduct an independent
28 audit of the calculation of the present value amount determined by
29 the state actuary. The transfer of these assets to the restated law
30 enforcement officers' and firefighters' defined benefit retirement
31 fund shall occur on the effective date of this section. From the
32 remaining assets in the Washington law enforcement officers' and
33 firefighters' system plan 1 retirement fund, \$569,000,000 shall be
34 deposited in the climate commitment account, and the remainder shall
35 be deposited in the pension funding stabilization account and
36 continue to be invested by the state investment board until otherwise
37 directed by law.

38 (3) Expenditures from the restated law enforcement officers' and
39 firefighters' defined benefit retirement fund may be used only for

1 the purposes of this chapter. Only the director of retirement systems
2 or the director's designee may authorize expenditures from the fund.
3 No appropriation is required for expenditures.

4 (4) The director of retirement systems may direct the state
5 treasurer, subsequent to the transfer of assets under sections 101
6 through 105 of this act, to make such additional transfers as are
7 necessary to reconcile the amounts transferred and the requirements
8 of sections 101 through 105 of this act.

9 NEW SECTION. **Sec. 105.** INVESTMENT OF FUNDS. (1) The state
10 investment board has the full power to invest, reinvest, manage,
11 contract, sell, or exchange investment money in (a) the restated law
12 enforcement officers' and firefighters' defined benefit retirement
13 fund and (b) the pension funding stabilization account. All
14 investment and operating costs of the state investment board and the
15 state treasurer associated with these funds shall be paid under RCW
16 43.08.190, 43.33A.160, 43.79A.040, and 43.84.160. With the exception
17 of these expenses, the earnings from the investment of the funds
18 shall be retained by the funds.

19 (2) All investments made by the state investment board shall be
20 made with the exercise of that degree of judgment and care under RCW
21 43.33A.140 and the investment policy established by the state
22 investment board.

23 (3) As deemed appropriate by the state investment board, money in
24 the funds may be commingled for investment with other qualified or
25 eligible funds under the investment authority of the board.

26 NEW SECTION. **Sec. 106.** RESERVATION OF RIGHTS. The legislature
27 reserves the right to make such amendments and modifications as may
28 be necessary in the future to accomplish the goals of sections 101
29 through 107 of this act, without any diminution of the rights and
30 benefits of the LEOFF plan 1 members, retirees, and surviving
31 spouses, as they existed prior to the effective date of this section.

32 NEW SECTION. **Sec. 107.** STATUTE OF LIMITATIONS. Any claim filed
33 challenging the validity of sections 101 through 107 of this act not
34 filed before December 31, 2027, is forever barred, if not already
35 barred by an otherwise applicable statute of limitations. As an
36 urgent issue of broad public importance that requires prompt and
37 ultimate determination, any such claim is subject to direct review by

1 the supreme court of Washington. By the effective date of this
2 section, the department of retirement systems shall send notification
3 of the provisions of this act and specifically of the limitations of
4 this section, by first-class mail, to the last known address of each
5 plan 1 active member, retiree, and spousal survivor.

6 NEW SECTION. **Sec. 108.** The department of retirement systems,
7 following the obligation to administer the retirement plans
8 consistent with the requirements of the federal internal revenue
9 code, shall seek appropriate guidance to ensure the continuous
10 compliance of the LEOFF plan 1 and the restated law enforcement
11 officers' and firefighters' retirement system. In the event that the
12 federal internal revenue service formally concludes that legislative
13 changes are needed for the orderly restatement and termination of the
14 LEOFF plan 1 by June 30, 2029, those findings and recommendations for
15 responding to those findings shall be promptly submitted to the
16 governor and the appropriate committees of the house of
17 representatives and the senate. In the event that any funds have been
18 reverted to the state, and to comply with federal internal revenue
19 service requirements they must be reverted back to the plan, those
20 funds must be reverted back with interest, as determined by the
21 director of the department of retirement systems.

22 **PART II**

23 **AMENDMENTS TO CHAPTER 41.26 RCW**

24 **Sec. 201.** RCW 41.26.010 and 1969 ex.s. c 209 s 1 are each
25 amended to read as follows:

26 This chapter shall be known and cited as the "Washington Law
27 Enforcement Officers' and Firefighters' Retirement System—Plan 2
28 Act."

29 **Sec. 202.** RCW 41.26.030 and 2024 c 319 s 4 and 2024 c 304 s 202
30 are each reenacted and amended to read as follows:

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

33 (1) "Accumulated contributions" means the employee's
34 contributions made by a member, including any amount paid under RCW
35 41.50.165(2), plus accrued interest credited thereon.

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

6 (3) "Actuarial valuation" means a mathematical determination of
7 the financial condition of a retirement plan. It includes the
8 computation of the present monetary value of benefits payable to
9 present members, and the present monetary value of future employer
10 and employee contributions, giving effect to mortality among active
11 and retired members and also to the rates of disability, retirement,
12 withdrawal from service, salary and interest earned on investments.

13 (4) ~~((a) "Basic salary" for plan 1 members, means the basic~~
14 ~~monthly rate of salary or wages, including longevity pay but not~~
15 ~~including overtime earnings or special salary or wages, upon which~~
16 ~~pension or retirement benefits will be computed and upon which~~
17 ~~employer contributions and salary deductions will be based.~~

18 ~~(b))~~ "Basic salary" ~~((for plan 2 members,))~~ means salaries or
19 wages earned by a member during a payroll period for personal
20 services, including overtime payments, and shall include wages and
21 salaries deferred under provisions established pursuant to sections
22 403(b), 414(h), and 457 of the United States Internal Revenue Code,
23 but shall exclude lump sum payments for deferred annual sick leave,
24 unused accumulated vacation, unused accumulated annual leave, or any
25 form of severance pay. In any year in which a member serves in the
26 legislature the member shall have the option of having such member's
27 basic salary be the greater of:

28 ~~((i))~~ (a) The basic salary the member would have received had
29 such member not served in the legislature; or

30 ~~((ii))~~ (b) Such member's actual basic salary received for
31 nonlegislative public employment and legislative service combined.
32 Any additional contributions to the retirement system required
33 because basic salary under ~~((b)(i))~~ (a) of this subsection is
34 greater than basic salary under ~~((b)(ii) of)~~ this subsection (4)(b)
35 shall be paid by the member for both member and employer
36 contributions.

37 (5) ~~((a) "Beneficiary" for plan 1 members, means any person in~~
38 ~~receipt of a retirement allowance, disability allowance, death~~
39 ~~benefit, or any other benefit described herein.~~

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

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

9 (i) A natural born child;

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

12 (iii) A posthumous child;

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

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

17 (b) A person shall also be deemed to be a child up to and
18 including the age of twenty years and eleven months while attending
19 any high school, college, or vocational or other educational
20 institution accredited, licensed, or approved by the state, in which
21 it is located, including the summer vacation months and all other
22 normal and regular vacation periods at the particular educational
23 institution after which the child returns to school.

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

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

27 (9) (~~"Disability board" for plan 1 members means either the~~
28 ~~county disability board or the city disability board established in~~
29 ~~RCW 41.26.110.~~

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

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

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

1 ~~((13))~~ (10) "Employee" means any law enforcement officer or
2 firefighter as defined in subsections ~~((17) and (19))~~ (14) and (16)
3 of this section.

4 ~~((14)(a) "Employer" for plan 1 members, means the legislative~~
5 ~~authority of any city, town, county, district, or regional fire~~
6 ~~protection service authority or the elected officials of any~~
7 ~~municipal corporation that employs any law enforcement officer and/or~~
8 ~~firefighter, any authorized association of such municipalities, and,~~
9 ~~except for the purposes of RCW 41.26.150, any labor guild,~~
10 ~~association, or organization, which represents the firefighters or~~
11 ~~law enforcement officers of at least seven cities of over 20,000~~
12 ~~population and the membership of each local lodge or division of~~
13 ~~which is composed of at least sixty percent law enforcement officers~~
14 ~~or firefighters as defined in this chapter.~~

15 ~~(b))~~ (11)(a) "Employer" ~~((for plan 2 members,))~~ means the
16 following entities to the extent that the entity employs any law
17 enforcement officer and/or firefighter:

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

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

23 (iii) The governing body of any other general authority law
24 enforcement agency;

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

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

30 ~~((e))~~ (b) Except as otherwise specifically provided in this
31 chapter, "employer" does not include a government contractor. For
32 purposes of this subsection, a "government contractor" is any entity,
33 including a partnership, limited liability company, for-profit or
34 nonprofit corporation, or person, that provides services pursuant to
35 a contract with an "employer." The determination whether an employer-
36 employee relationship has been established is not based on the
37 relationship between a government contractor and an "employer," but
38 is based solely on the relationship between a government contractor's
39 employee and an "employer" under this chapter.

1 ~~((15) (a) "Final average salary" for plan 1 members, means (i)~~
2 ~~for a member holding the same position or rank for a minimum of~~
3 ~~twelve months preceding the date of retirement, the basic salary~~
4 ~~attached to such same position or rank at time of retirement; (ii)~~
5 ~~for any other member, including a civil service member who has not~~
6 ~~served a minimum of twelve months in the same position or rank~~
7 ~~preceding the date of retirement, the average of the greatest basic~~
8 ~~salaries payable to such member during any consecutive twenty-four~~
9 ~~month period within such member's last ten years of service for which~~
10 ~~service credit is allowed, computed by dividing the total basic~~
11 ~~salaries payable to such member during the selected twenty-four month~~
12 ~~period by twenty-four; (iii) in the case of disability of any member,~~
13 ~~the basic salary payable to such member at the time of disability~~
14 ~~retirement; (iv) in the case of a member who hereafter vests pursuant~~
15 ~~to RCW 41.26.090, the basic salary payable to such member at the time~~
16 ~~of vesting.~~

17 ~~(b))~~ (12) (a) "Final average salary" ~~((for plan 2 members,))~~
18 means the monthly average of the member's basic salary for the
19 highest consecutive sixty service credit months of service prior to
20 such member's retirement, termination, or death. Periods constituting
21 authorized unpaid leaves of absence may not be used in the
22 calculation of final average salary.

23 ~~((e))~~ (b) In calculating final average salary under (a) ~~((e~~
24 ~~(b))~~) of this subsection, the department of retirement systems shall
25 include:

26 (i) Any compensation forgone by a member employed by a state
27 agency or institution during the 2009-2011 fiscal biennium as a
28 result of reduced work hours, mandatory or voluntary leave without
29 pay, temporary reduction in pay implemented prior to December 11,
30 2010, or temporary layoffs if the reduced compensation is an integral
31 part of the employer's expenditure reduction efforts, as certified by
32 the employer;

33 (ii) Any compensation forgone by a member employed by the state
34 or a local government employer during the 2011-2013 fiscal biennium
35 as a result of reduced work hours, mandatory leave without pay,
36 temporary layoffs, or reductions to current pay if the reduced
37 compensation is an integral part of the employer's expenditure
38 reduction efforts, as certified by the employer. Reductions to
39 current pay shall not include elimination of previously agreed upon
40 future salary increases; and

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

10 ~~((16))~~ (13) "Fire department" includes a fire station operated
11 by the department of social and health services or the department of
12 corrections when employing firefighters serving a prison or civil
13 commitment center on an island.

14 ~~((17))~~ (14) "Firefighter" means:

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

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

21 (c) Supervisory firefighter personnel;

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

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

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

35 ~~((g) Any person who on March 1, 1970, was employed on a full
36 time, fully compensated basis by an employer, and who on May 21,
37 1971, was making retirement contributions under the provisions of
38 chapter 41.16 or 41.18 RCW;~~

39 ~~(h))~~ (e) Any person who is employed on a full-time, fully
40 compensated basis by an employer as an emergency medical technician

1 that meets the requirements of RCW 18.71.200 or 18.73.030(13), and
2 whose duties include providing emergency medical services as defined
3 in RCW 18.73.030; and

4 ~~((i))~~ (f) Personnel serving on a full-time, fully compensated
5 basis as an employee of a fire department in positions that
6 necessitate experience as a firefighter to perform the essential
7 functions of those positions.

8 ~~((18))~~ (15) "General authority law enforcement agency" means
9 any agency, department, or division of a municipal corporation,
10 political subdivision, or other unit of local government of this
11 state, the government of a federally recognized tribe, and any
12 agency, department, or division of state government, having as its
13 primary function the detection and apprehension of persons committing
14 infractions or violating the traffic or criminal laws in general, but
15 not including the Washington state patrol. Such an agency,
16 department, or division is distinguished from a limited authority law
17 enforcement agency having as one of its functions the apprehension or
18 detection of persons committing infractions or violating the traffic
19 or criminal laws relating to limited subject areas, including but not
20 limited to, the state departments of natural resources and social and
21 health services, the state gambling commission, the state lottery
22 commission, the state parks and recreation commission, the state
23 utilities and transportation commission, the state liquor and
24 cannabis board, and the state department of corrections. A general
25 authority law enforcement agency under this chapter does not include
26 a government contractor.

27 ~~((19))~~ (16) "Law enforcement officer" beginning January 1,
28 1994, means any person who is commissioned and employed by an
29 employer on a full time, fully compensated basis to enforce the
30 criminal laws of the state of Washington generally, with the
31 following qualifications:

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

35 (b) Only those deputy sheriffs, including those serving under a
36 different title pursuant to county charter, who have successfully
37 completed a civil service examination for deputy sheriff or the
38 equivalent position, where a different title is used, and those
39 persons serving in unclassified positions authorized by RCW 41.14.070

1 except a private secretary will be considered law enforcement
2 officers;

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

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

15 ~~(e))~~ The term "law enforcement officer" also includes a person
16 employed on or after January 1, 1993, as a public safety officer or
17 director of public safety, so long as the job duties substantially
18 involve only either police or fire duties, or both, and no other
19 duties in a city or town with a population of less than ten thousand.
20 The provisions of this subsection ~~((19)(e))~~ (16)(d) shall not apply
21 to any public safety officer or director of public safety who is
22 receiving a retirement allowance under this chapter as of May 12,
23 1993;

24 ~~((f))~~ (e) The term "law enforcement officer" also includes a
25 person who is employed on or after January 1, 2024, on a full-time
26 basis by the government of a federally recognized tribe within the
27 state of Washington that meets the terms and conditions of RCW
28 41.26.565, is employed in a police department maintained by that
29 tribe, and who is currently certified as a general authority peace
30 officer under chapter 43.101 RCW; and

31 ~~((g))~~ (f) Beginning July 1, 2024, the term "law enforcement
32 officer" also includes any person who is commissioned and employed by
33 an employer on a fully compensated basis to enforce the criminal laws
34 of the state of Washington generally, on a less than full-time basis,
35 with the qualifications in (a) through ~~((e))~~ (d) of this
36 subsection.

37 ~~((20) "Medical services" for plan 1 members, shall include the
38 following as minimum services to be provided. Reasonable charges for
39 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))~~ (17) "Member" means any firefighter, law enforcement
4 officer, or other person as would apply under subsection ~~((17) or~~
5 ~~(19))~~ (14) or (16) of this section ~~((whose membership is transferred~~
6 ~~to the Washington law enforcement officers' and firefighters'~~
7 ~~retirement system on or after March 1, 1970, and every law~~
8 ~~enforcement officer and firefighter))~~ who is employed in that
9 capacity on or after ~~((such date))~~ October 1, 1977.

10 ~~((22))~~ (18) "Plan 1" means the law enforcement officers' and
11 firefighters' retirement system, plan 1 providing the benefits and
12 funding provisions covering persons who first became members of the
13 system prior to October 1, 1977, which plan was terminated effective
14 the effective date of this section, and members transferred to the
15 retirement system established by chapter 41.--- RCW (the new chapter
16 created in section 507 of this act).

17 ~~((23))~~ (19) "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))~~ (20) "Position" means the employment held at any
22 particular time, which may or may not be the same as civil service
23 rank.

24 ~~((25))~~ (21) "Regular interest" means such rate as the director
25 may determine.

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

31 ~~((27))~~ (23) "Retirement fund" means the "Washington law
32 enforcement officers' and firefighters' ~~((retirement))~~ system plan 2
33 retirement fund" as provided for ~~((herein))~~ in RCW 41.50.075.

34 ~~((28))~~ (24) "Retirement system" means the "Washington law
35 enforcement officers' and firefighters' retirement system plan 2"
36 provided herein.

37 ~~((29) (a))~~ "Service" ~~for plan 1 members, means all periods of~~
38 ~~employment for an employer as a firefighter or law enforcement~~
39 ~~officer, for which compensation is paid, together with periods of~~
40 ~~suspension not exceeding thirty days in duration. For the purposes of~~

1 ~~this chapter service shall also include service in the armed forces~~
2 ~~of the United States as provided in RCW 41.26.190. Credit shall be~~
3 ~~allowed for all service credit months of service rendered by a member~~
4 ~~from and after the member's initial commencement of employment as a~~
5 ~~firefighter or law enforcement officer, during which the member~~
6 ~~worked for seventy or more hours, or was on disability leave or~~
7 ~~disability retirement. Only service credit months of service shall be~~
8 ~~counted in the computation of any retirement allowance or other~~
9 ~~benefit provided for in this chapter.~~

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

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

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

32 ~~(b)(i)) (25)(a) "Service" ((for plan 2 members,)) means periods~~
33 ~~of employment by a member for one or more employers for which basic~~
34 ~~salary is earned for ninety or more hours per calendar month which~~
35 ~~shall constitute a service credit month. Periods of employment by a~~
36 ~~member for one or more employers for which basic salary is earned for~~
37 ~~at least seventy hours but less than ninety hours per calendar month~~
38 ~~shall constitute one-half service credit month. Periods of employment~~
39 ~~by a member for one or more employers for which basic salary is~~

1 earned for less than seventy hours shall constitute a one-quarter
2 service credit month.

3 ~~((+ii+))~~ (b) Members of the retirement system who are elected or
4 appointed to a state elective position may elect to continue to be
5 members of this retirement system.

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

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

20 ~~((+v+))~~ (e) Reduction efforts such as furloughs, reduced work
21 hours, mandatory leave without pay, temporary layoffs, or other
22 similar situations as contemplated by subsection ~~((+15+)(e+))~~ (12)(b)
23 (iii) of this section do not result in a reduction in service credit
24 that otherwise would have been earned for that month of work, and the
25 member shall receive the full service credit for the hours that were
26 scheduled to be worked before the reduction.

27 ~~((+30+))~~ (26) "Service credit month" means a full service credit
28 month or an accumulation of partial service credit months that are
29 equal to one.

30 ~~((+31+))~~ (27) "Service credit year" means an accumulation of
31 months of service credit which is equal to one when divided by
32 twelve.

33 ~~((+32+))~~ (28) "State actuary" or "actuary" means the person
34 appointed pursuant to RCW 44.44.010(2).

35 ~~((+33+))~~ (29) "State elective position" means any position held
36 by any person elected or appointed to statewide office or elected or
37 appointed as a member of the legislature.

38 ~~((+34+))~~ (30) "Surviving spouse" means the surviving widow or
39 widower of a member. (~~("Surviving spouse" shall not include the~~
40 ~~divorced spouse of a member except as provided in RCW 41.26.162.)~~)

1 **Sec. 203.** RCW 41.26.040 and 2012 c 117 s 39 are each amended to
2 read as follows:

3 The Washington law enforcement officers' and firefighters'
4 retirement system plan 2 is hereby created for firefighters and law
5 enforcement officers.

6 (1) (~~Notwithstanding RCW 41.26.030(20), all~~) All firefighters
7 and law enforcement officers employed as such on or after (~~March 1,~~
8 ~~1970~~) October 1, 1977, on a full time fully compensated basis in
9 this state shall be members of the retirement system established by
10 this chapter with respect to all periods of service as such, to the
11 exclusion of any pension system existing under any prior act.

12 (2) (~~Any employee serving as a law enforcement officer or~~
13 ~~firefighter on March 1, 1970, who is then making retirement~~
14 ~~contributions under any prior act shall have his or her membership~~
15 ~~transferred to the system established by this chapter as of such~~
16 ~~date. Upon retirement for service or for disability, or death, of any~~
17 ~~such employee, his or her retirement benefits earned under this~~
18 ~~chapter shall be computed and paid. In addition, his or her benefits~~
19 ~~under the prior retirement act to which he or she was making~~
20 ~~contributions at the time of this transfer shall be computed as if he~~
21 ~~or she had not transferred. For the purpose of such computations, the~~
22 ~~employee's creditability of service and eligibility for service or~~
23 ~~disability retirement and survivor and all other benefits shall~~
24 ~~continue to be as provided in such prior retirement act, as if~~
25 ~~transfer of membership had not occurred. The excess, if any, of the~~
26 ~~benefits so computed, giving full value to survivor benefits, over~~
27 ~~the benefits payable under this chapter shall be paid whether or not~~
28 ~~the employee has made application under the prior act. If the~~
29 ~~employee's prior retirement system was the Washington public~~
30 ~~employees' retirement system, payment of such excess shall be made by~~
31 ~~that system; if the employee's prior retirement system was the~~
32 ~~statewide city employees' retirement system, payment of such excess~~
33 ~~shall be made by the employer which was the member's employer when~~
34 ~~his or her transfer of membership occurred: PROVIDED, That any death~~
35 ~~in line of duty lump sum benefit payment shall continue to be the~~
36 ~~obligation of that system as provided in RCW 41.44.210; in the case~~
37 ~~of all other prior retirement systems, payment of such excess shall~~
38 ~~be made by the employer which was the member's employer when his or~~
39 ~~her transfer of membership occurred.~~

1 (3) "Actuarial valuation" means a mathematical determination of
2 the financial condition of a retirement plan. It includes the
3 computation of the present monetary value of benefits payable to
4 present members, and the present monetary value of future employer
5 and employee contributions, giving effect to mortality among active
6 and retired members and also to the rates of disability, retirement,
7 withdrawal from service, salary and interest earned on investments.

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

13 (5) "Beneficiary" means any person in receipt of a retirement
14 allowance, disability allowance, death benefit, or any other benefit
15 described herein.

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

20 (i) A natural born child;

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

23 (iii) A posthumous child;

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

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

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

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

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

38 (9) "Disability board" means either the county disability board
39 or the city disability board established in section 320 of this act.

1 (10) "Disability leave" means the period of six months or any
2 portion thereof during which a member is on leave at an allowance
3 equal to the member's full salary prior to the commencement of
4 disability retirement.

5 (11) "Disability retirement" means the period following
6 termination of a member's disability leave, during which the member
7 is in receipt of a disability retirement allowance.

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

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

12 (14)(a) "Employer" means the legislative authority of any city,
13 town, county, district, or regional fire protection service authority
14 or the elected officials of any municipal corporation that employs
15 any law enforcement officer and/or firefighter, any authorized
16 association of such municipalities, and, except for the purposes of
17 section 327 of this act, any labor guild, association, or
18 organization, which represents the firefighters or law enforcement
19 officers of at least seven cities of over 20,000 population and the
20 membership of each local lodge or division of which is composed of at
21 least sixty percent law enforcement officers or firefighters as
22 defined in this chapter.

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

33 (15)(a) "Final average salary" means (i) for a member holding the
34 same position or rank for a minimum of twelve months preceding the
35 date of retirement, the basic salary attached to such same position
36 or rank at time of retirement; (ii) for any other member, including a
37 civil service member who has not served a minimum of twelve months in
38 the same position or rank preceding the date of retirement, the
39 average of the greatest basic salaries payable to such member during
40 any consecutive twenty-four month period within such member's last

1 ten years of service for which service credit is allowed, computed by
2 dividing the total basic salaries payable to such member during the
3 selected twenty-four month period by twenty-four; (iii) in the case
4 of disability of any member, the basic salary payable to such member
5 at the time of disability retirement; (iv) in the case of a member
6 who hereafter vests pursuant to section 317 of this act, the basic
7 salary payable to such member at the time of vesting.

8 (b) In calculating final average salary under (a) of this
9 subsection, the department of retirement systems shall include:

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

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

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

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

38 (17) "Firefighter" means:

39 (a) Any person who is serving on a full time, fully compensated
40 basis as a member of a fire department of an employer and who is

1 serving in a position which requires passing a civil service
2 examination for firefighter, and who is actively employed as such;

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

5 (c) Supervisory firefighter personnel;

6 (d) Any full time executive secretary of an association of fire
7 protection districts authorized under RCW 52.12.031;

8 (e) The executive secretary of a labor guild, association or
9 organization (which is an employer under subsection (14) of this
10 section), if such individual has five years previous membership in a
11 retirement system established in chapter 41.16 or 41.18 RCW;

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

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

20 (h) Any person who is employed on a full-time, fully compensated
21 basis by an employer as an emergency medical technician that meets
22 the requirements of RCW 18.71.200 or 18.73.030(13), and whose duties
23 include providing emergency medical services as defined in RCW
24 18.73.030; and

25 (i) Personnel serving on a full-time, fully compensated basis as
26 an employee of a fire department in positions that necessitate
27 experience as a firefighter to perform the essential functions of
28 those positions.

29 (18) "General authority law enforcement agency" means any agency,
30 department, or division of a municipal corporation, political
31 subdivision, or other unit of local government of this state, the
32 government of a federally recognized tribe, and any agency,
33 department, or division of state government, having as its primary
34 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;

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

1 (f) The term "law enforcement officer" also includes a person who
2 is employed on or after January 1, 2024, on a full-time basis by the
3 government of a federally recognized tribe within the state of
4 Washington that meets the terms and conditions of RCW 41.26.565, is
5 employed in a police department maintained by that tribe, and who is
6 currently certified as a general authority peace officer under
7 chapter 43.101 RCW; and

8 (g) Beginning July 1, 2024, the term "law enforcement officer"
9 also includes any person who is commissioned and employed by an
10 employer on a fully compensated basis to enforce the criminal laws of
11 the state of Washington generally, on a less than full-time basis,
12 with the qualifications in (a) through (e) of this subsection.

13 (20) "Medical services" shall include the following as minimum
14 services to be provided. Reasonable charges for these services shall
15 be paid in accordance with section 327 of this act.

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

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

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

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

26 (i) The fees of the following:

27 (A) A physician or surgeon licensed under the provisions of
28 chapter 18.71 RCW;

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

31 (C) A chiropractor licensed under the provisions of chapter 18.25
32 RCW.

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

36 (iii) The charges for the following medical services and
37 supplies:

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

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

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

1 (D) Anesthesia and oxygen;
2 (E) Rental of iron lung and other durable medical and surgical
3 equipment;
4 (F) Artificial limbs and eyes, and casts, splints, and trusses;
5 (G) Professional ambulance service when used to transport the
6 member to or from a hospital when injured by an accident or stricken
7 by a disease;
8 (H) Dental charges incurred by a member who sustains an
9 accidental injury to his or her teeth and who commences treatment by
10 a legally licensed dentist within ninety days after the accident;
11 (I) Nursing home confinement or hospital extended care facility;
12 (J) Physical therapy by a registered physical therapist;
13 (K) Blood transfusions, including the cost of blood and blood
14 plasma not replaced by voluntary donors;
15 (L) An optometrist licensed under the provisions of chapter 18.53
16 RCW.

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

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

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

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

33 (25) "Regular interest" means such rate as the director may
34 determine.

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

1 (27) "Retirement fund" means the "Washington law enforcement
2 officers' and firefighters' system plan 1 retirement fund" as
3 provided for in RCW 41.50.075.

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

6 (29) "Service" means all periods of employment for an employer as
7 a firefighter or law enforcement officer, for which compensation is
8 paid, together with periods of suspension not exceeding thirty days
9 in duration. For the purposes of this chapter service shall also
10 include service in the armed forces of the United States as provided
11 in section 333 of this act. Credit shall be allowed for all service
12 credit months of service rendered by a member from and after the
13 member's initial commencement of employment as a firefighter or law
14 enforcement officer, during which the member worked for seventy or
15 more hours, or was on disability leave or disability retirement. Only
16 service credit months of service shall be counted in the computation
17 of any retirement allowance or other benefit provided for in this
18 chapter.

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

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

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

1 (30) "Service credit month" means a full service credit month or
2 an accumulation of partial service credit months that are equal to
3 one.

4 (31) "Service credit year" means an accumulation of months of
5 service credit which is equal to one when divided by twelve.

6 (32) "State actuary" or "actuary" means the person appointed
7 pursuant to RCW 44.44.010(2).

8 (33) "State elective position" means any position held by any
9 person elected or appointed to statewide office or elected or
10 appointed as a member of the legislature.

11 (34) "Surviving spouse" means the surviving widow or widower of a
12 member. "Surviving spouse" shall not include the divorced spouse of a
13 member except as provided in section 330 of this act.

14 NEW SECTION. **Sec. 304.** The term "minimum medical and health
15 standards" means minimum medical and health standards adopted by the
16 department under this chapter.

17 NEW SECTION. **Sec. 305.** The restated law enforcement officers'
18 and firefighters' retirement system is hereby created for
19 firefighters and law enforcement officers.

20 (1) Notwithstanding section 303(21) of this act, all firefighters
21 and law enforcement officers employed as such on or after March 1,
22 1970, on a full time fully compensated basis in this state shall be
23 members of the retirement system established by this chapter with
24 respect to all periods of service as such, to the exclusion of any
25 pension system existing under any prior act.

26 (2) Any employee serving as a law enforcement officer or
27 firefighter on March 1, 1970, who is then making retirement
28 contributions under any prior act shall have his or her membership
29 transferred to the system established by this chapter as of such
30 date. Upon retirement for service or for disability, or death, of any
31 such employee, his or her retirement benefits earned under this
32 chapter shall be computed and paid. In addition, his or her benefits
33 under the prior retirement act to which he or she was making
34 contributions at the time of this transfer shall be computed as if he
35 or she had not transferred. For the purpose of such computations, the
36 employee's creditability of service and eligibility for service or
37 disability retirement and survivor and all other benefits shall
38 continue to be as provided in such prior retirement act, as if

1 transfer of membership had not occurred. The excess, if any, of the
2 benefits so computed, giving full value to survivor benefits, over
3 the benefits payable under this chapter shall be paid whether or not
4 the employee has made application under the prior act. If the
5 employee's prior retirement system was the Washington public
6 employees' retirement system, payment of such excess shall be made by
7 that system; if the employee's prior retirement system was the
8 statewide city employees' retirement system, payment of such excess
9 shall be made by the employer which was the member's employer when
10 his or her transfer of membership occurred: PROVIDED, That any death
11 in line of duty lump sum benefit payment shall continue to be the
12 obligation of that system as provided in RCW 41.44.210; in the case
13 of all other prior retirement systems, payment of such excess shall
14 be made by the employer which was the member's employer when his or
15 her transfer of membership occurred.

16 (3) All funds held by any firefighters' or police officers'
17 relief and pension fund shall remain in that fund for the purpose of
18 paying the obligations of the fund. The municipality shall continue
19 to levy the dollar rate as provided in RCW 41.16.060, and this dollar
20 rate shall be used for the purpose of paying the benefits provided in
21 chapters 41.16 and 41.18 RCW. The obligations of chapter 41.20 RCW
22 shall continue to be paid from whatever financial sources the city
23 has been using for this purpose.

24 NEW SECTION. **Sec. 306.** (1) Notwithstanding any other provision
25 of law after February 19, 1974, no law enforcement officer or
26 firefighter, may become eligible for coverage in the pension system
27 established by this chapter, until the individual has met and has
28 been certified as having met minimum medical and health standards:
29 PROVIDED, That an elected sheriff or an appointed chief of police or
30 fire chief, shall not be required to meet the age standard: PROVIDED
31 FURTHER, That in cities and towns having not more than two law
32 enforcement officers and/or not more than two firefighters and if one
33 or more of such persons do not meet the minimum medical and health
34 standards as required by the provisions of this chapter, then such
35 person or persons may join any other pension system that the city has
36 available for its other employees: AND PROVIDED FURTHER, That for one
37 year after February 19, 1974, any such medical or health standard now
38 existing or hereinafter adopted, insofar as it establishes a maximum
39 age beyond which an applicant is to be deemed ineligible for

1 coverage, shall be waived as to any applicant for employment or
2 reemployment who is otherwise eligible except for his or her age, who
3 has been a member of any one or more of the retirement systems
4 created by chapter 41.20 RCW and who has restored all contributions
5 which he or she has previously withdrawn from any such system or
6 systems.

7 (2) This section shall not apply to persons who initially
8 establish membership in the retirement system on or after July 1,
9 1979.

10 NEW SECTION. **Sec. 307.** By July 31, 1971, the director of
11 retirement systems shall adopt minimum medical and health standards
12 for membership coverage into the Washington law enforcement officers'
13 and firefighters' retirement system. In adopting such standards the
14 director of retirement systems shall consider existing standards
15 recommended by the international association of chiefs of police and
16 the international association of firefighters, and shall adopt equal
17 or higher standards, together with appropriate standards and
18 procedures to ensure uniform compliance with this chapter. The
19 standards when adopted shall be published and distributed to each
20 employer, and each employer shall adopt certification procedures and
21 such other procedures as are required to ensure that no law
22 enforcement officer or firefighter receives membership coverage
23 unless and until he or she has actually met minimum medical and
24 health standards: PROVIDED, That an elected sheriff or an appointed
25 chief of police, fire chief, or director of public safety shall not
26 be required to meet the age standard. The director of retirement
27 systems may amend the minimum medical and health standards as
28 experience indicates, even if the standards as so amended are lower
29 or less rigid than those recommended by the international
30 associations mentioned above. The cost of the medical examination
31 contemplated by this section is to be paid by the employer.

32 NEW SECTION. **Sec. 308.** Nothing in sections 304, 306, and 307 of
33 this act shall apply to any firefighters or law enforcement officers
34 who are employed as such on or before August 1, 1971, as long as they
35 continue in such employment; nor to promotional appointments after
36 becoming a member in the police or fire department of any employer
37 nor to the reemployment of a law enforcement officer or firefighter
38 by the same or a different employer within six months after the

1 termination of his or her employment, nor to the reinstatement of a
2 law enforcement officer or firefighter who has been on military or
3 disability leave, disability retirement status, or leave of absence
4 status. Nothing in this chapter shall be deemed to prevent any
5 employer from adopting higher medical and health standards than those
6 which are adopted by the director of retirement systems.

7 NEW SECTION. **Sec. 309.** (1) A two hundred fourteen thousand
8 dollar death benefit shall be paid to the member's estate, or such
9 person or persons, trust or organization as the member shall have
10 nominated by written designation duly executed and filed with the
11 department. If there be no such designated person or persons still
12 living at the time of the member's death, such member's death benefit
13 shall be paid to the member's surviving spouse or domestic partner as
14 if in fact such spouse or domestic partner had been nominated by
15 written designation, or if there be no such surviving spouse or
16 domestic partner, then to such member's legal representatives.

17 (2) The benefit under this section shall be paid only when death
18 occurs: (a) As a result of injuries sustained in the course of
19 employment; or (b) as a result of an occupational disease or
20 infection that arises naturally and proximately out of employment
21 covered under this chapter. The determination of eligibility for the
22 benefit shall be made consistent with Title 51 RCW by the department
23 of labor and industries. There is no statute of limitations for this
24 benefit. The department of labor and industries shall notify the
25 department of retirement systems by order under RCW 51.52.050.

26 (3) The department of labor and industries shall determine
27 eligibility under subsection (2) of this section for the special
28 death benefit for any beneficiaries who were denied the special death
29 benefit for failing to meet the statute of limitations under Title 51
30 RCW. If the department of labor and industries determines the
31 beneficiary is eligible for the special death benefit, the department
32 must provide the beneficiary an option to reelect their pension
33 benefit under RCW 41.26.510(2) and if the member elects an ongoing
34 pension benefit, the department must pay the beneficiary retroactive
35 to the date of the member's death.

36 (4)(a) Beginning July 1, 2010, and every year thereafter, the
37 department shall determine the following information:

38 (i) The index for the 2008 calendar year, to be known as "index
39 A";

1 (ii) The index for the calendar year prior to the date of
2 determination, to be known as "index B;" and

3 (iii) The ratio obtained when index B is divided by index A.

4 (b) The value of the ratio obtained shall be the annual
5 adjustment to the original death benefit and shall be applied
6 beginning every July 1st. In no event, however, shall the annual
7 adjustment:

8 (i) Produce a benefit which is lower than two hundred fourteen
9 thousand dollars;

10 (ii) Exceed three percent in the initial annual adjustment; or

11 (iii) Differ from the previous year's annual adjustment by more
12 than three percent.

13 (c) For the purposes of this section, "index" means, for any
14 calendar year, that year's average consumer price index — Seattle,
15 Washington area for urban wage earners and clerical workers, all
16 items, compiled by the bureau of labor statistics, United States
17 department of labor.

18 NEW SECTION. **Sec. 310.** (1) Subject to subsections (2) and (3)
19 of this section, the right of a person to a retirement allowance,
20 disability allowance, or death benefit, to the return of accumulated
21 contributions, the retirement, disability, or death allowance itself,
22 any optional benefit, any other right accrued or accruing to any
23 person under the provisions of this chapter, and the moneys in the
24 fund created under this chapter, are hereby exempt from any state,
25 county, municipal, or other local tax and shall not be subject to
26 execution, garnishment, attachment, the operation of bankruptcy or
27 insolvency laws, or any other process of law whatsoever, whether the
28 same be in actual possession of the person or be deposited or loaned
29 and shall be unassignable.

30 (2) On the written request of any person eligible to receive
31 benefits under this section, the department may deduct from such
32 payments the premiums for life, health, or other insurance. The
33 request on behalf of any child or children shall be made by the legal
34 guardian of such child or children. The department may provide for
35 such persons one or more plans of group insurance, through contracts
36 with regularly constituted insurance carriers or health care service
37 contractors.

38 (3) Subsection (1) of this section shall not prohibit the
39 department from complying with (a) a wage assignment order for child

1 support issued pursuant to chapter 26.18 RCW, (b) an order to
2 withhold and deliver issued pursuant to chapter 74.20A RCW, (c) an
3 income withholding order issued pursuant to RCW 26.23.060, (d) a
4 mandatory benefits assignment order issued by the department, (e) a
5 court order directing the department of retirement systems to pay
6 benefits directly to an obligee under a dissolution order as defined
7 in RCW 41.50.500(3) which fully complies with RCW 41.50.670 and
8 41.50.700, or (f) any administrative or court order expressly
9 authorized by federal law.

10 NEW SECTION. **Sec. 311.** No bond of any kind shall be required of
11 a claimant appealing to the superior court, the court of appeals, or
12 the supreme court from a decision of the director affecting such
13 claimant's right to retirement or disability benefits.

14 NEW SECTION. **Sec. 312.** (1) The annual compensation taken into
15 account in calculating retiree benefits under this system shall not
16 exceed the limits imposed by section 401(a)(17) of the federal
17 internal revenue code for qualified trusts.

18 (2) The department shall adopt rules as necessary to implement
19 this section.

20 NEW SECTION. **Sec. 313.** Notwithstanding any provision to the
21 contrary, persons who fail to:

22 (1) Establish allowable membership service not previously
23 credited;

24 (2) Restore all or a part of that previously credited membership
25 service represented by withdrawn contributions; or

26 (3) Restore service credit represented by a lump sum payment in
27 lieu of benefits, before the deadline established by statute, may do
28 so under the conditions set forth in RCW 41.50.165.

29 NEW SECTION. **Sec. 314.** A member shall not receive a disability
30 retirement benefit under section 322, 323, or 324 of this act if the
31 disability is the result of criminal conduct by the member committed
32 after April 21, 1997.

33 NEW SECTION. **Sec. 315.** Any employer, member or beneficiary who
34 shall knowingly make false statements or shall falsify or permit to
35 be falsified any record or records of the retirement system in an

1 attempt to defraud the retirement system, is guilty of a class B
2 felony punishable according to chapter 9A.20 RCW.

3 NEW SECTION. **Sec. 316.** (1) Except as set forth under subsection
4 (2) of this section, the total liability of the plan 1 system shall
5 be funded as follows:

6 (a) Every plan 1 member shall have deducted from each payroll a
7 sum equal to six percent of his or her basic salary for each pay
8 period.

9 (b) Every employer shall contribute monthly a sum equal to six
10 percent of the basic salary of each plan 1 employee who is a member
11 of this retirement system. The employer shall transmit the employee
12 and employer contributions with a copy of the payroll to the
13 retirement system monthly.

14 (c) The remaining liabilities of the plan 1 system shall be
15 funded as provided in chapter 41.45 RCW.

16 (d) Every member shall be deemed to consent and agree to the
17 contribution made and provided for herein, and shall receipt in full
18 for his or her salary or compensation. Payment less said
19 contributions shall be a complete discharge of all claims and demands
20 whatsoever for the services rendered by such person during the period
21 covered by such payments, except his or her claim to the benefits to
22 which he or she may be entitled under the provisions of this chapter.

23 (2) No employer or member contribution is required after June 30,
24 2000, unless the most recent valuation study for law enforcement
25 officers' and firefighters' retirement system plan 1 indicates the
26 plan has unfunded liabilities. The legislature clarifies the
27 enactment of section 907, chapter 1, Laws of 2000 2nd sp. sess. and
28 affirms the suspension of employer and member contributions to plan 1
29 of the law enforcement officers' and firefighters' retirement system,
30 effective June 30, 2000, as provided in this subsection. The
31 legislature intends this 2007 amendment of this subsection to be
32 curative, remedial, and retrospectively applicable to June 30, 2000.

33 NEW SECTION. **Sec. 317.** Retirement of a member for service shall
34 be made by the department as follows:

35 (1) Any member having five or more service credit years of
36 service and having attained the age of fifty years shall be eligible
37 for a service retirement allowance and shall be retired upon the

1 member's written request effective the first day following the date
2 upon which the member is separated from service.

3 (2) Any member having five or more service credit years of
4 service, who terminates his or her employment with any employer, may
5 leave his or her contributions in the fund. Any employee who so
6 elects, upon attaining age fifty, shall be eligible to apply for and
7 receive a service retirement allowance based on his or her years of
8 service, commencing on the first day following his or her attainment
9 of age fifty.

10 (3) Any member selecting optional vesting under subsection (2) of
11 this section with less than twenty service credit years of service
12 shall not be covered by the provisions of section 327 of this act,
13 and the member's survivors shall not be entitled to the benefits of
14 section 328 of this act unless his or her death occurs after he or
15 she has attained the age of fifty years. Those members selecting this
16 optional vesting with twenty or more years service shall not be
17 covered by the provisions of section 327 of this act until the
18 attainment of the age of fifty years. A member selecting this
19 optional vesting, with less than twenty service credit years of
20 service credit, who dies prior to attaining the age of fifty years,
21 shall have paid from the Washington law enforcement officers' and
22 firefighters' retirement fund, to such member's surviving spouse, if
23 any, otherwise to such beneficiary as the member shall have
24 designated in writing, or if no such designation has been made, to
25 the personal representative of his or her estate, a lump sum which is
26 equal to the amount of such member's accumulated contributions plus
27 accrued interest. If the vested member has twenty or more service
28 credit years of service credit the surviving spouse or children shall
29 then become eligible for the benefits of section 328 of this act
30 regardless of the member's age at the time of his or her death, to
31 the exclusion of the lump sum amount provided by this subsection.

32 (4) Any member who has attained the age of sixty years shall be
33 retired on the first day of the calendar month next succeeding that
34 in which said member shall have attained the age of sixty and may not
35 thereafter be employed as a law enforcement officer or firefighter:
36 PROVIDED, That for any member who is elected or appointed to the
37 office of sheriff, chief of police, or fire chief, his or her
38 election or appointment shall be considered as a waiver of the age
39 sixty provision for retirement and nonemployment for whatever number
40 of years remain in his or her present term of office and any

1 succeeding periods for which he or she may be so elected or
2 appointed. The provisions of this subsection shall not apply to any
3 member who is employed as a law enforcement officer or firefighter on
4 March 1, 1970.

5 NEW SECTION. **Sec. 318.** (1) A member upon retirement for service
6 shall receive a monthly retirement allowance computed according to
7 his or her completed creditable service credit years of service as
8 follows: Five years but under ten years, one-twelfth of one percent
9 of his or her final average salary for each month of service; ten
10 years but under twenty years, one-twelfth of one and one-half percent
11 of his or her final average salary for each month of service; and
12 twenty years and over one-twelfth of two percent of his or her final
13 average salary for each month of service: PROVIDED, That the
14 recipient of a retirement allowance who shall return to service as a
15 law enforcement officer or firefighter shall be considered to have
16 terminated his or her retirement status and he or she shall
17 immediately become a member of the retirement system with the status
18 of membership he or she had as of the date of retirement. Retirement
19 benefits shall be suspended during the period of his or her return to
20 service and he or she shall make contributions and receive service
21 credit. Such a member shall have the right to again retire at any
22 time and his or her retirement allowance shall be recomputed, and
23 paid, based upon additional service rendered and any change in final
24 average salary.

25 (2) Beginning four months after the effective date of this
26 section, a member with fewer than five years of service shall, upon
27 retirement for service, receive a monthly retirement allowance of
28 one-twelfth of one percent of his or her final average salary for
29 each month of service. This subsection serves to fully vest all
30 members.

31 NEW SECTION. **Sec. 319.** (1) At the time of retirement, plan 1
32 members may purchase an optional actuarially equivalent life annuity
33 benefit from the Washington law enforcement officers' and
34 firefighters' retirement system plan 1 retirement fund established in
35 RCW 41.50.075. A minimum payment of twenty-five thousand dollars is
36 required.

37 (2) Subject to rules adopted by the department, a member
38 purchasing an annuity under this section must pay all of the cost

1 with an eligible rollover, direct rollover, or trustee-to-trustee
2 transfer from an eligible retirement plan.

3 (a) The department shall adopt rules to ensure that all eligible
4 rollovers and transfers comply with the requirements of the internal
5 revenue code and regulations adopted by the internal revenue service.
6 The rules adopted by the department may condition the acceptance of a
7 rollover or transfer from another plan on the receipt of information
8 necessary to enable the department to determine the eligibility of
9 any transferred funds for tax-free rollover treatment or other
10 treatment under federal income tax law.

11 (b) "Eligible retirement plan" means a tax qualified plan offered
12 by a governmental employer.

13 (3) Plan 1 members whose retirement was effective prior to June
14 9, 2016, may purchase an annuity under this section between January
15 1, 2017, and June 1, 2017.

16 NEW SECTION. **Sec. 320.** (1) All claims for disability shall be
17 acted upon and either approved or disapproved by either type of
18 disability board authorized to be created in this section.

19 (a) Each city having a population of twenty thousand or more
20 shall establish a disability board having jurisdiction over all
21 members employed by those cities and composed of the following five
22 members: Two members of the city legislative body to be appointed by
23 the mayor; one active or retired firefighter employed by or retired
24 from the city to be elected by the firefighters employed by or
25 retired from the city who are subject to the jurisdiction of the
26 board; one active or retired law enforcement officer employed by or
27 retired from the city to be elected by the law enforcement officers
28 employed by or retired from the city who are subject to the
29 jurisdiction of the board; and one member from the public at large
30 who resides within the city to be appointed by the other four members
31 designated in this subsection. Only those active or retired
32 firefighters and law enforcement officers who are subject to the
33 jurisdiction of the board have the right to elect under this section.
34 All firefighters and law enforcement officers employed by or retired
35 from the city are eligible for election. Each of the elected members
36 shall serve a two year term. If there are either no firefighters or
37 law enforcement officers under the jurisdiction of the board eligible
38 to vote, a second eligible employee representative shall be elected
39 by the law enforcement officers or firefighters eligible to vote. The

1 members appointed pursuant to this subsection shall serve for two
2 year terms: PROVIDED, That cities of the first class only, shall
3 retain existing firefighters' pension boards established pursuant to
4 RCW 41.16.020 and existing boards of trustees of the relief and
5 pension fund of the police department as established pursuant to RCW
6 41.20.010 which such boards shall have authority to act upon and
7 approve or disapprove claims for disability by firefighters or law
8 enforcement officers as provided under the Washington law enforcement
9 officers' and firefighters' retirement system act.

10 (b) If no eligible active or retired firefighter or law
11 enforcement officer is willing or able to be elected to the board
12 under (a) of this subsection, then the following individuals may be
13 elected to the board under (a) of this subsection:

14 (i) Any active or retired firefighter under this chapter or
15 chapters 41.16, 41.18, and 52.26 RCW or law enforcement officers
16 under this chapter or chapter 41.20 RCW who resides within the
17 jurisdiction served by the board;

18 (ii) The surviving spouse or domestic partner of a firefighter or
19 law enforcement officer subject to the jurisdiction of the board.

20 (c) Each county shall establish a disability board having
21 jurisdiction over all members employed by or retired from an employer
22 within the county and not employed by a city in which a disability
23 board is established. The county disability board so created shall be
24 composed of five members to be chosen as follows: One member of the
25 legislative body of the county to be appointed by the county
26 legislative body; one member of a city or town legislative body
27 located within the county which does not contain a city disability
28 board established pursuant to (a) of this subsection to be chosen by
29 a majority of the mayors of such cities and towns within the county
30 which does not contain a city disability board; one active
31 firefighter or retired firefighter employed by or retired from an
32 employer within the county to be elected by the firefighters employed
33 or retired from an employer within the county who are subject to the
34 jurisdiction of that board; one law enforcement officer or retired
35 law enforcement officer employed by or retired from an employer
36 within the county to be elected by the law enforcement officers
37 employed in or retired from an employer within the county who are
38 subject to the jurisdiction of that board; and one member from the
39 public at large who resides within the county but does not reside
40 within a city in which a city disability board is established, to be

1 appointed by the other four members designated in this subsection.
2 However, in counties with a population less than sixty thousand, the
3 member of the disability board appointed by a majority of the mayors
4 of the cities and towns within the county that do not contain a city
5 disability board must be a resident of one of the cities and towns
6 but need not be a member of a city or town legislative body. Only
7 those active or retired firefighters and law enforcement officers who
8 are subject to the jurisdiction of the board have the right to elect
9 under this section. All firefighters and law enforcement officers
10 employed by or retired from an employer within the county are
11 eligible for election. All members appointed or elected pursuant to
12 this subsection shall serve for two year terms. If there are no
13 firefighters under the jurisdiction of the board eligible to vote, a
14 second eligible employee representative shall be elected by the law
15 enforcement officers eligible to vote. If there are no law
16 enforcement officers under the jurisdiction of the board eligible to
17 vote, a second eligible representative shall be elected by the
18 firefighters eligible to vote.

19 (d) If no eligible active or retired firefighter or law
20 enforcement officer is willing or able to be elected to the board
21 under (c) of this subsection, then the following individuals may be
22 elected to the board under (c) of this subsection:

23 (i) Any active or retired firefighter under this chapter or
24 chapters 41.16, 41.18, and 52.26 RCW or law enforcement officers
25 under this chapter or chapter 41.20 RCW who resides within the
26 jurisdiction served by the board;

27 (ii) The surviving spouse or domestic partner of a firefighter or
28 law enforcement officer subject to the jurisdiction of the board.

29 (2) The members of both the county and city disability boards
30 shall not receive compensation for their service upon the boards but
31 the members shall be reimbursed by their respective county or city
32 for all expenses incidental to such service as to the amount
33 authorized by law.

34 (3) The disability boards authorized for establishment by this
35 section shall perform all functions, exercise all powers, and make
36 all such determinations as specified in this chapter.

37 NEW SECTION. **Sec. 321.** (1) The director of retirement systems
38 shall adopt rules, in accordance with chapter 34.05 RCW, under which
39 each disability board shall execute its disability retirement duties

1 under this chapter. The rules shall include, but not be limited to,
2 the following:

3 (a) Standards governing the type and manner of presentation of
4 medical, employability, and other evidence before disability boards;
5 and

6 (b) Standards governing the necessity and frequency of medical
7 and employability reexaminations of persons receiving disability
8 benefits.

9 (2) If the director determines that an order or determination of
10 a disability board was not processed in accordance with the rules
11 established under this section, the director may remand the order or
12 determination for further proceedings consistent with the rules.

13 NEW SECTION. **Sec. 322.** Any member, regardless of age or years
14 of service may be retired by the disability board, subject to
15 approval by the director, for any disability incurred in the line of
16 duty which has been continuous since his or her discontinuance of
17 service and which renders the member unable to continue service. No
18 disability retirement allowance shall be paid until the expiration of
19 a period of six months after the discontinuance of service during
20 which period the member, if found to be physically or mentally unfit
21 for duty by the disability board following receipt of his or her
22 application for disability retirement, shall be granted a disability
23 leave by the disability board and shall receive an allowance equal to
24 the full monthly salary and shall continue to receive all other
25 benefits provided to active employees from the employer for such
26 period. However, if, at any time during the initial six-month period,
27 the disability board finds the beneficiary is no longer disabled, the
28 disability leave allowance shall be canceled and the member shall be
29 restored to duty in the same rank or position, if any, held by the
30 beneficiary at the time the member became disabled. Applications for
31 disability retirement shall be processed in accordance with the
32 following procedures:

33 (1) Any member who believes he or she is or is believed to be
34 physically or mentally disabled shall be examined by such medical
35 authority as the disability board shall employ, upon application of
36 the member, or a person acting in his or her behalf, stating that the
37 member is disabled, either physically or mentally: PROVIDED, That no
38 such application shall be considered unless the member or someone in
39 his or her behalf, in case of the incapacity of a member, shall have

1 filed the application within a period of one year from and after the
2 discontinuance of service of the member.

3 (2) If the examination shows, to the satisfaction of the
4 disability board, that the member is physically or mentally disabled
5 from the further performance of duty, that such disability was
6 incurred in the line of duty, and that such disability has been
7 continuous from the discontinuance of service, the disability board
8 shall enter its written decision and order, accompanied by
9 appropriate findings of fact and by conclusions evidencing compliance
10 with this chapter, granting the member a disability retirement
11 allowance; otherwise, if the member is not found by the disability
12 board to be so disabled, the application shall be denied pursuant to
13 a similar written decision and order, subject to appeal to the
14 director in accordance with section 339 of this act: PROVIDED, That
15 in any order granting a duty disability retirement allowance, the
16 disability board shall make a finding that the disability was
17 incurred in line of duty.

18 (3) Every order of a disability board granting a duty disability
19 retirement allowance shall immediately be reviewed by the director
20 except the finding that the disability was incurred in the line of
21 duty. The director may affirm the decision of the disability board or
22 remand the case for further proceedings, or the director may reverse
23 the decision of the disability board if the director finds the
24 disability board's findings, inferences, conclusions, or decisions
25 are:

26 (a) In violation of constitutional provisions;

27 (b) In excess of the statutory authority or jurisdiction of the
28 disability board;

29 (c) Made upon unlawful procedure;

30 (d) Affected by other error of law;

31 (e) Clearly erroneous in view of the entire record as submitted
32 and the public policy contained in this chapter; or

33 (f) Arbitrary or capricious.

34 (4) Every member who can establish, to the disability board, that
35 he or she is physically or mentally disabled from the further
36 performance of duty, that such disability was incurred in the line of
37 duty, and that such disability will be in existence for a period of
38 at least six months may waive the six-month period of disability
39 leave and be immediately granted a duty disability retirement

1 allowance, subject to the approval of the director as provided in
2 subsection (3) of this section.

3 NEW SECTION. **Sec. 323.** Any member, regardless of age or years
4 of service, may be retired by the disability board, subject to
5 approval by the director as provided in this section, for any
6 disability not incurred in the line of duty which has been continuous
7 since discontinuance of service and which renders the member unable
8 to continue service. No disability retirement allowance may be paid
9 until the expiration of a period of six months after the
10 discontinuance of service during which period the member, if found to
11 be physically or mentally unfit for duty by the disability board
12 following receipt of the member's application for disability
13 retirement, shall be granted a disability leave by the disability
14 board and shall receive an allowance equal to the member's full
15 monthly salary and shall continue to receive all other benefits
16 provided to active employees from the member's employer for the
17 period. However, if, at any time during the initial six-month period,
18 the disability board finds the beneficiary is no longer disabled, the
19 disability leave allowance shall be canceled and the member shall be
20 restored to duty in the same rank or position, if any, held by the
21 member at the time the member became disabled. Applications for
22 disability retirement shall be processed in accordance with the
23 following procedures:

24 (1) Any member who believes he or she is, or is believed to be,
25 physically or mentally disabled shall be examined by such medical
26 authority as the disability board shall employ, upon application of
27 the member, or a person acting in the member's behalf, stating that
28 the member is disabled, either physically or mentally: PROVIDED, That
29 no such application shall be considered unless the member or someone
30 acting in the member's behalf, in case of the incapacity of a member,
31 has filed the application within a period of one year from and after
32 the discontinuance of service of the member.

33 (2) If the examination shows, to the satisfaction of the
34 disability board, that the member is physically or mentally disabled
35 from the further performance of duty, that such disability was not
36 incurred in the line of duty, and that such disability had been
37 continuous from the discontinuance of service, the disability board
38 shall enter its written decision and order, accompanied by
39 appropriate findings of fact and by conclusions evidencing compliance

1 with this chapter, granting the member a disability retirement
2 allowance. Otherwise, if the member is not found by the disability
3 board to be so disabled, the application shall be denied pursuant to
4 a similar written decision and order, subject to appeal to the
5 director in accordance with section 339 of this act: PROVIDED, That
6 in any order granting a nonduty disability retirement allowance, the
7 disability board shall make a finding that the disability was not
8 incurred in the line of duty.

9 (3) Every order of a disability board granting a nonduty
10 disability retirement allowance shall immediately be reviewed by the
11 director except the finding that the disability was not incurred in
12 the line of duty. The director may affirm the decision of the
13 disability board or remand the case for further proceedings, or the
14 director may reverse the decision of the disability board if the
15 director finds the disability board's findings, inferences,
16 conclusions, or decisions are:

17 (a) In violation of constitutional provisions;

18 (b) In excess of the statutory authority or jurisdiction of the
19 disability board;

20 (c) Made upon unlawful procedure;

21 (d) Affected by other error of law;

22 (e) Clearly erroneous in view of the entire record as submitted
23 and the public policy contained in this chapter; or

24 (f) Arbitrary or capricious.

25 (4) Every member who can establish to the disability board that
26 the member is physically or mentally disabled from the further
27 performance of duty, that such disability was not incurred in the
28 line of duty, and that such disability will be in existence for a
29 period of at least six months, may waive the six-month period of
30 disability leave and be immediately granted a nonduty disability
31 retirement allowance, subject to the approval of the director as
32 provided in subsection (3) of this section.

33 NEW SECTION. **Sec. 324.** (1) Upon retirement for disability a
34 member shall be entitled to receive a monthly retirement allowance
35 computed as follows: (a) A basic amount of fifty percent of final
36 average salary at time of disability retirement, and (b) an
37 additional five percent of final average salary for each child as
38 defined in section 303(6) of this act, (c) the combined total of (a)

1 and (b) of this subsection shall not exceed a maximum of sixty
2 percent of final average salary.

3 (2) A disabled member shall begin receiving the disability
4 retirement allowance as of the expiration of his or her six month
5 period of disability leave or, if his or her application was filed
6 after the sixth month of discontinuance of service but prior to the
7 one year time limit, the member's disability retirement allowance
8 shall be retroactive to the end of the sixth month.

9 (3) Benefits under this section will be payable until the member
10 recovers from the disability or dies. If at the time that the
11 disability ceases the member is over the age of fifty, he or she
12 shall then receive either disability retirement allowance or
13 retirement for service allowance, whichever is greater.

14 (4) Benefits under this section for a disability that is incurred
15 while in other employment will be reduced by any amount the member
16 receives or is entitled to receive from workers' compensation, social
17 security, group insurance, other pension plan, or any other similar
18 source provided by another employer on account of the same
19 disability.

20 (5) A member retired for disability shall be subject to periodic
21 examinations by a physician approved by the disability board prior to
22 attainment of age fifty, pursuant to rules adopted by the director
23 under section 321 of this act. Examinations of members who retired
24 for disability prior to July 26, 1981, shall not exceed two medical
25 examinations per year.

26 NEW SECTION. **Sec. 325.** (1) A disabled member who believes that
27 his or her disability has ceased in accordance with section 324(3) of
28 this act may make application to the disability board which
29 originally found the member to be disabled, for a determination that
30 the disability has ceased.

31 (2) Every order of a disability board determining that a member's
32 disability has ceased pursuant to section 324(3) of this act shall
33 immediately be reviewed by the director. The director may affirm the
34 decision of the disability board or remand the case for further
35 proceedings if the director finds the disability board's findings,
36 inferences, conclusions, or decisions are:

37 (a) In violation of constitutional provisions;

38 (b) In excess of the statutory authority or jurisdiction of the
39 disability board;

- 1 (c) Made upon unlawful procedure;
- 2 (d) Affected by other error of law;
- 3 (e) Clearly erroneous in view of the entire record as submitted
- 4 and the public policy contained in this chapter; or
- 5 (f) Arbitrary or capricious.

6 (3) Determinations of whether a disability has ceased under
7 section 324(3) of this act and this section shall be made in
8 accordance with the same procedures and standards governing other
9 cancellations of disability retirement.

10 NEW SECTION. **Sec. 326.** (1) Upon the basis of reexaminations of
11 members on disability retirement as provided in section 324 of this
12 act, the disability board shall determine whether such disability
13 beneficiary is still unable to perform his or her duties either
14 physically or mentally for service in the department where he or she
15 was employed.

16 (2) If the disability board determines that the beneficiary is
17 not so incapacitated the retirement allowance shall be canceled and
18 the member shall be restored to duty in the same civil service rank,
19 if any, held by the beneficiary at the time of his or her retirement
20 or if unable to perform the duties of that rank, then, at his or her
21 request, in such other like or lesser rank as may be or become open
22 and available, the duties of which he or she is then able to perform.
23 In no event, shall a beneficiary previously drawing a disability
24 allowance be returned or be restored to duty at a salary or rate of
25 pay less than the current salary attached to the rank or position
26 held by the beneficiary at the date of retirement for disability. If
27 the disability board determines that the beneficiary is able to
28 return to service he or she shall be entitled to notice and a
29 hearing, both the notice and the hearing shall comply with the
30 requirements of chapter 34.05 RCW.

31 (3) Should a disability beneficiary reenter service and be
32 eligible for membership in the retirement system, the retirement
33 allowance shall be canceled and he or she shall immediately become a
34 member of the retirement system.

35 (4) Should any disability beneficiary under age fifty refuse to
36 submit to examination, the retirement allowance shall be discontinued
37 until withdrawal of such refusal, and should such refusal continue
38 for one year or more, the retirement allowance shall be canceled.

1 (5) Should the disability retirement allowance of any disability
2 beneficiary be canceled for any cause other than reentrance into
3 service or retirement for service, he or she shall be paid the
4 excess, if any, of the accumulated contributions at the time of
5 retirement over all payments made on his or her behalf under this
6 chapter.

7 (6) Any person feeling aggrieved by an order of a disability
8 board determining that a beneficiary's disability has not ceased,
9 pursuant to section 324(3) of this act has the right to appeal the
10 order or determination to the director. The director shall have no
11 jurisdiction to entertain the appeal unless a notice of appeal is
12 filed with the director within thirty days following the rendition of
13 the order by the disability board. A copy of the notice of appeal
14 shall be served upon the director and the applicable disability board
15 and, within ninety days thereof, the disability board shall certify
16 its decision and order which shall include findings of fact and
17 conclusions of law, together with a transcript of all proceedings in
18 connection therewith, to the director for review. Upon review of the
19 record, the director may affirm the order of the disability board or
20 may remand the case for further proceedings if the director finds
21 that the disability board's findings, inferences, conclusions, or
22 decisions are:

- 23 (a) In violation of constitutional provisions;
- 24 (b) In excess of the statutory authority or jurisdiction of the
25 disability board;
- 26 (c) Made upon unlawful procedure;
- 27 (d) Affected by other error of law;
- 28 (e) Clearly erroneous in view of the entire record as submitted
29 and the public policy contained in this chapter; or
- 30 (f) Arbitrary or capricious.

31 NEW SECTION. **Sec. 327.** (1) Whenever any active member, or any
32 member hereafter retired, on account of service, sickness, or
33 disability, not caused or brought on by dissipation or abuse, of
34 which the disability board shall be judge, is confined in any
35 hospital or in home, and whether or not so confined, requires medical
36 services, the employer shall pay for the active or retired member the
37 necessary medical services not payable from some other source as
38 provided for in subsection (2) of this section. In the case of active
39 or retired firefighters the employer may make the payments provided

1 for in this section from the firefighters' pension fund established
2 pursuant to RCW 41.16.050 where the fund had been established prior
3 to March 1, 1970. If this pension fund is depleted, the employer
4 shall have the obligation to pay all benefits payable under chapters
5 41.16 and 41.18 RCW.

6 (a) The disability board in all cases may have the active or
7 retired member suffering from such sickness or disability examined at
8 any time by a licensed physician or physicians, to be appointed by
9 the disability board, for the purpose of ascertaining the nature and
10 extent of the sickness or disability, the physician or physicians to
11 report to the disability board the result of the examination within
12 three days thereafter. Any active or retired member who refuses to
13 submit to such examination or examinations shall forfeit all rights
14 to benefits under this section for the period of the refusal.

15 (b) The disability board shall designate the medical services
16 available to any sick or disabled member.

17 (2) The medical services payable under this section will be
18 reduced by any amount received or eligible to be received by the
19 member under workers' compensation, social security including the
20 changes incorporated under Public Law 89-97, insurance provided by
21 another employer, other pension plan, or any other similar source.
22 Failure to apply for coverage if otherwise eligible under the
23 provisions of Public Law 89-97 shall not be deemed a refusal of
24 payment of benefits thereby enabling collection of charges under the
25 provisions of this chapter.

26 (3) Upon making the payments provided for in subsection (1) of
27 this section, the employer shall be subrogated to all rights of the
28 member against any third party who may be held liable for the
29 member's injuries or for payment of the cost of medical services in
30 connection with a member's sickness or disability to the extent
31 necessary to recover the amount of payments made by the employer.

32 (4) Any employer under this chapter, either singly, or jointly
33 with any other such employer or employers through an association
34 thereof as provided for in chapter 48.21 RCW, may provide for all or
35 part of one or more plans of group hospitalization and medical aid
36 insurance to cover any of its employees who are members of the
37 restated law enforcement officers' and firefighters' retirement
38 system, and/or retired former employees who were, before retirement,
39 members of the retirement system, through contracts with regularly
40 constituted insurance carriers, with health maintenance organizations

1 as defined in chapter 48.46 RCW, or with health care service
2 contractors as defined in chapter 48.44 RCW. Benefits payable under
3 the plan or plans shall be deemed to be amounts received or eligible
4 to be received by the active or retired member under subsection (2)
5 of this section.

6 (5) Any employer under this chapter may, at its discretion, elect
7 to reimburse a retired former employee under this chapter for
8 premiums the retired former employee has paid for medical insurance
9 that supplements medicare, including premiums the retired former
10 employee has paid for medicare part B coverage.

11 NEW SECTION. **Sec. 328.** (1) In the event of the duty connected
12 death of any member who is in active service, or who has vested under
13 the provisions of section 317 of this act with twenty or more service
14 credit years of service, or who is on duty connected disability leave
15 or retired for duty connected disability, or upon the death of a
16 member who has left the employ of an employer due to service in the
17 national guard or military reserves and dies while honorably serving
18 in the national guard or military reserves during a period of war as
19 defined in RCW 41.04.005, the surviving spouse shall become entitled,
20 subject to section 330 of this act, to receive a monthly allowance
21 equal to fifty percent of the final average salary at the date of
22 death if active, or the amount of retirement allowance the vested
23 member would have received at age fifty, or the amount of the
24 retirement allowance such retired member was receiving at the time of
25 death if retired for duty connected disability. The amount of this
26 allowance will be increased five percent of final average salary for
27 each child as defined in section 303(6) of this act, subject to a
28 maximum combined allowance of sixty percent of final average salary:
29 PROVIDED, That if the child or children is or are in the care of a
30 legal guardian, payment of the increase attributable to each child
31 will be made to the child's legal guardian or, in the absence of a
32 legal guardian and if the member has created a trust for the benefit
33 of the child or children, payment of the increase attributable to
34 each child will be made to the trust.

35 (2) If at the time of the duty connected death of a vested member
36 with twenty or more service credit years of service as provided in
37 subsection (1) of this section or a member retired for duty connected
38 disability, or at the time of the death of a member who has left the
39 employ of an employer due to service in the national guard or

1 military reserves and dies while honorably serving in the national
2 guard or military reserves during a period of war as defined in RCW
3 41.04.005, the surviving spouse has not been lawfully married to such
4 member for one year prior to retirement or separation from service if
5 a vested member, the surviving spouse shall not be eligible to
6 receive the benefits under this section: PROVIDED, That if a member
7 dies as a result of a disability incurred in the line of duty or
8 while honorably serving in the national guard or military reserves
9 during a period of war as defined in RCW 41.04.005, then if he or she
10 was married at the time he or she was disabled or left the employ of
11 an employer due to service in the national guard or military reserves
12 during a period of war as defined in RCW 41.04.005, the surviving
13 spouse shall be eligible to receive the benefits under this section.

14 (3) If there be no surviving spouse eligible to receive benefits
15 at the time of such member's duty connected death, then the child or
16 children of such member shall receive a monthly allowance equal to
17 thirty percent of final average salary for one child and an
18 additional ten percent for each additional child subject to a maximum
19 combined payment, under this subsection, of sixty percent of final
20 average salary. When there cease to be any eligible children as
21 defined in section 303(6) of this act, there shall be paid to the
22 legal heirs of the member the excess, if any, of accumulated
23 contributions of the member at the time of death over all payments
24 made to survivors on his or her behalf under this chapter: PROVIDED,
25 That payments under this subsection to children shall be prorated
26 equally among the children, if more than one. If the member has
27 created a trust for the benefit of the child or children, the payment
28 shall be made to the trust.

29 (4) In the event that there is no surviving spouse eligible to
30 receive benefits under this section, and that there be no child or
31 children eligible to receive benefits under this section, then the
32 accumulated contributions shall be paid to the estate of the member.

33 (5) If a surviving spouse receiving benefits under this section
34 remarries after June 13, 2002, the surviving spouse shall continue to
35 receive the benefits under this section.

36 (6) If a surviving spouse receiving benefits under the provisions
37 of this section thereafter dies and there are children as defined in
38 section 303(6) of this act, payment to the spouse shall cease and the
39 child or children shall receive the benefits as provided in
40 subsection (3) of this section.

1 (7) The payment provided by this section shall become due the day
2 following the date of death and payments shall be retroactive to that
3 date.

4 NEW SECTION. **Sec. 329.** (1) In the event of the nonduty
5 connected death of any member who is in active service, or who has
6 vested under section 317 of this act with twenty or more service
7 credit years of service, or who is on disability leave or retired,
8 whether for nonduty connected disability or service, the surviving
9 spouse shall become entitled to receive a monthly allowance equal to
10 fifty percent of the final average salary at the date of death if
11 active, or the amount of retirement allowance the vested member would
12 have received at age fifty, or the amount of the retirement allowance
13 such retired member was receiving at the time of death if retired for
14 service or nonduty connected disability. The amount of this allowance
15 will be increased five percent of final average salary for each child
16 as defined in section 303(6) of this act, subject to a maximum
17 combined allowance of sixty percent of final average salary:
18 PROVIDED, That if the child or children is or are in the care of a
19 legal guardian, payment of the increase attributable to each child
20 will be made to the child's legal guardian or, in the absence of a
21 legal guardian and if the member has created a trust for the benefit
22 of the child or children, payment of the increase attributable to
23 each child will be made to the trust.

24 (2) If at the time of the death of a vested member with twenty or
25 more service credit years of service as provided in subsection (1) of
26 this section or a member retired for service or disability, the
27 surviving spouse has not been lawfully married to such member for one
28 year prior to retirement or separation from service if a vested
29 member, the surviving spouse shall not be eligible to receive the
30 benefits under this section.

31 (3) If there be no surviving spouse eligible to receive benefits
32 at the time of such member's death, then the child or children of
33 such member shall receive a monthly allowance equal to thirty percent
34 of final average salary for one child and an additional ten percent
35 for each additional child subject to a maximum combined payment,
36 under this subsection, of sixty percent of final average salary. When
37 there cease to be any eligible children as defined in section 303(6)
38 of this act, there shall be paid to the legal heirs of the member the
39 excess, if any, of accumulated contributions of the member at the

1 time of death over all payments made to survivors on his or her
2 behalf under this chapter: PROVIDED, That payments under this
3 subsection to children shall be prorated equally among the children,
4 if more than one. If the member has created a trust for the benefit
5 of the child or children, the payment shall be made to the trust.

6 (4) In the event that there is no surviving spouse eligible to
7 receive benefits under this section, and that there be no child or
8 children eligible to receive benefits under this section, then the
9 accumulated contributions shall be paid to the estate of the member.

10 (5) If a surviving spouse receiving benefits under this section
11 remarries after June 13, 2002, the surviving spouse shall continue to
12 receive the benefits under this section.

13 (6) If a surviving spouse receiving benefits under the provisions
14 of this section thereafter dies and there are children as defined in
15 section 303(6) of this act, payment to the spouse shall cease and the
16 child or children shall receive the benefits as provided in
17 subsection (3) of this section.

18 (7) The payment provided by this section shall become due the day
19 following the date of death and payments shall be retroactive to that
20 date.

21 NEW SECTION. **Sec. 330.** (1) An ex spouse of a law enforcement
22 officers' and firefighters' retirement system retiree shall qualify
23 as surviving spouse under section 328 or 329 of this act if the ex
24 spouse has been provided benefits under any currently effective court
25 decree of dissolution or legal separation or in any court order or
26 court-approved property settlement agreement incident to any court
27 decree of dissolution or legal separation. Such an ex spouse shall
28 continue to receive the court-awarded portion of the member's benefit
29 after the member's death as if the member was still alive.

30 (2) An ex spouse whose benefit resumes as a result of chapter 62,
31 Laws of 2005 shall receive an initial payment equivalent to that
32 portion of the member's benefit received prior to its suspension. The
33 benefit will not be adjusted under section 342 of this act for the
34 period the allowance was suspended.

35 (3) Chapter 62, Laws of 2005 shall not result in the payment of
36 benefits for the period during which benefits were suspended.

37 (4) This section shall apply retroactively.

1 NEW SECTION. **Sec. 331.** (1) No later than July 1, 2005, the
2 department shall adopt rules to allow a member who meets the criteria
3 set forth in subsection (2) of this section to choose an actuarially
4 equivalent benefit that pays the member a reduced retirement
5 allowance and upon death, such portion of the member's reduced
6 retirement allowance as the department by rule designates shall be
7 continued throughout the life of a spouse ineligible for survivor
8 benefits under section 328 or 329 of this act.

9 (2) To choose an actuarially equivalent benefit according to
10 subsection (1) of this section, a member shall:

11 (a) Have a portion of the retirement allowance payable to the
12 retiree that is not subject to periodic payments pursuant to a
13 property division obligation as provided for in RCW 41.50.670; and

14 (b) Choose an actuarially reduced benefit equivalent to that
15 portion not subject to periodic payments under (a) of this subsection
16 during a one-year period beginning one year after the date of
17 marriage to the survivor benefit-ineligible spouse.

18 (3)(a) A member who married a spouse ineligible for survivor
19 benefits under section 328 or 329 of this act prior to the effective
20 date of the rules adopted under this section and satisfies subsection
21 (2)(a) of this section has one year to designate their spouse as a
22 survivor beneficiary following the adoption of the rules.

23 (b) A member who married a spouse ineligible for survivor
24 benefits under section 328 or 329 of this act, has been married to
25 that spouse for at least two years prior to September 1, 2015, and
26 satisfies subsection (2)(a) of this section has one year from
27 September 1, 2015, to designate their spouse as a survivor
28 beneficiary. The office of the state actuary must provide the
29 department with administrative factors to ensure that the benefits
30 provided under this section are actuarially equivalent.

31 (c) A deceased member's spouse who was eligible to be provided a
32 survivor benefit under subsection (1) of this section but the member
33 did not select a survivor benefit, and who prior to March 1, 2015,
34 exhausted all administrative remedies with the department for
35 establishing eligibility for a benefit under this section, is
36 eligible beginning August 1, 2015, for a retirement allowance equal
37 to two-thirds of the gross monthly retirement allowance the retired
38 member received at the time of death.

39 (4) No benefit provided to a child survivor beneficiary under
40 section 328 or 329 of this act is affected or reduced by the member's

1 selection of the actuarially reduced spousal survivor benefit
2 provided by this section.

3 (5) (a) Any member who chose to receive a reduced retirement
4 allowance under subsection (1) of this section is entitled to receive
5 a retirement allowance adjusted in accordance with (b) of this
6 subsection if:

7 (i) The retiree's survivor spouse designated in subsection (1) of
8 this section predeceases the retiree; and

9 (ii) The retiree provides to the department proper proof of the
10 designated beneficiary's death.

11 (b) The retirement allowance payable to the retiree from the
12 beginning of the month following the date of the beneficiary's death
13 shall be increased by the following:

14 (i) One hundred percent multiplied by the result of (b) (ii) of
15 this subsection converted to a percent;

16 (ii) Subtract one from the reciprocal of the appropriate joint
17 and survivor option factor.

18 NEW SECTION. **Sec. 332.** (1) Should service of a member be
19 discontinued except by death, disability, or retirement, the member
20 shall, upon application therefor, be paid the accumulated
21 contributions within sixty days after the day of application and the
22 rights to all benefits as a member shall cease: PROVIDED, That any
23 member with at least five years' service may elect the provisions of
24 section 317(2) of this act.

25 (2) Any member whose contributions have been paid in accordance
26 with subsection (1) of this section and who reenters the service of
27 an employer shall upon the restoration of withdrawn contributions,
28 which restoration must be completed within a total period of five
29 years of service following resumption of employment, then receive
30 credit toward retirement for the period of previous service which
31 these contributions are to cover.

32 (3) If the member fails to meet the time limitations of
33 subsection (2) of this section, the member may make the payment
34 required under RCW 41.50.165(2) prior to retirement. The member shall
35 then receive credit toward retirement for the period of previous
36 service that the withdrawn contributions cover.

37 NEW SECTION. **Sec. 333.** Each person affected by this chapter who
38 at the time of entering the armed services was a member of this

1 system, and has honorably served in the armed services of the United
2 States, shall have added to the period of service as computed under
3 this chapter, the period of service in the armed forces: PROVIDED,
4 That such credited service shall not exceed five years.

5 NEW SECTION. **Sec. 334.** If a member of this retirement system
6 served as a law enforcement officer or firefighter under a prior
7 pension system and that service is not creditable to this retirement
8 system because the member withdrew his or her contributions plus
9 accrued interest from the prior pension system, the member's prior
10 service as a law enforcement officer shall be credited to this
11 retirement system if the member pays to the retirement system the
12 amount under RCW 41.50.165(2) prior to retirement.

13 NEW SECTION. **Sec. 335.** If a member's prior service as a law
14 enforcement officer or firefighter under a prior pension system is
15 not creditable because, although employed in a position covered by a
16 prior pension act, the member had not yet become a member of the
17 pension system governed by the act, the member's prior service as a
18 law enforcement officer or firefighter shall be creditable, if the
19 member pays to the plan the amount set forth under RCW 41.50.165(2)
20 prior to retirement.

21 NEW SECTION. **Sec. 336.** Any member of the teachers' retirement
22 system plans 1, 2, or 3, the public employees' retirement system
23 plans 1, 2, or 3, the public safety employees' retirement system plan
24 2, the school employees' retirement system plans 2 or 3, or the
25 Washington state patrol retirement system plans 1 or 2 who has
26 previously established service credit in the law enforcement
27 officers' and firefighters' retirement system plan 1 may make an
28 irrevocable election to have such service transferred to their
29 current retirement system and plan subject to the following
30 conditions:

31 (1) If the individual is employed by an employer in an eligible
32 position, as of July 1, 1997, the election to transfer service must
33 be filed in writing with the department no later than July 1, 1998.
34 If the individual is not employed by an employer in an eligible
35 position, as of July 1, 1997, the election to transfer service must
36 be filed in writing with the department no later than one year from
37 the date they are employed by an employer in an eligible position.

1 (2) An individual transferring service under this section
2 forfeits the rights to all benefits as a member of the law
3 enforcement officers' and firefighters' retirement system plan 1 and
4 will be permanently excluded from membership.

5 (3) Any individual choosing to transfer service under this
6 section will have transferred to their current retirement system and
7 plan: (a) All the individual's accumulated contributions; (b) an
8 amount sufficient to ensure that the employer contribution rate in
9 the individual's current system and plan will not increase due to the
10 transfer; and (c) all applicable months of service, as defined in
11 section 303(29) of this act.

12 (4) If an individual has withdrawn contributions from the law
13 enforcement officers' and firefighters' retirement system plan 1, the
14 individual may restore the contributions, together with interest as
15 determined by the director, and recover the service represented by
16 the contributions for the sole purpose of transferring service under
17 this section. The contributions must be restored before the transfer
18 can occur and the restoration must be completed within the time
19 limitations specified in subsection (1) of this section.

20 (5) Service transferred under this section is applicable for
21 meeting the total service required for military service credit as
22 defined in RCW 41.40.170(3) but is not applicable for meeting the
23 total service credit required for military service credit under RCW
24 43.43.260(3). This subsection applies to members who retired on or
25 after January 1, 1998.

26 (6) If an individual does not meet the time limitations of
27 subsection (1) of this section, the individual may elect to restore
28 any withdrawn contributions and transfer service under this section
29 by paying the amount required under subsection (3)(b) of this section
30 less any employee contributions transferred.

31 NEW SECTION. **Sec. 337.** (1) A member who is on a paid leave of
32 absence authorized by a member's employer shall continue to receive
33 service credit as provided under the provisions of this chapter.

34 (2) A member who receives compensation from an employer while on
35 an authorized leave of absence to serve as an elected official of a
36 labor organization, and whose employer is reimbursed by the labor
37 organization for the compensation paid to the member during the
38 period of absence, may also be considered to be on a paid leave of
39 absence. This subsection shall only apply if the member's leave of

1 absence is authorized by a collective bargaining agreement that
2 provides that the member retains seniority rights with the employer
3 during the period of leave. The basic salary reported for a member
4 who establishes service credit under this subsection may not be
5 greater than the salary paid to the highest paid job class covered by
6 the collective bargaining agreement.

7 NEW SECTION. **Sec. 338.** (1) A member eligible to retire under
8 section 317 of this act may, at the time of filing a written
9 application for retirement with the department, apply to the
10 department to make a one-time purchase of up to five years of
11 additional service credit.

12 (2) To purchase additional service credit under this section, a
13 member shall pay the actuarial equivalent value of the resulting
14 increase in the member's benefit.

15 (3) Subject to rules adopted by the department, a member
16 purchasing additional service credit under this section may pay all
17 or part of the cost with a lump sum payment, eligible rollover,
18 direct rollover, or trustee-to-trustee transfer from an eligible
19 retirement plan. The department shall adopt rules to ensure that all
20 lump sum payments, rollovers, and transfers comply with the
21 requirements of the internal revenue code and regulations adopted by
22 the internal revenue service. The rules adopted by the department may
23 condition the acceptance of a rollover or transfer from another plan
24 on the receipt of information necessary to enable the department to
25 determine the eligibility of any transferred funds for tax-free
26 rollover treatment or other treatment under federal income tax law.

27 (4) Additional service credit purchased under this section is not
28 membership service and shall be used exclusively to provide the
29 member with a monthly annuity that is paid in addition to the
30 member's retirement allowance.

31 NEW SECTION. **Sec. 339.** Any person feeling aggrieved by any
32 order or determination of a disability board denying disability leave
33 or disability retirement, or canceling a previously granted
34 disability retirement allowance, shall have the right to appeal the
35 order or determination to the director. The director shall have no
36 jurisdiction to entertain the appeal unless a notice of appeal is
37 filed with the director within thirty days following the rendition of
38 the order by the applicable disability board. A copy of the notice of

1 appeal shall be served upon the director and the applicable
2 disability board and, within ninety days thereof, the disability
3 board shall certify its decision and order which shall include
4 findings of fact and conclusions of law, together with a transcript
5 of all proceedings in connection therewith, to the director for
6 review. Upon review of the record, the director may affirm the order
7 of the disability board or may remand the case for such further
8 proceedings as he or she may direct, in accordance with such rules of
9 procedure as the director shall adopt.

10 NEW SECTION. **Sec. 340.** Any person aggrieved by any final
11 decision of the director must, before petitioning for judicial
12 review, file with the director of the retirement system by mail or
13 personally within sixty days from the day the decision was
14 communicated to the person, a notice for a hearing. The notice of
15 hearing shall set forth in full detail the grounds upon which such
16 person considers such decision unjust or unlawful and shall include
17 every issue to be considered, and it must contain a detailed
18 statement of facts upon which such person relies in support thereof.
19 Such persons shall be deemed to have waived all objections or
20 irregularities concerning the matter on which such appeal is taken
21 other than those specifically set forth in the notice of hearing or
22 appearing in the records of the retirement system.

23 NEW SECTION. **Sec. 341.** A hearing shall be held by the director,
24 or the director's duly authorized representative, in the county of
25 the residence of the claimant at a time and place designated by the
26 director. Such hearing shall be de novo and shall conform to the
27 provisions of chapter 34.05 RCW. The disability board and the
28 department shall be entitled to appear in all such proceedings and
29 introduce testimony in support of the decision. Judicial review of
30 any final decision by the director shall be governed by the
31 provisions of chapter 34.05 RCW.

32 NEW SECTION. **Sec. 342.** For purposes of this section:
33 (1) "Index" shall mean, for any calendar year, that year's
34 average Consumer Price Index—Seattle, Washington area for urban wage
35 earners and clerical workers, all items (1957-1959=100), compiled by
36 the Bureau of Labor Statistics, United States Department of Labor;

1 (2) "Retirement allowance" shall mean the retirement allowance
2 provided for in sections 318 and 324 of this act, and the monthly
3 allowance provided for in section 328 of this act.

4 Effective April 1 of 1971, and of each succeeding year, every
5 retirement allowance which has been in effect for more than one year
6 shall be adjusted to that dollar amount which exceeds its original
7 dollar amount by the percentage difference which the department finds
8 to exist between the index for the previous calendar year and the
9 index for the calendar year prior to the effective retirement date of
10 the person to whom, or on behalf of whom, such retirement allowance
11 is being paid.

12 For the purposes of this section, basic allowance shall mean that
13 portion of a total retirement allowance, and any cost-of-living
14 adjustment thereon, attributable to a member (individually) and shall
15 not include the increased amounts attributable to the existence of a
16 child or children. In those cases where a child ceases to be
17 qualified as an eligible child, so as to lessen the total allowance,
18 the allowance shall, at that time, be reduced to the basic allowance
19 plus the amount attributable for the appropriate number of eligible
20 children. In those cases where a child qualifies as an eligible child
21 subsequent to the retirement of a member so as to increase the total
22 allowance payable, such increased allowance shall at the time of the
23 next and appropriate subsequent cost-of-living adjustments, be
24 considered the original dollar amount of the allowance.

25 NEW SECTION. **Sec. 343.** All benefits presently payable pursuant
26 to the provisions of RCW 41.20.050, 41.20.060, and 41.20.080 as such
27 RCW sections existed prior to the effective date of the amendment of
28 such RCW sections by sections 1, 2, 3, chapter 191, Laws of 1961 to
29 persons who retired prior to the effective date of the 1961
30 amendatory act, shall be increased annually as provided in this
31 section. The local pension board shall meet subsequent to March 31st
32 but prior to June 30th of each year for the purpose of adjusting
33 benefit allowances payable pursuant to RCW 41.20.050, 41.20.060, and
34 41.20.080. The local board shall determine the increase in the
35 consumer price index between January 1st and December 31st of the
36 previous year and increase in dollar amount the benefits payable
37 subsequent to July 1st of the year in which the board makes such
38 determination by a dollar amount proportionate to the increase in the
39 consumer price index: PROVIDED, That regardless of the change in the

1 consumer price index, such increase shall be at least two percent
2 each year such adjustment is made.

3 Each year effective with the July payment all benefits specified
4 in this section, shall be increased as authorized by this section.
5 This benefit increase shall be paid monthly as part of the regular
6 pension payment and shall be cumulative.

7 For the purpose of this section the term "consumer price index"
8 shall mean, for any calendar year, the consumer price index for the
9 Seattle, Washington area as compiled by the bureau of labor
10 statistics of the United States department of labor.

11 NEW SECTION. **Sec. 344.** All benefits presently payable pursuant
12 to the provisions of RCW 41.20.085 which are not related to the
13 amount of current salary attached to the position held by the
14 deceased member, shall be increased annually in the same manner and
15 to the same extent as provided for pursuant to section 343 of this
16 act.

17 NEW SECTION. **Sec. 345.** The legislature of the state of
18 Washington hereby declares that the relationship between members of
19 the restated law enforcement officers' and firefighters' retirement
20 system and their governmental employers is similar to that of workers
21 to their employers and that the sure and certain relief granted by
22 this chapter is desirable, and as beneficial to such law enforcement
23 officers and firefighters as workers' compensation coverage is to
24 persons covered by Title 51 RCW. The legislature further declares
25 that removal of law enforcement officers and firefighters from
26 workers' compensation coverage under Title 51 RCW necessitates the
27 (1) continuance of sure and certain relief for personal injuries
28 incurred in the course of employment or occupational disease, which
29 the legislature finds to be accomplished by the provisions of this
30 chapter and (2) protection for the governmental employer from actions
31 at law; and to this end the legislature further declares that the
32 benefits and remedies conferred by this chapter upon law enforcement
33 officers and firefighters covered under this chapter, shall be to the
34 exclusion of any other remedy, proceeding, or compensation for
35 personal injuries or sickness, caused by the governmental employer
36 except as otherwise provided by this chapter; and to that end all
37 civil actions and civil causes of actions by such law enforcement
38 officers and firefighters against their governmental employers for

1 personal injuries or sickness are hereby abolished, except as
2 otherwise provided in this chapter.

3 NEW SECTION. **Sec. 346.** If injury or death results to a member
4 from the intentional or negligent act or omission of a member's
5 governmental employer, the member, the widow, widower, child, or
6 dependent of the member shall have the privilege to benefit under
7 this chapter and also have cause of action against the governmental
8 employer as otherwise provided by law, for any excess of damages over
9 the amount received or receivable under this chapter.

10 NEW SECTION. **Sec. 347.** (1) Law enforcement officers' and
11 firefighters' plan 1 active members, term-vested members, retirees,
12 and survivors eligible for benefits under the plan 1 provisions of
13 this chapter on June 9, 2022, shall be eligible to receive the plan 1
14 lump sum defined benefit of \$100 per service credit month payable by
15 January 31, 2023.

16 (a) Members who retired for an in the line of duty disability
17 under section 322 of this act shall receive the greater of the lump
18 sum defined benefit of \$100 per service credit month or a lump sum
19 defined benefit of \$20,000.

20 (b) A member's beneficiary is eligible for an in the line of duty
21 death benefit under section 309 of this act. If there is more than
22 one eligible beneficiary the lump sum defined benefit will be
23 distributed in accordance with section 309 of this act.

24 (c) If the member is deceased the member's survivor beneficiary
25 under section 328 of this act is eligible for this lump sum defined
26 benefit.

27 (2) If a member is active or term-vested, interest on the lump
28 sum defined benefit as determined by the director of retirement
29 systems shall accumulate from January 1, 2023, until distribution to
30 the participant upon retirement from service or for disability. For
31 the purposes of this section, a "term-vested member" is a member who
32 has rendered five years of service, has not withdrawn his or her
33 member contributions, and who has not applied for retirement.

34 (3) If a member dies after June 9, 2022, but before distribution
35 of the lump sum defined benefit created in this section occurs, the
36 distribution shall be made according to the member's beneficiary
37 designation under this chapter.

1 (4) The lump sum defined benefit created in this section is
2 subject to section 310 of this act.

3 NEW SECTION. **Sec. 348.** To the extent that the provisions of
4 this act are inconsistent with the provisions of any other law, the
5 provisions of this act shall be controlling.

6 **PART IV**
7 **CONFORMING AMENDMENTS**

8 **Sec. 401.** RCW 2.10.155 and 1990 c 274 s 14 are each amended to
9 read as follows:

10 (1) No judge shall be eligible to receive the judge's monthly
11 service or disability retirement allowance if the retired judge is
12 employed:

13 (a) For more than eight hundred ten hours in a calendar year as a
14 pro tempore judge; or

15 (b) In an eligible position as defined in RCW 41.40.010 or
16 41.32.010, or as a law enforcement officer or firefighter as defined
17 in RCW 41.26.030 or section 303 of this act.

18 (2) Subsection (1) of this section notwithstanding, a previously
19 elected judge of the superior court who retired before June 7, 1990,
20 leaving a pending case in which the judge had made discretionary
21 rulings may hear the pending case as a judge pro tempore without
22 having his or her retirement allowance suspended.

23 (3) If a retired judge's benefits have been suspended under this
24 section, his or her benefits shall be reinstated when the retiree
25 terminates the employment that caused his or her benefits to be
26 suspended. Upon reinstatement, the retired judge's benefits shall be
27 actuarially recomputed pursuant to the rules adopted by the
28 department.

29 (4) The department shall adopt rules implementing this section.

30 **Sec. 402.** RCW 6.15.020 and 2011 c 162 s 3 are each amended to
31 read as follows:

32 (1) It is the policy of the state of Washington to ensure the
33 well-being of its citizens by protecting retirement income to which
34 they are or may become entitled. For that purpose generally and
35 pursuant to the authority granted to the state of Washington under 11

1 U.S.C. Sec. 522(b)(2), the exemptions in this section relating to
2 retirement benefits are provided.

3 (2) Unless otherwise provided by federal law, any money received
4 by any citizen of the state of Washington as a pension from the
5 government of the United States, whether the same be in the actual
6 possession of such person or be deposited or loaned, shall be exempt
7 from execution, attachment, garnishment, or seizure by or under any
8 legal process whatever, and when a debtor dies, or absconds, and
9 leaves his or her family any money exempted by this subsection, the
10 same shall be exempt to the family as provided in this subsection.
11 This subsection shall not apply to child support collection actions
12 issued under chapter 26.18, 26.23, or 74.20A RCW, if otherwise
13 permitted by federal law.

14 (3) The right of a person to a pension, annuity, or retirement
15 allowance or disability allowance, or death benefits, or any optional
16 benefit, or any other right accrued or accruing to any citizen of the
17 state of Washington under any employee benefit plan, and any fund
18 created by such a plan or arrangement, shall be exempt from
19 execution, attachment, garnishment, or seizure by or under any legal
20 process whatever. This subsection shall not apply to child support
21 collection actions issued under chapter 26.18, 26.23, or 74.20A RCW
22 if otherwise permitted by federal law. This subsection shall permit
23 benefits under any such plan or arrangement to be payable to a
24 spouse, former spouse, child, or other dependent of a participant in
25 such plan to the extent expressly provided for in a qualified
26 domestic relations order that meets the requirements for such orders
27 under the plan, or, in the case of benefits payable under a plan
28 described in 26 U.S.C. Sec. 403(b) or 408 of the internal revenue
29 code of 1986, as amended, or section 409 of such code as in effect
30 before January 1, 1984, to the extent provided in any order issued by
31 a court of competent jurisdiction that provides for maintenance or
32 support. This subsection does not prohibit actions against an
33 employee benefit plan, or fund for valid obligations incurred by the
34 plan or fund for the benefit of the plan or fund.

35 (4) For the purposes of this section, the term "employee benefit
36 plan" means any plan or arrangement that is described in RCW
37 49.64.020, including any Keogh plan, whether funded by a trust or by
38 an annuity contract, and in 26 U.S.C. Sec. 401(a) or 403(a) of the
39 internal revenue code of 1986, as amended; or that is a tax-sheltered
40 annuity or a custodial account described in section 403(b) of such

1 code or an individual retirement account or an individual retirement
2 annuity described in section 408 of such code; or a Roth individual
3 retirement account described in section 408A of such code; or a
4 medical savings account or a health savings account described in
5 sections 220 and 223, respectively, of such code; or a retirement
6 bond described in section 409 of such code as in effect before
7 January 1, 1984. The term "employee benefit plan" shall not include
8 any employee benefit plan that is established or maintained for its
9 employees by the government of the United States, by the state of
10 Washington under chapter 2.10, 2.12, 41.26, 41.--- (the new chapter
11 created in section 507 of this act), 41.32, 41.34, 41.35, 41.37,
12 41.40, or 43.43 RCW or RCW 41.50.770, or by any agency or
13 instrumentality of the government of the United States.

14 (5) An employee benefit plan shall be deemed to be a spendthrift
15 trust, regardless of the source of funds, the relationship between
16 the trustee or custodian of the plan and the beneficiary, or the
17 ability of the debtor to withdraw or borrow or otherwise become
18 entitled to benefits from the plan before retirement. This subsection
19 shall not apply to child support collection actions issued under
20 chapter 26.18, 26.23, or 74.20A RCW, if otherwise permitted by
21 federal law. This subsection shall permit benefits under any such
22 plan or arrangement to be payable to a spouse, former spouse, child,
23 or other dependent of a participant in such plan to the extent
24 expressly provided for in a qualified domestic relations order that
25 meets the requirements for such orders under the plan, or, in the
26 case of benefits payable under a plan described in 26 U.S.C. Sec.
27 403(b) or 408 of the internal revenue code of 1986, as amended, or
28 section 409 of such code as in effect before January 1, 1984, to the
29 extent provided in any order issued by a court of competent
30 jurisdiction that provides for maintenance or support.

31 (6) Unless prohibited by federal law, nothing contained in
32 subsection (3), (4), or (5) of this section shall be construed as a
33 termination or limitation of a spouse's community property interest
34 in an employee benefit plan held in the name of or on account of the
35 other spouse, who is the participant or the account holder spouse.
36 Unless prohibited by applicable federal law, at the death of the
37 nonparticipant, nonaccount holder spouse, the nonparticipant,
38 nonaccount holder spouse may transfer or distribute the community
39 property interest of the nonparticipant, nonaccount holder spouse in
40 the participant or account holder spouse's employee benefit plan to

1 the nonparticipant, nonaccount holder spouse's estate, testamentary
2 trust, inter vivos trust, or other successor or successors pursuant
3 to the last will of the nonparticipant, nonaccount holder spouse or
4 the law of intestate succession, and that distributee may, but shall
5 not be required to, obtain an order of a court of competent
6 jurisdiction, including a nonjudicial binding agreement or order
7 entered under chapter 11.96A RCW, to confirm the distribution. For
8 purposes of subsection (3) of this section, the distributee of the
9 nonparticipant, nonaccount holder spouse's community property
10 interest in an employee benefit plan shall be considered a person
11 entitled to the full protection of subsection (3) of this section.
12 The nonparticipant, nonaccount holder spouse's consent to a
13 beneficiary designation by the participant or account holder spouse
14 with respect to an employee benefit plan shall not, absent clear and
15 convincing evidence to the contrary, be deemed a release, gift,
16 relinquishment, termination, limitation, or transfer of the
17 nonparticipant, nonaccount holder spouse's community property
18 interest in an employee benefit plan. For purposes of this
19 subsection, the term "nonparticipant, nonaccount holder spouse" means
20 the spouse of the person who is a participant in an employee benefit
21 plan or in whose name an individual retirement account is maintained.
22 As used in this subsection, an order of a court of competent
23 jurisdiction entered under chapter 11.96A RCW includes an agreement,
24 as that term is used under RCW 11.96A.220.

25 **Sec. 403.** RCW 26.09.138 and 1991 c 365 s 24 are each amended to
26 read as follows:

27 (1) Any obligee of a court order or decree establishing a spousal
28 maintenance obligation may seek a mandatory benefits assignment order
29 under chapter 41.50 RCW if any spousal maintenance payment is more
30 than fifteen days past due and the total of such past due payments is
31 equal to or greater than one hundred dollars, or if the obligor
32 requests a withdrawal of accumulated contributions from the
33 department of retirement systems.

34 (2) Any court order or decree establishing a spousal maintenance
35 obligation may state that, if any spousal maintenance payment is more
36 than fifteen days past due and the total of such past due payments is
37 equal to or greater than one hundred dollars, or if the obligor
38 requests a withdrawal of accumulated contributions from the
39 department of retirement systems, the obligee may seek a mandatory

1 benefits assignment order under chapter 41.50 RCW without prior
2 notice to the obligor. Any such court order or decree may also, or in
3 the alternative, contain a provision that would allow the department
4 to make a direct payment of all or part of a withdrawal of
5 accumulated contributions pursuant to RCW 41.50.550(3). Failure to
6 include this provision does not affect the validity of the court
7 order or decree establishing the spousal maintenance, nor does such
8 failure affect the general applicability of RCW 41.50.500 through
9 41.50.650 to such obligations.

10 (3) The remedies in RCW 41.50.530 through 41.50.630 are the
11 exclusive provisions of law enforceable against the department of
12 retirement systems in connection with any action for enforcement of a
13 spousal maintenance obligation ordered pursuant to a divorce,
14 dissolution, or legal separation, and no other remedy ordered by a
15 court under this chapter shall be enforceable against the department
16 of retirement systems for collection of spousal maintenance.

17 (4) (a) Nothing in this section regarding mandatory assignment of
18 benefits to enforce a spousal maintenance obligation shall abridge
19 the right of an ex spouse to receive direct payment of retirement
20 benefits payable pursuant to: (i) A court decree of dissolution or
21 legal separation; or (ii) any court order or court-approved property
22 settlement agreement; or (iii) incident to any court decree of
23 dissolution or legal separation, if such dissolution orders fully
24 comply with RCW 41.50.670 and 41.50.700, or as applicable, RCW
25 2.10.180, 2.12.090, 41.04.310, 41.04.320, 41.04.330, (~~41.26.180,~~)
26 41.26.053, section 310 of this act, 41.32.052, 41.40.052, or
27 43.43.310 as those statutes existed before July 1, 1987, and as those
28 statutes exist on and after July 28, 1991.

29 (b) Persons whose dissolution orders as defined in RCW
30 41.50.500(3) were entered between July 1, 1987, and July 28, 1991,
31 shall be entitled to receive direct payments of retirement benefits
32 to satisfy court-ordered property divisions if the dissolution orders
33 filed with the department comply or are amended to comply with RCW
34 41.50.670 through 41.50.720 and, as applicable, RCW 2.10.180,
35 2.12.090, (~~41.26.180,~~) 41.26.053, section 310 of this act,
36 41.32.052, 41.40.052, or 43.43.310.

37 **Sec. 404.** RCW 28B.15.380 and 2019 c 144 s 1 are each amended to
38 read as follows:

1 Subject to the limitations of RCW 28B.15.910, the governing
2 boards of the state universities, the regional universities, and The
3 Evergreen State College shall exempt the following students from the
4 payment of all tuition fees and services and activities fees:

5 (1) Children of any law enforcement officer as defined in chapter
6 41.26 or 41.--- (the new chapter created in section 507 of this act)
7 RCW, firefighter as defined in chapter 41.26, 41.--- (the new chapter
8 created in section 507 of this act), or 41.24 RCW, highway worker, or
9 Washington state patrol officer who lost his or her life or became
10 totally disabled in the line of duty while employed by any public law
11 enforcement agency or full-time or volunteer fire department in this
12 state, or was a highway worker while either employed by a general
13 contractor or subcontractor, on a transportation project or employed
14 by a transportation agency: PROVIDED, That such persons may receive
15 the exemption only if they begin their course of study at a state-
16 supported college or university within ten years of their graduation
17 from high school; and

18 (2) Surviving spouses of any law enforcement officer as defined
19 in chapter 41.26 or 41.--- (the new chapter created in section 507 of
20 this act) RCW, firefighter as defined in chapter 41.26, 41.--- (the
21 new chapter created in section 507 of this act), or 41.24 RCW,
22 highway worker, or Washington state patrol officer who lost his or
23 her life or became totally disabled in the line of duty while
24 employed by any public law enforcement agency or full-time or
25 volunteer fire department in this state, or was a highway worker
26 while either employed by a general contractor or subcontractor, on a
27 transportation project or employed by a transportation agency.

28 (3) The governing boards of the state universities, the regional
29 universities, and The Evergreen State College shall report to the
30 education data center on the annual cost of tuition fees and services
31 and activities fees waived for surviving spouses and children under
32 this section. The education data center shall consolidate the reports
33 of the waived fees and annually report to the appropriate fiscal and
34 policy committees of the legislature.

35 (4) As used in this section, "transportation agency" means any
36 agency, department, or division of a municipal corporation, political
37 subdivision, or other unit of local government in this state, and any
38 agency, department, or division of state government, having as its
39 primary function the construction and maintenance of the highways and
40 roads within the state of Washington. Such an agency, department, or

1 division is distinguished from a transit agency having as one of its
2 functions the highway maintenance, including but not limited to the
3 state department of transportation. A transportation agency under
4 this section does not include a government contractor.

5 **Sec. 405.** RCW 28B.15.520 and 2025 c 42 s 1 are each amended to
6 read as follows:

7 Subject to the limitations of RCW 28B.15.910, the governing
8 boards of the community and technical colleges:

9 (1) May waive all or a portion of tuition fees and services and
10 activities fees for students who are eligible for resident tuition
11 and fee rates as defined in RCW 28B.15.012 through 28B.15.015, who
12 enroll in a course of study or program which will enable them to
13 finish their high school education and obtain a high school diploma
14 or certificate, but who are not eligible students as defined by RCW
15 28A.600.405;

16 (2)(a) Shall waive all of tuition fees and services and
17 activities fees for:

18 (i) Children of any law enforcement officer as defined in chapter
19 41.26 or 41.--- (the new chapter created in section 507 of this act)
20 RCW, firefighter as defined in chapter 41.26, 41.--- (the new chapter
21 created in section 507 of this act), or 41.24 RCW, or Washington
22 state patrol officer who lost his or her life or became totally
23 disabled in the line of duty while employed by any public law
24 enforcement agency or full time or volunteer fire department in this
25 state: PROVIDED, That such persons may receive the waiver only if
26 they begin their course of study at a community or technical college
27 within ten years of their graduation from high school; and

28 (ii) Surviving spouses of any law enforcement officer as defined
29 in chapter 41.26 or 41.--- (the new chapter created in section 507 of
30 this act) RCW, firefighter as defined in chapter 41.26, 41.--- (the
31 new chapter created in section 507 of this act), or 41.24 RCW, or
32 Washington state patrol officer who lost his or her life or became
33 totally disabled in the line of duty while employed by any public law
34 enforcement agency or full time or volunteer fire department in this
35 state.

36 (b) For the purposes of this section, "totally disabled" means a
37 person who has become totally and permanently disabled for life by
38 bodily injury or disease, and is thereby prevented from performing
39 any occupation or gainful pursuit.

1 (c) The governing boards of the community and technical colleges
2 shall report to the state board for community and technical colleges
3 on the annual cost of tuition fees and services and activities fees
4 waived for surviving spouses and children under (a) of this
5 subsection. The state board for community and technical colleges
6 shall consolidate the reports of the waived fees and annually report
7 to the appropriate fiscal and policy committees of the legislature;
8 and

9 (3) May waive all or a portion of the nonresident tuition fees
10 differential for:

11 (a) Nonresident students enrolled in a community or technical
12 college course of study or program which will enable them to finish
13 their high school education and obtain a high school diploma or
14 certificate but who are not eligible students as defined by RCW
15 28A.600.405. The waiver shall be in effect only for those courses
16 which lead to a high school diploma or certificate; and

17 (b) Up to forty percent of the students enrolled in the regional
18 education program for deaf students, subject to federal funding of
19 such program.

20 **Sec. 406.** RCW 35.21.935 and 2015 c 288 s 1 are each amended to
21 read as follows:

22 (1) Any city or town may establish the position of warrant
23 officer.

24 (2) If any city or town establishes the position of warrant
25 officer, the position shall be maintained by the city or town within
26 the city or town police department. The number and qualifications of
27 warrant officers shall be fixed by ordinance and their compensation
28 shall be paid by the city or town. The chief of police of the city or
29 town must establish training requirements consistent with the job
30 description of warrant officer established in that city or town.
31 Training requirements must be approved by the criminal justice
32 training commission.

33 (3) Warrant officers shall be vested only with the special
34 authority identified in ordinance, which may include the authority to
35 make arrests authorized by warrants and other authority related to
36 service of civil and criminal process.

37 (4) Process issuing from any court that is directed to a police
38 department in which a warrant officer position is maintained may be

1 served or enforced by the warrant officer, if within the warrant
2 officer's authority as identified in ordinance.

3 (5) Warrant officers shall not be entitled to death, disability,
4 or retirement benefits pursuant to chapter 41.26 or 41.--- (the new
5 chapter created in section 507 of this act) RCW on the basis of
6 service as a warrant officer as described in this section.

7 **Sec. 407.** RCW 35A.21.380 and 2015 c 288 s 2 are each amended to
8 read as follows:

9 (1) Any code city may establish the position of warrant officer.

10 (2) If any code city establishes the position of warrant officer,
11 the position shall be maintained by the city within the city police
12 department. The number and qualifications of warrant officers shall
13 be fixed by ordinance, and their compensation shall be paid by the
14 city. The chief of police of the city must establish training
15 requirements consistent with the job description of warrant officer
16 established in that city. Training requirements must be approved by
17 the criminal justice training commission.

18 (3) Warrant officers shall be vested only with the special
19 authority identified in ordinance, which may include the authority to
20 make arrests authorized by warrants and other authority related to
21 service of civil and criminal process.

22 (4) Process issuing from any court that is directed to a police
23 department in which a warrant officer position is maintained may be
24 served or enforced by the warrant officer, if within the warrant
25 officer's authority as identified in ordinance.

26 (5) Warrant officers shall not be entitled to death, disability,
27 or retirement benefits pursuant to chapter 41.26 or 41.--- (the new
28 chapter created in section 507 of this act) RCW on the basis of
29 service as a warrant officer as described in this section.

30 **Sec. 408.** RCW 36.28A.010 and 1975 1st ex.s. c 172 s 1 are each
31 amended to read as follows:

32 The Washington association of sheriffs and police chiefs is
33 hereby declared to be a combination of units of local government:
34 PROVIDED, That such association shall not be considered an "employer"
35 within the meaning of RCW 41.26.030(~~((2))~~), section 303 of this act,
36 or 41.40.010(~~((4))~~): PROVIDED FURTHER, That no compensation received
37 as an employee of the association shall be considered salary for
38 purposes of the provisions of any retirement system created pursuant

1 to the general laws of this state: PROVIDED FURTHER, That such
2 association shall not qualify for inclusion under the unallocated two
3 mills of the property tax of any political subdivision: PROVIDED
4 FURTHER, That the association shall not have the authority to assess
5 any excess levy or bond measure.

6 **Sec. 409.** RCW 41.04.205 and 2018 c 260 s 21 are each amended to
7 read as follows:

8 (1) Notwithstanding the provisions of RCW 41.04.180, the
9 employees, with their dependents, of any county, municipality, or
10 other political subdivision of this state shall be eligible to
11 participate in any insurance or self-insurance program for employees
12 administered under chapter 41.05 RCW if the legislative authority of
13 any such county, municipality, or other political subdivisions of
14 this state determines, subject to collective bargaining under
15 applicable statutes, a transfer to an insurance or self-insurance
16 program administered under chapter 41.05 RCW should be made. In the
17 event of a special district employee transfer pursuant to this
18 section, members of the governing authority shall be eligible to be
19 included in such transfer if such members are authorized by law as of
20 June 25, 1976 to participate in the insurance program being
21 transferred from and subject to payment by such members of all costs
22 of insurance for members.

23 (2) When the legislative authority of a county, municipality, or
24 other political subdivision determines to so transfer, the state
25 health care authority shall:

26 (a) Establish the conditions for participation; and

27 (b) Have the sole right to reject the application, except a group
28 application from a county or other political subdivision of the state
29 with fewer than five thousand employees must be approved.

30 Approval of the application by the state health care authority
31 shall effect a transfer of the employees involved to the insurance,
32 self-insurance, or health care program applied for.

33 (3) Any application of this section to members of the law
34 enforcement officers' and firefighters' retirement system under
35 chapter 41.26 or 41.--- (the new chapter created in section 507 of
36 this act) RCW is subject to chapter 41.56 RCW.

37 (4) Until December 31, 2019, school districts may voluntarily
38 transfer to the public employees' benefits board, except that all
39 eligible employees in a bargaining unit of a school district may

1 transfer only as a unit and all nonrepresented employees in a
2 district may transfer only as a unit.

3 **Sec. 410.** RCW 41.04.270 and 2006 c 309 s 3 are each amended to
4 read as follows:

5 (1) Except as provided in chapter 2.10, 2.12, 41.26, 41.--- (the
6 new chapter created in section 507 of this act), 41.28, 41.32, 41.35,
7 41.37, 41.40, or 43.43 RCW, on and after March 19, 1976, any member
8 or former member who (a) receives a retirement allowance earned by
9 the former member as deferred compensation from any public retirement
10 system authorized by the general laws of this state, or (b) is
11 eligible to receive a retirement allowance from any public retirement
12 system listed in RCW 41.50.030, but chooses not to apply, or (c) is
13 the beneficiary of a disability allowance from any public retirement
14 system listed in RCW 41.50.030 shall be estopped from becoming a
15 member of or accruing any contractual rights whatsoever in any other
16 public retirement system listed in RCW 41.50.030: PROVIDED, That (a)
17 and (b) of this subsection shall not apply to persons who have
18 accumulated less than fifteen years service credit in any such
19 system.

20 (2) Nothing in this section is intended to apply to any
21 retirement system except those listed in RCW 41.50.030 and the city
22 employee retirement systems for Seattle, Tacoma, and Spokane.
23 Subsection (1)(b) of this section does not apply to a dual member as
24 defined in RCW 41.54.010.

25 **Sec. 411.** RCW 41.04.350 and 1979 ex.s. c 159 s 1 are each
26 amended to read as follows:

27 (1) Notwithstanding any other provisions of law, no employee of
28 the state of Washington or any of its political subdivisions or any
29 institution supported in total or in part by the state or any of its
30 political subdivisions, other than employees covered by chapters
31 41.26, 41.--- (the new chapter created in section 507 of this act),
32 and 43.43 RCW, shall be compelled to retire solely on the basis of
33 age prior to attaining seventy years of age.

34 (2) All compulsory retirement provisions relating to public
35 employees, other than employees covered by chapters 41.26, 41.---
36 (the new chapter created in section 507 of this act), and 43.43 RCW,
37 may be waived for individuals attaining seventy years of age by the
38 individual's employer.

1 **Sec. 412.** RCW 41.04.393 and 2006 c 309 s 5 are each amended to
2 read as follows:

3 Retirement benefits paid under chapter 41.26, 41.--- (the new
4 chapter created in section 507 of this act), 41.37, 41.40, or 43.43
5 RCW to beneficiaries of public safety officers who die in the line of
6 duty shall be paid in accordance with Title 26 U.S.C. Sec. 101(h) as
7 amended by the Fallen Hero Survivor Benefit Fairness Act of 2001.

8 **Sec. 413.** RCW 41.04.400 and 1984 c 184 s 22 are each amended to
9 read as follows:

10 It is the purpose of RCW 41.04.405 through 41.04.430 to govern
11 the retirement rights of persons whose employment status is altered
12 when: (1) Two or more units of local government of this state, at
13 least one of which is a first-class city with its own retirement
14 system, enter into an agreement for the consolidated performance of a
15 governmental service, activity, or undertaking; (2) the service,
16 activity, or undertaking is to be performed either by one of the
17 participating local governmental units or by a newly established
18 separate legal entity; and (3) the employees of the participating
19 local governmental units are not all members of the same Washington
20 public retirement system.

21 RCW 41.04.405 through 41.04.430 are not intended to and do not
22 govern retirement rights of any members of the retirement systems
23 established by chapter 41.16, 41.18, 41.20, (~~(or)~~) 41.26, or 41.---
24 (the new chapter created in section 507 of this act) RCW, or of
25 employees described in RCW 35.58.265, 35.58.390, or 70.08.070. To the
26 extent there is any conflict between RCW 41.04.405 through 41.04.430
27 and RCW 41.04.110, the provisions of RCW 41.04.405 through 41.04.430
28 shall govern.

29 **Sec. 414.** RCW 41.04.440 and 2007 c 492 s 3 are each amended to
30 read as follows:

31 (1) The sole purpose of RCW 41.04.445 and 41.04.450 is to allow
32 the members of the retirement systems created in chapters 2.10, 2.12,
33 41.26, 41.--- (the new chapter created in section 507 of this act),
34 41.32, 41.35, 41.37, 41.40, 41.34, and 43.43 RCW to enjoy the tax
35 deferral benefits allowed under 26 U.S.C. 414(h). Chapter 227, Laws
36 of 1984 does not alter in any manner the provisions of RCW 41.45.060,
37 41.45.061, and 41.45.067 which require that the member contribution

1 rates shall be set so as to provide fifty percent of the cost of the
2 respective retirement plans.

3 (2) Should the legislature revoke any benefit allowed under 26
4 U.S.C. 414(h), no affected employee shall be entitled thereafter to
5 receive such benefit as a matter of contractual right.

6 **Sec. 415.** RCW 41.04.450 and 2007 c 492 s 5 are each amended to
7 read as follows:

8 (1) Employers of those members under chapters 41.26, 41.--- (the
9 new chapter created in section 507 of this act), 41.34, 41.35, 41.37,
10 and 41.40 RCW who are not specified in RCW 41.04.445 may choose to
11 implement the employer pick up of all member contributions without
12 exception under RCW (~~(41.26.080(1)(a),~~) 41.26.450, section 316(1)(a)
13 of this act, 41.40.330(1), 41.45.060, 41.45.061, and 41.45.067 and
14 chapter 41.34 RCW. If the employer does so choose, the employer and
15 members shall be subject to the conditions and limitations of RCW
16 41.04.445 (3), (4), and (5) and 41.04.455.

17 (2) An employer exercising the option under this section may
18 later choose to withdraw from and/or reestablish the employer pick up
19 of member contributions only once in a calendar year following forty-
20 five days prior notice to the director of the department of
21 retirement systems.

22 **Sec. 416.** RCW 41.04.803 and 2012 c 236 s 7 are each amended to
23 read as follows:

24 (1) Chapter 236, Laws of 2012 is curative and remedial and is
25 applicable to any future determination of eligibility for membership
26 in a retirement system under chapters 41.26, 41.--- (the new chapter
27 created in section 507 of this act), 41.32, 41.35, 41.37, and 41.40
28 RCW.

29 (2) Chapter 236, Laws of 2012 does not apply to or contravene any
30 prior final decision of the state supreme court regarding the
31 interpretation of the statutes addressed in chapter 236, Laws of
32 2012.

33 **Sec. 417.** RCW 41.05.011 and 2023 c 164 s 1, 2023 c 51 s 3, and
34 2023 c 13 s 2 are each reenacted and amended to read as follows:

35 The definitions in this section apply throughout this chapter
36 unless the context clearly requires otherwise.

37 (1) "Authority" means the Washington state health care authority.

1 (2) "Board" means the public employees' benefits board
2 established under RCW 41.05.055 and the school employees' benefits
3 board established under RCW 41.05.740.

4 (3) "Dependent care assistance program" means a benefit plan
5 whereby employees and school employees may pay for certain employment
6 related dependent care with pretax dollars as provided in the salary
7 reduction plan under this chapter pursuant to 26 U.S.C. Sec. 129 or
8 other sections of the internal revenue code.

9 (4) "Director" means the director of the authority.

10 (5) "Emergency service personnel killed in the line of duty"
11 means law enforcement officers and firefighters as defined in RCW
12 41.26.030 or section 303 of this act, members of the Washington state
13 patrol retirement fund as defined in RCW 43.43.120, and reserve
14 officers and firefighters as defined in RCW 41.24.010 who die as a
15 result of injuries sustained in the course of employment as
16 determined consistent with Title 51 RCW by the department of labor
17 and industries.

18 (6) (a) "Employee" for the public employees' benefits board
19 program includes all employees of the state, whether or not covered
20 by civil service; elected and appointed officials of the executive
21 branch of government, including full-time members of boards,
22 commissions, or committees; justices of the supreme court and judges
23 of the court of appeals and the superior courts; and members of the
24 state legislature. Pursuant to contractual agreement with the
25 authority, "employee" may also include: (i) Employees of a county,
26 municipality, or other political subdivision of the state and members
27 of the legislative authority of any county, city, or town who are
28 elected to office after February 20, 1970, if the legislative
29 authority of the county, municipality, or other political subdivision
30 of the state submits application materials to the authority to
31 provide any of its insurance programs by contract with the authority,
32 as provided in RCW 41.04.205 and 41.05.021(1)(g); (ii) employees of
33 employee organizations representing state civil service employees, at
34 the option of each such employee organization; (iii) through December
35 31, 2019, employees of a school district if the authority agrees to
36 provide any of the school districts' insurance programs by contract
37 with the authority as provided in RCW 28A.400.350; (iv) employees of
38 a tribal government, if the governing body of the tribal government
39 seeks and receives the approval of the authority to provide any of
40 its insurance programs by contract with the authority, as provided in

1 RCW 41.05.021(1) (f) and (g); (v) employees of the Washington health
2 benefit exchange if the governing board of the exchange established
3 in RCW 43.71.020 seeks and receives approval of the authority to
4 provide any of its insurance programs by contract with the authority,
5 as provided in RCW 41.05.021(1) (g) and (n); and (vi) through
6 December 31, 2019, employees of a charter school established under
7 chapter 28A.710 RCW. "Employee" does not include: Adult family home
8 providers; unpaid volunteers; patients of state hospitals; inmates;
9 students of institutions of higher education as determined by their
10 institution; and any others not expressly defined as employees under
11 this chapter or by the authority under this chapter.

12 (b) Effective January 1, 2020, "school employee" for the school
13 employees' benefits board program includes:

14 (i) All employees of school districts and charter schools
15 established under chapter 28A.710 RCW;

16 (ii) Represented employees of educational service districts;

17 (iii) Effective January 1, 2024, all employees of educational
18 service districts; and

19 (iv) Effective January 1, 2024, pursuant to contractual agreement
20 with the authority, "school employee" may also include: (A) Employees
21 of employee organizations representing school employees, at the
22 option of each such employee organization; and (B) employees of a
23 tribal school as defined in RCW 28A.715.010, if the governing body of
24 the tribal school seeks and receives the approval of the authority to
25 provide any of its insurance programs by contract with the authority,
26 as provided in RCW 41.05.021(1) (f) and (g).

27 (7) "Employee group" means employees of a similar employment
28 type, such as administrative, represented classified, nonrepresented
29 classified excluding such employees in educational service districts
30 until December 31, 2023, confidential, represented certificated, or
31 nonrepresented certificated excluding such employees in educational
32 service districts until December 31, 2023, within a school employees'
33 benefits board organization.

34 (8)(a) "Employer" for the public employees' benefits board
35 program means the state of Washington.

36 (b) "Employer" for the school employees' benefits board program
37 means school districts and educational service districts and charter
38 schools established under chapter 28A.710 RCW.

39 (9)(a) "Employer group" for the public employees' benefits board
40 program means those counties, municipalities, political subdivisions,

1 the Washington health benefit exchange, tribal governments, and
2 employee organizations representing state civil service employees
3 obtaining employee benefits through a contractual agreement with the
4 authority to participate in benefit plans developed by the public
5 employees' benefits board.

6 (b) "Employer group" for the school employees' benefits board
7 program means an employee organization representing school employees
8 and a tribal school as defined in RCW 28A.715.010, obtaining employee
9 benefits through a contractual agreement with the authority to
10 participate in benefit plans developed by the school employees'
11 benefits board.

12 (10)(a) "Employing agency" for the public employees' benefits
13 board program means a division, department, or separate agency of
14 state government, including an institution of higher education; a
15 county, municipality, or other political subdivision; and a tribal
16 government covered by this chapter.

17 (b) "Employing agency" for the school employees' benefits board
18 program means school districts, educational service districts, and
19 charter schools.

20 (11) "Faculty" means an academic employee of an institution of
21 higher education whose workload is not defined by work hours but
22 whose appointment, workload, and duties directly serve the
23 institution's academic mission, as determined under the authority of
24 its enabling statutes, its governing body, and any applicable
25 collective bargaining agreement.

26 (12) "Flexible benefit plan" means a benefit plan that allows
27 public employees to choose the level of health care coverage provided
28 and the amount of employee or school employee contributions from
29 among a range of choices offered by the authority.

30 (13) "Flexible spending arrangement" means a benefit plan whereby
31 public employees may reduce their salary before taxes to pay for
32 medical expenses not reimbursed by insurance as provided in the
33 salary reduction plan under this chapter pursuant to 26 U.S.C. Sec.
34 125 or other sections of the internal revenue code.

35 (14) "Insuring entity" means an insurer as defined in chapter
36 48.01 RCW, a health care service contractor as defined in chapter
37 48.44 RCW, or a health maintenance organization as defined in chapter
38 48.46 RCW.

1 (15) "Participant" means an individual who fulfills the
2 eligibility and enrollment requirements under the salary reduction
3 plan.

4 (16) "Plan year" means the time period established by the
5 authority.

6 (17) "Premium payment plan" means a benefit plan whereby public
7 employees may pay their share of group health plan premiums with
8 pretax dollars as provided in the salary reduction plan under this
9 chapter pursuant to 26 U.S.C. Sec. 125 or other sections of the
10 internal revenue code.

11 (18) "Public employee" has the same meaning as employee and
12 school employee.

13 (19) "Retired or disabled school employee" means:

14 (a) Persons who separated from employment with a school district
15 or educational service district and are receiving a retirement
16 allowance under chapter 41.32 or 41.40 RCW as of September 30, 1993;

17 (b) Persons who separate from employment with a school district,
18 educational service district, or charter school on or after October
19 1, 1993, and immediately upon separation receive a retirement
20 allowance under chapter 41.32, 41.35, or 41.40 RCW;

21 (c) Persons who separate from employment with a school district,
22 educational service district, or charter school due to a total and
23 permanent disability, and are eligible to receive a deferred
24 retirement allowance under chapter 41.32, 41.35, or 41.40 RCW.

25 (20) "Salary" means a public employee's monthly salary or wages.

26 (21) "Salary reduction plan" means a benefit plan whereby public
27 employees may agree to a reduction of salary on a pretax basis to
28 participate in the dependent care assistance program, flexible
29 spending arrangement, or premium payment plan offered pursuant to 26
30 U.S.C. Sec. 125 or other sections of the internal revenue code.

31 (22) "School employees' benefits board organization" means a
32 public school district or educational service district or charter
33 school established under chapter 28A.710 RCW that is required to
34 participate in benefit plans provided by the school employees'
35 benefits board.

36 (23) "School year" means school year as defined in RCW
37 28A.150.203(11).

38 (24) "Seasonal employee" means a state employee hired to work
39 during a recurring, annual season with a duration of three months or
40 more, and anticipated to return each season to perform similar work.

1 (25) "Separated employees" means persons who separate from
2 employment with an employer as defined in:

3 (a) (i) RCW 41.32.010(17) on or after July 1, 1996; or

4 (ii) RCW 41.35.010 on or after September 1, 2000; or

5 (iii) RCW 41.40.010 on or after March 1, 2002;

6 and who are at least age fifty-five and have at least ten years of
7 service under the teachers' retirement system plan 3 as defined in
8 RCW 41.32.010(33), the Washington school employees' retirement system
9 plan 3 as defined in RCW 41.35.010, or the public employees'
10 retirement system plan 3 as defined in RCW 41.40.010; or

11 (b) For the purposes of RCW 41.05.080:

12 (i) RCW 41.32.010 on or after January 1, 2024; or

13 (ii) RCW 41.35.010 on or after January 1, 2024; or

14 (iii) RCW 41.40.010 on or after January 1, 2024; and who are at
15 least age 55 and have at least 20 years of service under the
16 teachers' retirement system plan 2 as defined in RCW 41.32.010, the
17 Washington school employees' retirement system plan 2 as defined in
18 RCW 41.35.010, or the public employees' retirement system plan 2 as
19 defined in RCW 41.40.010.

20 (26) "State purchased health care" or "health care" means medical
21 and behavioral health care, pharmaceuticals, and medical equipment
22 purchased with state and federal funds by the department of social
23 and health services, the department of health, the basic health plan,
24 the state health care authority, the department of labor and
25 industries, the department of corrections, the department of veterans
26 affairs, and local school districts.

27 (27) "Tribal government" means an Indian tribal government as
28 defined in section 3(32) of the employee retirement income security
29 act of 1974, as amended, or an agency or instrumentality of the
30 tribal government, that has government offices principally located in
31 this state.

32 **Sec. 418.** RCW 41.05.320 and 2023 c 51 s 17 are each amended to
33 read as follows:

34 (1) Elected officials and permanent employees and school
35 employees are eligible to participate in the salary reduction plan
36 and reduce their salary by agreement with the authority. The
37 authority may adopt rules to: (a) Limit the participation of
38 employing agencies and their employees in the plan; and (b) permit

1 participation in the plan by temporary employees and school
2 employees.

3 (2) Persons eligible under subsection (1) of this section may
4 enter into salary reduction agreements with the state.

5 (3) (a) An eligible person may become a participant of the salary
6 reduction plan for a full plan year with annual benefit plan
7 selection for each new plan year made before the beginning of the
8 plan year, as determined by the authority, or upon becoming eligible.

9 (b) Once an eligible person elects to participate in the salary
10 reduction plan and determines the amount his or her gross salary
11 shall be reduced and the benefit plan for which the funds are to be
12 used during the plan year, the agreement shall be irrevocable and may
13 not be amended during the plan year except as provided in (c) of this
14 subsection. Prior to making an election to participate in the salary
15 reduction plan, the eligible person shall be informed in writing of
16 all the benefits and reductions that will occur as a result of such
17 election.

18 (c) The authority shall provide in the salary reduction plan that
19 a participant may enroll, terminate, or change his or her election
20 after the plan year has begun if there is a significant change in a
21 participant's status, as provided by 26 U.S.C. Sec. 125 and the
22 regulations adopted under that section and defined by the authority.

23 (4) The authority shall establish as part of the salary reduction
24 plan the procedures for and effect of withdrawal from the plan by
25 reason of retirement, death, leave of absence, or termination of
26 employment. To the extent possible under federal law, the authority
27 shall protect participants from forfeiture of rights under the plan.

28 (5) Any reduction of salary under the salary reduction plan shall
29 not reduce the reportable compensation for the purpose of computing
30 the state retirement and pension benefits earned by the public
31 employee pursuant to chapters 41.26, 41.--- (the new chapter created
32 in section 507 of this act), 41.32, 41.35, 41.37, 41.40, and 43.43
33 RCW.

34 **Sec. 419.** RCW 41.16.020 and 2020 c 107 s 2 are each amended to
35 read as follows:

36 (1) There is hereby created in each city and town a municipal
37 firefighters' pension board to consist of the following five members,
38 ex officio, the mayor, or in a city of the first class, the mayor or
39 a designated representative who shall be an elected official of the

1 city, who shall be chairperson of the board, the city comptroller or
2 clerk, the chairperson of finance of the city council, or if there is
3 no chairperson of finance, the city treasurer, and in addition, two
4 regularly employed or retired firefighters elected by secret ballot
5 of those employed and retired firefighters who are subject to the
6 jurisdiction of the board. The members to be elected by the
7 firefighters shall be elected annually for a two year term. The two
8 firefighters elected as members shall, in turn, select a third
9 eligible member who shall serve as an alternate in the event of an
10 absence of one of the regularly elected members. In case a vacancy
11 occurs in the membership of the firefighters or retired members, the
12 members shall in the same manner elect a successor to serve the
13 unexpired term. The board may select and appoint a secretary who may,
14 but need not be, a member of the board. In case of absence or
15 inability of the chairperson to act, the board may select a
16 chairperson pro tempore who shall during such absence or inability
17 perform the duties and exercise the powers of the chairperson. A
18 majority of the members of the board shall constitute a quorum and
19 have power to transact business.

20 (2) If no eligible regularly employed or retired firefighters are
21 willing or able to be elected to the board under subsection (1) of
22 this section, then the following individuals may be elected to the
23 board under subsection (1) of this section:

24 (a) Any active or retired firefighters who reside within the
25 jurisdiction served by the board. This includes active and retired
26 firefighters under this chapter and chapters 41.18, 41.26, 41.---
27 (the new chapter created in section 507 of this act), and 52.26 RCW;

28 (b) The widow or widower of a firefighter subject to the
29 jurisdiction of the board.

30 **Sec. 420.** RCW 41.16.060 and 2019 c 320 s 1 are each amended to
31 read as follows:

32 (1) It is the duty of the legislative authority of each
33 municipality, each year as a part of its annual tax levy, to levy and
34 place in the fund a tax of twenty-two and one-half cents per thousand
35 dollars of assessed value against all the taxable property of such
36 municipality: PROVIDED, That if a report by a qualified actuary on
37 the condition of the fund establishes that the whole or any part of
38 said dollar rate is not necessary to maintain the actuarial soundness
39 of the fund, the levy of said twenty-two and one-half cents per

1 thousand dollars of assessed value may be omitted, or the whole or
2 any part of such dollar rate may be levied and used for any other
3 municipal purpose.

4 (2) It is the duty of the legislative authority of each
5 municipality, each year as a part of its annual tax levy and in
6 addition to the city levy limit set forth in RCW 84.52.043, to levy
7 and place in the fund an additional tax of twenty-two and one-half
8 cents per thousand dollars of assessed value against all taxable
9 property of such municipality: PROVIDED, That if a report by a
10 qualified actuary establishes that all or any part of the additional
11 twenty-two and one-half cents per thousand dollars of assessed value
12 levy is unnecessary to meet the estimated demands on the fund under
13 this chapter for the ensuing budget year, the levy of said additional
14 twenty-two and one-half cents per thousand dollars of assessed value
15 may be omitted, or the whole or any part of such dollar rate may be
16 levied and used for any other municipal purpose, subject to
17 subsection (4) of this section: PROVIDED FURTHER, That cities that
18 have annexed to library districts according to RCW 27.12.360 through
19 27.12.395 and/or fire protection districts according to RCW 52.04.061
20 through 52.04.081 may not levy this additional tax to the extent that
21 it causes the combined levies to exceed the statutory or
22 constitutional limits.

23 (3) The amount of a levy under this section allocated to the
24 pension fund may be reduced in the same proportion as the regular
25 property tax levy of the municipality is reduced by chapter 84.55
26 RCW.

27 (4) If a municipality no longer has any beneficiaries receiving
28 benefits under this chapter, the whole or any part of such additional
29 levy under subsection (2) of this section may continue to be levied
30 for the payment of benefits provided under ((RCW 41.26.150(1)))
31 section 327(1) of this act or other municipal purpose until such time
32 that the municipality no longer has any beneficiaries receiving
33 benefits under ((RCW 41.26.150(1))) section 327(1) of this act,
34 however the proceeds of the additional levy must be annually expended
35 for payment of benefits provided under ((RCW 41.26.150(1))) section
36 327(1) of this act prior to being spent for any other purpose.

37 **Sec. 421.** RCW 41.16.145 and 2007 c 218 s 30 are each amended to
38 read as follows:

1 The amount of all benefits payable under the provisions of RCW
2 41.16.080, 41.16.120, 41.16.130, 41.16.140 and 41.16.230 shall be
3 increased annually as hereafter in this section provided. The local
4 pension board shall meet subsequent to March 31st but prior to June
5 30th of each year for the purposes of adjusting benefit allowances
6 payable pursuant to the aforementioned sections. The local board
7 shall determine the increase in the consumer price index between
8 January 1st and December 31st of the previous year and increase in
9 dollar amount the benefits payable subsequent to July 1st of the year
10 in which said board makes such determination by a dollar amount
11 proportionate to the increase in the consumer price index: PROVIDED,
12 That regardless of the change in the consumer price index, such
13 increase shall be at least two percent each year such adjustment is
14 made.

15 Each year effective with the July payment all benefits specified
16 herein, shall be increased by this section. This benefit increase
17 shall be paid monthly as part of the regular pension payment and
18 shall be cumulative. The increased benefits authorized by this
19 section shall not affect any benefit payable under the provisions of
20 this chapter (~~(41.16-RCW)~~) in which the benefit payment is attached
21 to a current salary of the rank held at time of retirement. A
22 beneficiary of benefit increases provided for pursuant to this
23 section is hereby authorized to appeal a decision on such increases
24 or the failure of the local pension board to order such increased
25 benefits or the amount of such benefits to the (~~(Washington law~~
26 ~~enforcement officers' and firefighters' system retirement board~~
27 ~~provided for in RCW 41.26.050)~~) director of retirement systems.

28 For the purpose of this section the term "consumer price index"
29 shall mean, for any calendar year, the consumer price index for the
30 Seattle, Washington area as compiled by the bureau of labor
31 statistics of the United States department of labor.

32 **Sec. 422.** RCW 41.18.015 and 2020 c 107 s 4 are each amended to
33 read as follows:

34 (1) There is hereby created in each fire protection district
35 which qualifies under this chapter, a firefighters' pension board to
36 consist of the following five members, the chairperson of the fire
37 commissioners for said district who shall be chairperson of the
38 board, the county auditor, county treasurer, and in addition, two
39 regularly employed or retired firefighters elected by secret ballot

1 of the employed and retired firefighters. Retired members who are
2 subject to the jurisdiction of the pension board have both the right
3 to elect and the right to be elected under this section. The first
4 members to be elected by the firefighters shall be elected annually
5 for a two-year term. The two firefighter elected members shall, in
6 turn, select a third eligible member who shall serve in the event of
7 an absence of one of the regularly elected members. In case a vacancy
8 occurs in the membership of the firefighter or retired members, the
9 members shall in the same manner elect a successor to serve the
10 unexpired term. The board may select and appoint a secretary who may,
11 but need not be a member of the board. In case of absence or
12 inability of the chairperson to act, the board may select a
13 chairperson pro tempore who shall during such absence or inability
14 perform the duties and exercise the powers of the chairperson. A
15 majority of the members of said board shall constitute a quorum and
16 have power to transact business.

17 (2) If no eligible regularly employed or retired firefighters are
18 willing or able to be elected to the board under subsection (1) of
19 this section, then the following individuals may be elected to the
20 board under subsection (1) of this section:

21 (a) Any active or retired firefighters who reside within the
22 jurisdiction served by the board. This includes active and retired
23 firefighters under this chapter and chapters 41.16, 41.26, 41.---
24 (the new chapter created in section 507 of this act), and 52.26 RCW;

25 (b) The widow or widower of a firefighter subject to the
26 jurisdiction of the board.

27 **Sec. 423.** RCW 41.18.104 and 1975-'76 2nd ex.s. c 44 s 2 are each
28 amended to read as follows:

29 The amount of all benefits payable under the provisions of RCW
30 41.18.040, 41.18.080, 41.18.100 and 41.18.200 as now or hereafter
31 amended, shall be increased annually as hereafter in this section
32 provided. The local pension board shall meet subsequent to March 31st
33 but prior to June 30th of each year for the purpose of adjusting
34 benefit allowances payable pursuant to the aforementioned sections.
35 The local board shall determine the increase in the consumer price
36 index between January 1st and December 31st of the previous year and
37 increase in dollar amount the benefits payable subsequent to July 1st
38 of the year in which said board makes such determination by a dollar
39 amount proportionate to the increase in the consumer price index:

1 PROVIDED, That regardless of the change in the consumer price index,
2 such increase shall be at least two percent each year such adjustment
3 is made.

4 Each year effective with the July payment all benefits specified
5 herein, shall be increased as authorized by this section. This
6 benefit increase shall be paid monthly as part of the regular pension
7 payment and shall be cumulative. The increased benefits authorized by
8 this section shall not affect any benefit payable under the
9 provisions of chapter 41.18 RCW in which the benefit payment is
10 attached to a current salary of the rank held at time of retirement.
11 A beneficiary of benefit increases provided for pursuant to this
12 section is hereby authorized to appeal a decision on such increases
13 or the failure of the local pension board to order such increased
14 benefits or the amount of such benefits to the ((Washington law
15 enforcement officers' and firefighters' system retirement board
16 provided for in RCW 41.26.050)) director of retirement systems.

17 For the purpose of this section the term
18 "Consumer price index" shall mean, for any calendar year, the
19 consumer price index for the Seattle, Washington area as compiled by
20 the bureau of labor statistics of the United States department of
21 labor.

22 **Sec. 424.** RCW 41.18.210 and 2007 c 218 s 61 are each amended to
23 read as follows:

24 Any former employee of a department of a city of the first class,
25 who (1) was a member of the employees' retirement system of such
26 city, and (2) is now employed within the fire department of such
27 city, may transfer his or her former membership credit from the city
28 employees' retirement system to the firefighter's pension system
29 created by this chapter and chapter((s)) 41.16 ((and 41.18)) RCW by
30 filing a written request with the board of administration and the
31 municipal firefighters' pension board, respectively.

32 Upon the receipt of such request, the transfer of membership to
33 the city's firefighter's pension system shall be made, together with
34 a transfer of all accumulated contributions credited to such member.
35 The board of administration shall transmit to the municipal
36 firefighters' pension board a record of service credited to such
37 member which shall be computed and credited to such member as a part
38 of his or her period of employment in the city's firefighter's
39 pension system. For the purpose of the transfer contemplated by this

1 section, those affected individuals who have formerly withdrawn funds
2 from the city employees' retirement system shall be allowed to
3 restore contributions withdrawn from that retirement system directly
4 to the firefighter's pension system and receive credit in the
5 firefighter's pension system for their former membership service in
6 the prior system.

7 Any employee so transferring shall have all the rights, benefits,
8 and privileges that he or she would have been entitled to had he or
9 she been a member of the city's firefighter's pension system from the
10 beginning of his or her employment with the city.

11 No person so transferring shall thereafter be entitled to any
12 other public pension, except that provided by chapter 41.26 or 41.---
13 (the new chapter created in section 507 of this act) RCW or social
14 security, which is based upon such service with the city.

15 The right of any employee to file a written request for transfer
16 of membership as set forth in this section shall expire December 31,
17 1974.

18 **Sec. 425.** RCW 41.20.010 and 2020 c 107 s 5 are each amended to
19 read as follows:

20 (1) The mayor or his or her designated representative who shall
21 be an elected official of the city, and the clerk, treasurer,
22 president of the city council or mayor pro tem of each city of the
23 first class, or in case any such city has no city council, the
24 commissioner who has supervision of the police department, together
25 with three active or retired members of the police department, to be
26 elected as herein provided, in addition to the duties now required of
27 them, are constituted a board of trustees of the relief and pension
28 fund of the police department of each such city, and shall provide
29 for the disbursement of the fund, and designate the beneficiaries
30 thereof.

31 (2) The police department and the retired law enforcement
32 officers of each city of the first class shall elect three members to
33 act as members of the board. Members shall be elected for three year
34 terms. Existing members shall continue in office until replaced as
35 provided for in this section.

36 (3) Such election shall be held in the following manner. Not more
37 than thirty nor less than fifteen days preceding the first day of
38 June in each year, written notice of the nomination of any member or
39 retired member of the department for membership on the board may be

1 filed with the secretary of the board. Each notice of nomination
2 shall be signed by not less than five members or retired members of
3 the department, and nothing herein contained shall prevent any member
4 or retired member of the department from signing more than one notice
5 of nomination. The election shall be held on a date to be fixed by
6 the secretary during the month of June. Notice of the dates upon
7 which notice of nomination may be filed and of the date fixed for the
8 election of such members of the board shall be given by the secretary
9 of the board by posting written notices thereof in a prominent place
10 in the police headquarters. For the purpose of such election, the
11 secretary of the board shall prepare and furnish printed or
12 typewritten ballots in the usual form, containing the names of all
13 persons regularly nominated for membership and shall furnish a ballot
14 box for the election. Each member and each retired member of the
15 police department shall be entitled to vote at the election for one
16 nominee as a member of the board. The chief of the department shall
17 appoint two members to act as officials of the election, who shall be
18 allowed their regular wages for the day, but shall receive no
19 additional compensation therefor. The election shall be held in the
20 police headquarters of the department and the polls shall open at
21 7:30 a.m. and close at 8:30 p.m. The one nominee receiving the
22 highest number of votes shall be declared elected to the board and
23 his or her term shall commence on the first day of July succeeding
24 the election. In the first election the nominee receiving the
25 greatest number of votes shall be elected to the three year term, the
26 second greatest to the two year term and the third greatest to the
27 one year term. Retired members who are subject to the jurisdiction of
28 the board have both the right to elect and the right to be elected
29 under this section. Ballots shall contain all names of those
30 nominated, both active and retired. Notice of nomination and voting
31 by retired members shall be conducted by the board.

32 (4) If no eligible active or retired members of the police
33 department are willing or able to be elected to the board under
34 subsection (3) of this section, then the following individuals may be
35 elected to the board under subsection (3) of this section:

36 (a) Any active or retired law enforcement officers who reside
37 within the jurisdiction served by the board. This includes active and
38 retired law enforcement officers under this chapter and chapters
39 41.26 and 41.--- (the new chapter created in section 507 of this act)
40 RCW;

1 (b) The widow or widower of a law enforcement officer subject to
2 the jurisdiction of the board.

3 **Sec. 426.** RCW 41.20.170 and 2012 c 117 s 35 are each amended to
4 read as follows:

5 Any former employee of a department of a city of the first class
6 who (1) was a member of the employees' retirement system of such
7 city, and (2) is now employed within the police department of such
8 city, may transfer his or her membership from the city employees'
9 retirement system to the city's police relief and pension fund system
10 by filing a written request with the board of administration and the
11 board of trustees, respectively, of the two systems.

12 Upon the receipt of such request, the transfer of membership to
13 the city's police relief and pension fund system shall be made,
14 together with a transfer of all accumulated contributions credited to
15 such member. The board of administration of the city's employees'
16 retirement system shall transmit to the board of trustees of the
17 city's police relief and pension fund system a record of service
18 credited to such member which shall be computed and credited to such
19 member as a part of his or her period of employment in the city's
20 police relief and pension fund system. For the purpose of the
21 transfer contemplated by this section, the affected individuals shall
22 be allowed to restore withdrawn contributions to the city employees'
23 retirement system and reinstate their membership service records.

24 Any employee so transferring shall have all the rights, benefits
25 and privileges that he or she would have been entitled to had he or
26 she been a member of the city's police relief and pension fund system
27 from the beginning of his or her employment with the city.

28 No person so transferring shall thereafter be entitled to any
29 other public pension, except that provided by chapter 41.26 or 41.---
30 (the new chapter created in section 507 of this act) RCW or social
31 security, which is based upon service with the city.

32 The right of any employee to file a written request for transfer
33 of membership as set forth herein shall expire December 31, 1973.

34 **Sec. 427.** RCW 41.20.175 and 2012 c 117 s 36 are each amended to
35 read as follows:

36 A former employee of a fire department of a city of the first
37 class who (1) was a member of the firefighters' pension system
38 created by chapter((s)) 41.16 or 41.18 RCW, and (2) is now employed

1 within the police department of such city, will be regarded as having
2 received membership service credit for such service to the fire
3 department in the city's police and relief pension system at the time
4 he or she recovers such service credit by paying withdrawn
5 contributions to the Washington law enforcement officers' and
6 firefighters' retirement system pursuant to RCW 41.26.030(~~((+28))~~)
7 (25) or section 303(29) of this act.

8 **Sec. 428.** RCW 41.24.400 and 2007 c 492 s 7 are each amended to
9 read as follows:

10 (1) Except as provided in subsection (2) of this section, any
11 municipality may make provision by appropriate legislation and
12 payment of fees required by RCW 41.24.030(~~((+1))~~) (2) solely for the
13 purpose of enabling any reserve officer to enroll under the
14 retirement pension provisions of this chapter or fees required under
15 RCW 41.24.030(~~((+1))~~) (2) to pay for the costs of extending the relief
16 provisions of this chapter to its reserve officers.

17 (2) A reserve officer is not eligible to receive a benefit under
18 the retirement provisions of this chapter for service under chapter
19 41.26, 41.--- (the new chapter created in section 507 of this act),
20 41.32, 41.35, 41.37, or 41.40 RCW.

21 (3) Every municipality shall make provisions for the collection
22 and payment of the fees required under this chapter, and shall
23 continue to make provisions for all reserve officers who come under
24 this chapter as long as they continue to be employed as reserve
25 officers.

26 (4) Except as provided under RCW 41.24.450, a reserve officer is
27 not eligible to receive a benefit under the relief provisions of this
28 chapter.

29 **Sec. 429.** RCW 41.32.800 and 2011 1st sp.s. c 47 s 11 are each
30 amended to read as follows:

31 (1) Except as provided in RCW 41.32.802, no retiree under the
32 provisions of plan 2 shall be eligible to receive such retiree's
33 monthly retirement allowance if he or she is employed in an eligible
34 position as defined in RCW 41.40.010, 41.32.010, 41.37.010, or
35 41.35.010, or as a law enforcement officer or firefighter as defined
36 in RCW 41.26.030 or section 303 of this act, or in a position covered
37 by annuity and retirement income plans offered by institutions of
38 higher education pursuant to RCW 28B.10.400.

1 If a retiree's benefits have been suspended under this section,
2 his or her benefits shall be reinstated when the retiree terminates
3 the employment that caused his or her benefits to be suspended. Upon
4 reinstatement, the retiree's benefits shall be actuarially recomputed
5 pursuant to the rules adopted by the department.

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

7 **Sec. 430.** RCW 41.32.802 and 2025 c 284 s 2 are each amended to
8 read as follows:

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

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

19 (2)(a) A retiree who has satisfied the break in employment
20 requirement of subsection (1) of this section, may work up to eight
21 hundred sixty-seven hours per calendar year in an eligible position,
22 as defined in RCW 41.32.010, 41.35.010, 41.37.010, or 41.40.010, or
23 as a firefighter or law enforcement officer, as defined in RCW
24 41.26.030 or section 303 of this act, or in a position covered by
25 annuity and retirement income plans offered by institutions of higher
26 education pursuant to RCW 28B.10.400, without suspension of his or
27 her benefit.

28 (b)(i) Between March 23, 2022, and January 1, 2030, a retiree who
29 reenters employment more than one month after his or her accrual
30 date, and who enters service in a school district in a
31 nonadministrative position shall continue to receive pension payments
32 while engaged in such service, until the retiree has rendered service
33 for more than 1,040 hours in a calendar year.

34 (ii) Between March 23, 2022, and January 1, 2030, a retiree that
35 retired before January 1, 2022, and who enters service in a second-
36 class school district, as defined in RCW 28A.300.065, as either a
37 district superintendent or an in-school administrator shall continue
38 to receive pension payments while engaged in such service, until the

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

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

7 (3) If the retiree opts to reestablish membership under RCW
8 41.32.044, he or she terminates his or her retirement status and
9 immediately becomes a member. Retirement benefits shall not accrue
10 during the period of membership and the individual shall make
11 contributions and receive membership credit. Such a member shall have
12 the right to again retire if eligible.

13 **Sec. 431.** RCW 41.32.860 and 2011 1st sp.s. c 47 s 13 are each
14 amended to read as follows:

15 (1) Except under RCW 41.32.862, no retiree shall be eligible to
16 receive such retiree's monthly retirement allowance if he or she is
17 employed in an eligible position as defined in RCW 41.40.010,
18 41.32.010, 41.35.010, or 41.37.010, or as a law enforcement officer
19 or firefighter as defined in RCW 41.26.030 or section 303 of this
20 act, or in a position covered by annuity and retirement income plans
21 offered by institutions of higher education pursuant to RCW
22 28B.10.400.

23 (2) If a retiree's benefits have been suspended under this
24 section, his or her benefits shall be reinstated when the retiree
25 terminates the employment that caused the suspension of benefits.
26 Upon reinstatement, the retiree's benefits shall be actuarially
27 recomputed pursuant to the rules adopted by the department.

28 **Sec. 432.** RCW 41.32.862 and 2025 c 284 s 3 are each amended to
29 read as follows:

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

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

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

3 (2) (a) A retiree who has satisfied the break in employment
4 requirement of subsection (1) of this section, may work up to eight
5 hundred sixty-seven hours per calendar year in an eligible position,
6 as defined in RCW 41.32.010, 41.35.010, 41.37.010, or 41.40.010, or
7 as a firefighter or law enforcement officer, as defined in RCW
8 41.26.030 or section 303 of this act, or in a position covered by
9 annuity and retirement income plans offered by institutions of higher
10 education pursuant to RCW 28B.10.400, without suspension of his or
11 her benefit.

12 (b) (i) Between March 23, 2022, and January 1, 2030, a retired
13 teacher or retired administrator who reenters employment more than
14 one month after his or her accrual date, and who enters service in a
15 school district in a nonadministrative position shall continue to
16 receive pension payments while engaged in such service, until the
17 retiree has rendered service for more than 1,040 hours in a calendar
18 year.

19 (ii) Between March 23, 2022, and January 1, 2030, a retiree that
20 retired before January 1, 2022, and who enters service in a second-
21 class school district, as defined in RCW 28A.300.065, as either a
22 district superintendent or an in-school administrator shall continue
23 to receive pension payments while engaged in such service, until the
24 retiree has rendered service for more than 1,040 hours in a calendar
25 year.

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

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

36 **Sec. 433.** RCW 41.35.060 and 2025 c 284 s 4 are each amended to
37 read as follows:

38 (1) (a) If a retiree enters employment with an employer sooner
39 than one calendar month after his or her accrual date, the retiree's

1 monthly retirement allowance will be reduced by five and one-half
2 percent for every eight hours worked during that month. This
3 reduction will be applied each month until the retiree remains absent
4 from employment with an employer for one full calendar month.

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

9 (2)(a) A retiree who has satisfied the break in employment
10 requirement of subsection (1) of this section may work up to eight
11 hundred sixty-seven hours per calendar year in an eligible position,
12 as defined in RCW 41.32.010, 41.35.010, 41.37.010, or 41.40.010, or
13 as a firefighter or law enforcement officer, as defined in RCW
14 41.26.030 or section 303 of this act, or in a position covered by
15 annuity and retirement income plans offered by institutions of higher
16 education pursuant to RCW 28B.10.400, without suspension of his or
17 her benefit.

18 (b) Between March 23, 2022, and January 1, 2030, a retiree,
19 including a retiree who has retired under the alternate early
20 retirement provisions of RCW 41.35.420(3)(b) or 41.35.680(3)(b), who
21 reenters employment more than one month after his or her accrual
22 date, and who enters service in a school district in a
23 nonadministrative position shall continue to receive pension payments
24 while engaged in such service, until the retiree has rendered service
25 for more than 1,040 hours in a calendar year. The legislature
26 reserves the right to amend or repeal this subsection (2)(b) in the
27 future and no member or beneficiary has a contractual right to be
28 employed for more than 867 hours in a calendar year without a
29 reduction of his or her pension.

30 (3) If the retiree opts to reestablish membership under RCW
31 41.35.030, he or she terminates his or her retirement status and
32 becomes a member. Retirement benefits shall not accrue during the
33 period of membership and the individual shall make contributions and
34 receive membership credit. Such a member shall have the right to
35 again retire if eligible in accordance with RCW 41.35.420 or
36 41.35.680. However, if the right to retire is exercised to become
37 effective before the member has rendered two uninterrupted years of
38 service, the retirement formula and survivor options the member had
39 at the time of the member's previous retirement shall be reinstated.

1 **Sec. 434.** RCW 41.35.230 and 2011 1st sp.s. c 47 s 16 are each
2 amended to read as follows:

3 (1) Except as provided in RCW 41.35.060, no retiree under the
4 provisions of plan 2 shall be eligible to receive such retiree's
5 monthly retirement allowance if he or she is employed in an eligible
6 position as defined in RCW 41.35.010, 41.40.010, 41.37.010, or
7 41.32.010, or as a law enforcement officer or firefighter as defined
8 in RCW 41.26.030 or section 303 of this act, or in a position covered
9 by annuity and retirement income plans offered by institutions of
10 higher education pursuant to RCW 28B.10.400, except that a retiree
11 who ends his or her membership in the retirement system pursuant to
12 RCW 41.40.023(3)(b) is not subject to this section if the retiree's
13 only employment is as an elective official.

14 (2) If a retiree's benefits have been suspended under this
15 section, his or her benefits shall be reinstated when the retiree
16 terminates the employment that caused his or her benefits to be
17 suspended. Upon reinstatement, the retiree's benefits shall be
18 actuarially recomputed pursuant to the rules adopted by the
19 department.

20 (3) The department shall adopt rules implementing this section.

21 **Sec. 435.** RCW 41.37.050 and 2023 c 99 s 1 are each amended to
22 read as follows:

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

30 (b) If a retiree enters employment in an eligible position with
31 an employer as defined in chapter 41.32, 41.35, or 41.40 RCW sooner
32 than one calendar month after his or her accrual date, the retiree's
33 monthly retirement allowance will be reduced by five and one-half
34 percent for every eight hours worked during that month. This
35 reduction will be applied each month until the retiree remains absent
36 from employment with an employer for one full calendar month.

37 (c) The benefit reduction provided in (a) and (b) of this
38 subsection will accrue for a maximum of one hundred sixty hours per
39 month. Any benefit reduction over one hundred percent will be applied

1 to the benefit the retiree is eligible to receive in subsequent
2 months.

3 (2)(a) A retiree who has satisfied the break in employment
4 requirement of subsection (1) of this section may work up to eight
5 hundred sixty-seven hours per calendar year in an eligible position
6 as defined in RCW 41.32.010, 41.35.010, or 41.40.010, or as a law
7 enforcement officer or firefighter as defined in RCW 41.26.030 or
8 section 303 of this act, or in a position covered by annuity and
9 retirement income plans offered by institutions of higher education
10 pursuant to RCW 28B.10.400, without suspension of his or her benefit.

11 (b) Between April 14, 2023, and July 1, 2026, a retiree who has
12 satisfied the break in employment requirement of subsection (1) of
13 this section, and who enters service in a nonadministrative position
14 as a licensed nurse for a state agency, shall continue to receive
15 pension payments while engaged in such service, until the retiree has
16 rendered service for more than 1,040 hours in a calendar year.

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

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

30 **Sec. 436.** RCW 41.37.180 and 2004 c 242 s 24 are each amended to
31 read as follows:

32 (1) Except as provided in RCW 41.37.050, a retiree shall not be
33 eligible to receive the retiree's monthly retirement allowance if he
34 or she is employed in an eligible position as defined in RCW
35 41.37.010, or RCW 41.35.010, 41.40.010, or 41.32.010, or as a law
36 enforcement officer or firefighter as defined in RCW 41.26.030 or
37 section 303 of this act, except that a retiree who ends his or her
38 membership in the retirement system pursuant to RCW 41.37.020(2)(b)

1 is not subject to this section if the retiree's only employment is as
2 an elective official.

3 (2) If a retiree's benefits have been suspended under this
4 section, his or her benefits shall be reinstated when the retiree
5 terminates the employment that caused his or her benefits to be
6 suspended. Upon reinstatement, the retiree's benefits shall be
7 actuarially recomputed pursuant to the rules adopted by the
8 department.

9 (3) The department shall adopt rules implementing this section.

10 **Sec. 437.** RCW 41.40.010 and 2024 c 151 s 3 are each amended to
11 read as follows:

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

14 (1) "Accumulated contributions" means the sum of all
15 contributions standing to the credit of a member in the member's
16 individual account, including any amount paid under RCW 41.50.165(2),
17 together with the regular interest thereon.

18 (2) "Actuarial equivalent" means a benefit of equal value when
19 computed upon the basis of such mortality and other tables as may be
20 adopted by the director.

21 (3) "Adjustment ratio" means the value of index A divided by
22 index B.

23 (4) "Annual increase" means, initially, 59 cents per month per
24 year of service which amount shall be increased each July 1st by
25 three percent, rounded to the nearest cent.

26 (5) "Annuity" means payments for life derived from accumulated
27 contributions of a member. All annuities shall be paid in monthly
28 installments.

29 (6) (a) "Average final compensation" for plan 1 members, means the
30 annual average of the greatest compensation earnable by a member
31 during any consecutive two year period of service credit months for
32 which service credit is allowed; or if the member has less than two
33 years of service credit months then the annual average compensation
34 earnable during the total years of service for which service credit
35 is allowed.

36 (b) "Average final compensation" for plan 2 and plan 3 members,
37 means the member's average compensation earnable of the highest
38 consecutive sixty months of service credit months prior to such
39 member's retirement, termination, or death. Periods constituting

1 authorized leaves of absence may not be used in the calculation of
2 average final compensation except under RCW 41.40.710(2) or (c) of
3 this subsection.

4 (c) In calculating average final compensation under this
5 subsection for a member of plan 1, 2, or 3, the department of
6 retirement systems shall include:

7 (i) Any compensation forgone by the member during the 2009-2011
8 fiscal biennium as a result of reduced work hours, voluntary leave
9 without pay, temporary reduction in pay implemented prior to December
10 11, 2010, or temporary furloughs if the reduced compensation is an
11 integral part of the employer's expenditure reduction efforts, as
12 certified by the employer;

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

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

29 (7)(a) "Beneficiary" for plan 1 members, means any person in
30 receipt of a retirement allowance, pension or other benefit provided
31 by this chapter.

32 (b) "Beneficiary" for plan 2 and plan 3 members, means any person
33 in receipt of a retirement allowance or other benefit provided by
34 this chapter resulting from service rendered to an employer by
35 another person.

36 (8)(a) "Compensation earnable" for plan 1 members, means salaries
37 or wages earned during a payroll period for personal services and
38 where the compensation is not all paid in money, maintenance
39 compensation shall be included upon the basis of the schedules
40 established by the member's employer.

1 (i) "Compensation earnable" for plan 1 members also includes the
2 following actual or imputed payments, which are not paid for personal
3 services:

4 (A) Retroactive payments to an individual by an employer on
5 reinstatement of the employee in a position, or payments by an
6 employer to an individual in lieu of reinstatement in a position
7 which are awarded or granted as the equivalent of the salary or wage
8 which the individual would have earned during a payroll period shall
9 be considered compensation earnable and the individual shall receive
10 the equivalent service credit;

11 (B) If a leave of absence is taken by an individual for the
12 purpose of serving in the state legislature, the salary which would
13 have been received for the position from which the leave of absence
14 was taken, shall be considered as compensation earnable if the
15 employee's contribution is paid by the employee and the employer's
16 contribution is paid by the employer or employee;

17 (C) Assault pay only as authorized by RCW 27.04.100, 72.01.045,
18 and 72.09.240;

19 (D) Compensation that a member would have received but for a
20 disability occurring in the line of duty only as authorized by RCW
21 41.40.038;

22 (E) Compensation that a member receives due to participation in
23 the leave sharing program only as authorized by RCW 41.04.650 through
24 41.04.670; and

25 (F) Compensation that a member receives for being in standby
26 status. For the purposes of this section, a member is in standby
27 status when not being paid for time actually worked and the employer
28 requires the member to be prepared to report immediately for work, if
29 the need arises, although the need may not arise.

30 (ii) "Compensation earnable" does not include:

31 (A) Remuneration for unused sick leave authorized under RCW
32 41.04.340, 28A.400.210, or 28A.310.490;

33 (B) Remuneration for unused annual leave in excess of 240 hours.

34 (b) "Compensation earnable" for plan 2 and plan 3 members, means
35 salaries or wages earned by a member during a payroll period for
36 personal services, including overtime payments, and shall include
37 wages and salaries deferred under provisions established pursuant to
38 sections 403(b), 414(h), and 457 of the United States Internal
39 Revenue Code, but shall exclude nonmoney maintenance compensation and
40 lump sum or other payments for deferred annual sick leave, unused

1 accumulated vacation, unused accumulated annual leave, or any form of
2 severance pay.

3 "Compensation earnable" for plan 2 and plan 3 members also
4 includes the following actual or imputed payments, which are not paid
5 for personal services:

6 (i) Retroactive payments to an individual by an employer on
7 reinstatement of the employee in a position, or payments by an
8 employer to an individual in lieu of reinstatement in a position
9 which are awarded or granted as the equivalent of the salary or wage
10 which the individual would have earned during a payroll period shall
11 be considered compensation earnable to the extent provided above, and
12 the individual shall receive the equivalent service credit;

13 (ii) In any year in which a member serves in the legislature, the
14 member shall have the option of having such member's compensation
15 earnable be the greater of:

16 (A) The compensation earnable the member would have received had
17 such member not served in the legislature; or

18 (B) Such member's actual compensation earnable received for
19 nonlegislative public employment and legislative service combined.
20 Any additional contributions to the retirement system required
21 because compensation earnable under (b)(ii)(A) of this subsection is
22 greater than compensation earnable under (b)(ii)(B) of this
23 subsection shall be paid by the member for both member and employer
24 contributions;

25 (iii) Assault pay only as authorized by RCW 27.04.100, 72.01.045,
26 and 72.09.240;

27 (iv) Compensation that a member would have received but for a
28 disability occurring in the line of duty only as authorized by RCW
29 41.40.038;

30 (v) Compensation that a member receives due to participation in
31 the leave sharing program only as authorized by RCW 41.04.650 through
32 41.04.670; and

33 (vi) Compensation that a member receives for being in standby
34 status. For the purposes of this section, a member is in standby
35 status when not being paid for time actually worked and the employer
36 requires the member to be prepared to report immediately for work, if
37 the need arises, although the need may not arise.

38 (9) "Department" means the department of retirement systems
39 created in chapter 41.50 RCW.

40 (10) "Director" means the director of the department.

1 (11) "Eligible position" means:

2 (a) Any position that, as defined by the employer, normally
3 requires five or more months of service a year for which regular
4 compensation for at least seventy hours is earned by the occupant
5 thereof. For purposes of this chapter an employer shall not define
6 "position" in such a manner that an employee's monthly work for that
7 employer is divided into more than one position;

8 (b) Any position occupied by an elected official or person
9 appointed directly by the governor, or appointed by the chief justice
10 of the supreme court under RCW 2.04.240(2) or 2.06.150(2), for which
11 compensation is paid.

12 (12) "Employee" or "employed" means a person who is providing
13 services for compensation to an employer, unless the person is free
14 from the employer's direction and control over the performance of
15 work. The department shall adopt rules and interpret this subsection
16 consistent with common law.

17 (13)(a) "Employer" for plan 1 members, means every branch,
18 department, agency, commission, board, and office of the state, any
19 political subdivision or association of political subdivisions of the
20 state admitted into the retirement system, and legal entities
21 authorized by RCW 35.63.070 and 36.70.060 or chapter 39.34 RCW; and
22 the term shall also include any labor guild, association, or
23 organization the membership of a local lodge or division of which is
24 comprised of at least forty percent employees of an employer (other
25 than such labor guild, association, or organization) within this
26 chapter. The term may also include any city of the first class that
27 has its own retirement system.

28 (b) "Employer" for plan 2 and plan 3 members, means every branch,
29 department, agency, commission, board, and office of the state, and
30 any political subdivision and municipal corporation of the state
31 admitted into the retirement system, including public agencies
32 created pursuant to RCW 35.63.070, 36.70.060, and 39.34.030; except
33 that after August 31, 2000, school districts and educational service
34 districts will no longer be employers for the public employees'
35 retirement system plan 2.

36 (c) Except as otherwise specifically provided in this chapter,
37 "employer" does not include a government contractor. For purposes of
38 this subsection, a "government contractor" is any entity, including a
39 partnership, limited liability company, for-profit or nonprofit
40 corporation, or person, that provides services pursuant to a contract

1 with an "employer." The determination whether an employer-employee
2 relationship has been established is not based on the relationship
3 between a government contractor and an "employer," but is based
4 solely on the relationship between a government contractor's employee
5 and an "employer" under this chapter.

6 (d) "Employer" does not include a comprehensive cancer center
7 participating in a collaborative arrangement as defined in RCW
8 28B.10.930 that is operated in conformance with RCW 28B.10.930.

9 (14) "Final compensation" means the annual rate of compensation
10 earnable by a member at the time of termination of employment.

11 (15) "Index" means, for any calendar year, that year's annual
12 average consumer price index, Seattle, Washington area, for urban
13 wage earners and clerical workers, all items, compiled by the bureau
14 of labor statistics, United States department of labor.

15 (16) "Index A" means the index for the year prior to the
16 determination of a postretirement adjustment.

17 (17) "Index B" means the index for the year prior to index A.

18 (18) "Index year" means the earliest calendar year in which the
19 index is more than 60 percent of index A.

20 (19) "Ineligible position" means any position which does not
21 conform with the requirements set forth in subsection (11) of this
22 section.

23 (20) "Leave of absence" means the period of time a member is
24 authorized by the employer to be absent from service without being
25 separated from membership.

26 (21) "Member" means any employee included in the membership of
27 the retirement system, as provided for in RCW 41.40.023. ((RCW
28 ~~41.26.045~~)) Section 306 of this act does not prohibit a person
29 otherwise eligible for membership in the retirement system from
30 establishing such membership effective when he or she first entered
31 an eligible position.

32 (22) "Member account" or "member's account" for purposes of plan
33 3 means the sum of the contributions and earnings on behalf of the
34 member in the defined contribution portion of plan 3.

35 (23) "Membership service" means:

36 (a) All service rendered, as a member, after October 1, 1947;

37 (b) All service after October 1, 1947, to any employer prior to
38 the time of its admission into the retirement system for which member
39 and employer contributions, plus interest as required by RCW
40 41.50.125, have been paid under RCW 41.40.056 or 41.40.057;

1 (c) Service not to exceed six consecutive months of probationary
2 service rendered after April 1, 1949, and prior to becoming a member,
3 in the case of any member, upon payment in full by such member of the
4 total amount of the employer's contribution to the retirement fund
5 which would have been required under the law in effect when such
6 probationary service was rendered if the member had been a member
7 during such period, except that the amount of the employer's
8 contribution shall be calculated by the director based on the first
9 month's compensation earnable as a member;

10 (d) Service not to exceed six consecutive months of probationary
11 service, rendered after October 1, 1947, and before April 1, 1949,
12 and prior to becoming a member, in the case of any member, upon
13 payment in full by such member of five percent of such member's
14 salary during said period of probationary service, except that the
15 amount of the employer's contribution shall be calculated by the
16 director based on the first month's compensation earnable as a
17 member.

18 (24) "New member" means a person who becomes a member on or after
19 April 1, 1949, except as otherwise provided in this section.

20 (25) "Original member" of this retirement system means:

21 (a) Any person who became a member of the system prior to April
22 1, 1949;

23 (b) Any person who becomes a member through the admission of an
24 employer into the retirement system on and after April 1, 1949, and
25 prior to April 1, 1951;

26 (c) Any person who first becomes a member by securing employment
27 with an employer prior to April 1, 1951, provided the member has
28 rendered at least one or more years of service to any employer prior
29 to October 1, 1947;

30 (d) Any person who first becomes a member through the admission
31 of an employer into the retirement system on or after April 1, 1951,
32 provided, such person has been in the regular employ of the employer
33 for at least six months of the 12-month period preceding the said
34 admission date;

35 (e) Any member who has restored all contributions that may have
36 been withdrawn as provided by RCW 41.40.150 and who on the effective
37 date of the individual's retirement becomes entitled to be credited
38 with 10 years or more of membership service except that the
39 provisions relating to the minimum amount of retirement allowance for

1 the member upon retirement at age 70 as found in RCW 41.40.190(4)
2 shall not apply to the member;

3 (f) Any member who has been a contributor under the system for
4 two or more years and who has restored all contributions that may
5 have been withdrawn as provided by RCW 41.40.150 and who on the
6 effective date of the individual's retirement has rendered five or
7 more years of service for the state or any political subdivision
8 prior to the time of the admission of the employer into the system;
9 except that the provisions relating to the minimum amount of
10 retirement allowance for the member upon retirement at age 70 as
11 found in RCW 41.40.190(4) shall not apply to the member.

12 (26) "Pension" means payments for life derived from contributions
13 made by the employer. All pensions shall be paid in monthly
14 installments.

15 (27) "Plan 1" means the public employees' retirement system, plan
16 1 providing the benefits and funding provisions covering persons who
17 first became members of the system prior to October 1, 1977.

18 (28) "Plan 2" means the public employees' retirement system, plan
19 2 providing the benefits and funding provisions covering persons who
20 first became members of the system on and after October 1, 1977, and
21 are not included in plan 3.

22 (29) "Plan 3" means the public employees' retirement system, plan
23 3 providing the benefits and funding provisions covering persons who:

24 (a) First become a member on or after:

25 (i) March 1, 2002, and are employed by a state agency or
26 institute of higher education and who did not choose to enter plan 2;
27 or

28 (ii) September 1, 2002, and are employed by other than a state
29 agency or institute of higher education and who did not choose to
30 enter plan 2; or

31 (b) Transferred to plan 3 under RCW 41.40.795.

32 (30) "Prior service" means all service of an original member
33 rendered to any employer prior to October 1, 1947.

34 (31) "Regular interest" means such rate as the director may
35 determine.

36 (32) "Retiree" means any person who has begun accruing a
37 retirement allowance or other benefit provided by this chapter
38 resulting from service rendered to an employer while a member.

39 (33) "Retirement" means withdrawal from active service with a
40 retirement allowance as provided by this chapter.

1 (34) "Retirement allowance" means the sum of the annuity and the
2 pension.

3 (35) "Retirement system" means the public employees' retirement
4 system provided for in this chapter.

5 (36) "Separation from service" occurs when a person has
6 terminated all employment with an employer. Separation from service
7 or employment does not occur, and if claimed by an employer or
8 employee may be a violation of RCW 41.40.055, when an employee and
9 employer have a written or oral agreement to resume employment with
10 the same employer following termination. Mere expressions or
11 inquiries about postretirement employment by an employer or employee
12 that do not constitute a commitment to reemploy the employee after
13 retirement are not an agreement under this subsection.

14 (37)(a) "Service" for plan 1 members, except as provided in RCW
15 41.40.088, means periods of employment in an eligible position or
16 positions for one or more employers rendered to any employer for
17 which compensation is paid, and includes time spent in office as an
18 elected or appointed official of an employer. Compensation earnable
19 earned in full time work for 70 hours or more in any given calendar
20 month shall constitute one service credit month except as provided in
21 RCW 41.40.088. Compensation earnable earned for less than 70 hours in
22 any calendar month shall constitute one-quarter service credit month
23 of service except as provided in RCW 41.40.088. Only service credit
24 months and one-quarter service credit months shall be counted in the
25 computation of any retirement allowance or other benefit provided for
26 in this chapter. Any fraction of a year of service shall be taken
27 into account in the computation of such retirement allowance or
28 benefits. Time spent in standby status, whether compensated or not,
29 is not service.

30 (i) Service by a state employee officially assigned by the state
31 on a temporary basis to assist another public agency, shall be
32 considered as service as a state employee: PROVIDED, That service to
33 any other public agency shall not be considered service as a state
34 employee if such service has been used to establish benefits in any
35 other public retirement system.

36 (ii) An individual shall receive no more than a total of 12
37 service credit months of service during any calendar year. If an
38 individual is employed in an eligible position by one or more
39 employers the individual shall receive no more than one service

1 credit month during any calendar month in which multiple service for
2 seventy or more hours is rendered.

3 (iii) A school district employee may count up to 45 days of sick
4 leave as creditable service solely for the purpose of determining
5 eligibility to retire under RCW 41.40.180 as authorized by RCW
6 28A.400.300. For purposes of plan 1 "forty-five days" as used in RCW
7 28A.400.300 is equal to two service credit months. Use of less than
8 45 days of sick leave is creditable as allowed under this subsection
9 as follows:

10 (A) Less than 22 days equals one-quarter service credit month;

11 (B) 22 days equals one service credit month;

12 (C) More than 22 days but less than 45 days equals one and one-
13 quarter service credit month.

14 (iv) Reduction efforts such as furloughs, reduced work hours,
15 mandatory leave without pay, temporary layoffs, or other similar
16 situations as contemplated by subsection (6)(c)(iii) of this section
17 do not result in a reduction in service credit that otherwise would
18 have been earned for that month of work, and the member shall receive
19 the full service credit for the hours that were scheduled to be
20 worked before the reduction.

21 (b) "Service" for plan 2 and plan 3 members, means periods of
22 employment by a member in an eligible position or positions for one
23 or more employers for which compensation earnable is paid.
24 Compensation earnable earned for 90 or more hours in any calendar
25 month shall constitute one service credit month except as provided in
26 RCW 41.40.088. Compensation earnable earned for at least 70 hours but
27 less than 90 hours in any calendar month shall constitute one-half
28 service credit month of service. Compensation earnable earned for
29 less than 70 hours in any calendar month shall constitute one-quarter
30 service credit month of service. Time spent in standby status,
31 whether compensated or not, is not service.

32 Any fraction of a year of service shall be taken into account in
33 the computation of such retirement allowance or benefits.

34 (i) Service in any state elective position shall be deemed to be
35 full time service, except that persons serving in state elective
36 positions who are members of the Washington school employees'
37 retirement system, teachers' retirement system, public safety
38 employees' retirement system, or law enforcement officers' and
39 firefighters' retirement system at the time of election or
40 appointment to such position may elect to continue membership in the

1 Washington school employees' retirement system, teachers' retirement
2 system, public safety employees' retirement system, or law
3 enforcement officers' and firefighters' retirement system.

4 (ii) A member shall receive a total of not more than 12 service
5 credit months of service for such calendar year. If an individual is
6 employed in an eligible position by one or more employers the
7 individual shall receive no more than one service credit month during
8 any calendar month in which multiple service for ninety or more hours
9 is rendered.

10 (iii) Up to 45 days of sick leave may be creditable as service
11 solely for the purpose of determining eligibility to retire under RCW
12 41.40.180 as authorized by RCW 28A.400.300. For purposes of plan 2
13 and plan 3 "forty-five days" as used in RCW 28A.400.300 is equal to
14 two service credit months. Use of less than 45 days of sick leave is
15 creditable as allowed under this subsection as follows:

16 (A) Less than 11 days equals one-quarter service credit month;

17 (B) 11 or more days but less than 22 days equals one-half service
18 credit month;

19 (C) 22 days equals one service credit month;

20 (D) More than 22 days but less than 33 days equals one and one-
21 quarter service credit month;

22 (E) 33 or more days but less than 45 days equals one and one-half
23 service credit month.

24 (iv) Reduction efforts such as furloughs, reduced work hours,
25 mandatory leave without pay, temporary layoffs, or other similar
26 situations as contemplated by subsection (6)(c)(iii) of this section
27 do not result in a reduction in service credit that otherwise would
28 have been earned for that month of work, and the member shall receive
29 the full service credit for the hours that were scheduled to be
30 worked before the reduction.

31 (38) "Service credit month" means a month or an accumulation of
32 months of service credit which is equal to one.

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

35 (40) "State actuary" or "actuary" means the person appointed
36 pursuant to RCW 44.44.010(2).

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

1 (42) "State treasurer" means the treasurer of the state of
2 Washington.

3 (43) "Totally incapacitated for duty" means total inability to
4 perform the duties of a member's employment or office or any other
5 work for which the member is qualified by training or experience.

6 **Sec. 438.** RCW 41.40.037 and 2025 c 284 s 5 are each amended to
7 read as follows:

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

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

18 (2)(a) A retiree from plan 1, plan 2, or plan 3 who has satisfied
19 the break in employment requirement of subsection (1) of this section
20 may work up to eight hundred sixty-seven hours per calendar year in
21 an eligible position, as defined in RCW 41.32.010, 41.35.010,
22 41.37.010, or 41.40.010, or as a firefighter or law enforcement
23 officer, as defined in RCW 41.26.030 or section 303 of this act, or
24 in a position covered by annuity and retirement income plans offered
25 by institutions of higher education pursuant to RCW 28B.10.400,
26 without suspension of his or her benefit.

27 (b) Between March 23, 2022, and January 1, 2030, a retiree,
28 including a retiree who has retired under the alternate early
29 retirement provisions of RCW 41.40.630(3)(b) or 41.40.820(3)(b), who
30 reenters employment more than 100 days after his or her accrual date,
31 and who enters service in a school district in a nonadministrative
32 position shall continue to receive pension payments while engaged in
33 such service, until the retiree has rendered service for more than
34 1,040 hours in a calendar year.

35 (c) Between April 14, 2023, and July 1, 2026, a retiree,
36 including a retiree who has retired under the alternate early
37 retirement provisions of RCW 41.40.630(3)(b) or 41.40.820(3)(b), and
38 who enters service in a nonadministrative position as a licensed
39 nurse for a state agency, shall continue to receive pension payments

1 while engaged in such service, until the retiree has rendered service
2 for more than 1,040 hours in a calendar year.

3 (3) If the retiree opts to reestablish membership under RCW
4 41.40.023(12), he or she terminates his or her retirement status and
5 becomes a member. Retirement benefits shall not accrue during the
6 period of membership and the individual shall make contributions and
7 receive membership credit. Such a member shall have the right to
8 again retire if eligible in accordance with RCW 41.40.180. However,
9 if the right to retire is exercised to become effective before the
10 member has rendered two uninterrupted years of service, the
11 retirement formula and survivor options the member had at the time of
12 the member's previous retirement shall be reinstated.

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

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

20 **Sec. 439.** RCW 41.40.059 and 1992 c 157 s 3 are each amended to
21 read as follows:

22 Any active member of this retirement system who has previously
23 established ten or more years' service credit in the city of
24 Seattle's police relief and pension fund system, who withdrew his or
25 her contributions from Seattle's police relief and pension fund
26 system prior to July 1, 1961, and who has never been a member of the
27 law enforcement officers' and firefighters' pension system created in
28 chapter 41.26 or 41.--- (the new chapter created in section 507 of
29 this act) RCW, may receive credit in this retirement system for such
30 service, subject to the terms and conditions specified in RCW
31 41.40.061.

32 **Sec. 440.** RCW 41.40.690 and 2004 c 242 s 57 are each amended to
33 read as follows:

34 (1) Except as provided in RCW 41.40.037, no retiree under the
35 provisions of plan 2 shall be eligible to receive such retiree's
36 monthly retirement allowance if he or she is employed in an eligible
37 position as defined in RCW 41.40.010, 41.32.010, 41.37.010, or
38 41.35.010, or as a law enforcement officer or firefighter as defined

1 in RCW 41.26.030 or section 303 of this act, except that a retiree
2 who ends his or her membership in the retirement system pursuant to
3 RCW 41.40.023(3)(b) is not subject to this section if the retiree's
4 only employment is as an elective official of a city or town.

5 (2) If a retiree's benefits have been suspended under this
6 section, his or her benefits shall be reinstated when the retiree
7 terminates the employment that caused his or her benefits to be
8 suspended. Upon reinstatement, the retiree's benefits shall be
9 actuarially recomputed pursuant to the rules adopted by the
10 department.

11 (3) The department shall adopt rules implementing this section.

12 **Sec. 441.** RCW 41.40.850 and 2005 c 327 s 9 are each amended to
13 read as follows:

14 (1) Except as provided in RCW 41.40.037, no retiree under the
15 provisions of plan 3 shall be eligible to receive such retiree's
16 monthly retirement allowance if he or she is employed in an eligible
17 position as defined in RCW 41.40.010, 41.32.010, 41.35.010, or
18 41.37.010, or as a law enforcement officer or firefighter as defined
19 in RCW 41.26.030 or section 303 of this act, except that a retiree
20 who ends his or her membership in the retirement system pursuant to
21 RCW 41.40.023(3)(b) is not subject to this section if the retiree's
22 only employment is as an elective official of a city or town.

23 (2) If a retiree's benefits have been suspended under this
24 section, his or her benefits shall be reinstated when the retiree
25 terminates the employment that caused his or her benefits to be
26 suspended. Upon reinstatement, the retiree's benefits shall be
27 actuarially recomputed pursuant to the rules adopted by the
28 department.

29 (3) The department shall adopt rules implementing this section.

30 **Sec. 442.** RCW 41.45.010 and 2025 c 381 s 1 are each amended to
31 read as follows:

32 It is the intent of the legislature to provide a dependable and
33 systematic process for funding the benefits provided to members and
34 retirees of the public employees' retirement system, chapter 41.40
35 RCW; the teachers' retirement system, chapter 41.32 RCW; the law
36 enforcement officers' and firefighters' retirement systems, chapters
37 41.26 and 41.--- (the new chapter created in section 507 of this act)
38 RCW; the school employees' retirement system, chapter 41.35 RCW; the

1 public safety employees' retirement system, chapter 41.37 RCW; and
2 the Washington state patrol retirement system, chapter 43.43 RCW.

3 The funding process established by this chapter is intended to
4 achieve the following goals:

5 (1) To fully fund the public employees' retirement system plans 2
6 and 3, the teachers' retirement system plans 2 and 3, the school
7 employees' retirement system plans 2 and 3, the public safety
8 employees' retirement system plan 2, and the law enforcement
9 officers' and firefighters' retirement system plan 2 as provided by
10 law;

11 ~~(2) ((To fully amortize the total costs of the law enforcement~~
12 ~~officers' and firefighters' retirement system plan 1, not later than~~
13 ~~June 30, 2024)) To fund any unfunded actuarial accrued liability in
14 the restated law enforcement officers' and firefighters' retirement
15 system with a state contribution based on a systematic actuarial
16 funding policy that would fully amortize the unfunded actuarial
17 accrued liability over reasonable periods using reasonable
18 assumptions and methods as determined by the state actuary;~~

19 (3) To fully amortize the unfunded actuarial accrued liability in
20 the public employees' retirement system plan 1 and the teachers'
21 retirement system plan 1 within a rolling ten-year period, using
22 methods and assumptions that balance needs for increased benefit
23 security, decreased contribution rate volatility, and affordability
24 of pension contribution rates, while suspending those rates during
25 the 2025-2027 and 2027-2029 fiscal biennia;

26 (4) To amortize the costs of benefit improvements in the public
27 employees' retirement system plan 1 and the teachers' retirement
28 system plan 1 over a fixed 15-year period;

29 (5) To establish long-term employer contribution rates which will
30 remain a relatively predictable proportion of the future state
31 budgets; and

32 (6) To fund, to the extent feasible, all benefits for plan 2 and
33 3 members over the working lives of those members so that the cost of
34 those benefits are paid by the taxpayers who receive the benefit of
35 those members' service.

36 **Sec. 443.** RCW 41.45.020 and 2006 c 365 s 1 are each amended to
37 read as follows:

38 As used in this chapter, the following terms have the meanings
39 indicated unless the context clearly requires otherwise.

- 1 (1) "Council" means the pension funding council created in RCW
2 41.45.100.
- 3 (2) "Department" means the department of retirement systems.
- 4 (3) "~~((Law))~~ Restated law enforcement officers' and firefighters'
5 retirement system ((plan 1))" and "law enforcement officers' and
6 firefighters' retirement system plan 2" means the benefits and
7 funding provisions under chapters 41.--- (the new chapter created in
8 section 507 of this act) and 41.26 RCW, respectively.
- 9 (4) "Public employees' retirement system plan 1," "public
10 employees' retirement system plan 2," and "public employees'
11 retirement system plan 3" mean the benefits and funding provisions
12 under chapter 41.40 RCW.
- 13 (5) "Teachers' retirement system plan 1," "teachers' retirement
14 system plan 2," and "teachers' retirement system plan 3" mean the
15 benefits and funding provisions under chapter 41.32 RCW.
- 16 (6) "School employees' retirement system plan 2" and "school
17 employees' retirement system plan 3" mean the benefits and funding
18 provisions under chapter 41.35 RCW.
- 19 (7) "Washington state patrol retirement system" means the
20 retirement benefits provided under chapter 43.43 RCW.
- 21 (8) "Unfunded liability" means the unfunded actuarial accrued
22 liability of a retirement system.
- 23 (9) "Actuary" or "state actuary" means the state actuary employed
24 under chapter 44.44 RCW.
- 25 (10) "State retirement systems" means the retirement systems
26 listed in RCW 41.50.030.
- 27 (11) "Classified employee" means a member of the Washington
28 school employees' retirement system plan 2 or plan 3 as defined in
29 RCW 41.35.010.
- 30 (12) "Teacher" means a member of the teachers' retirement system
31 as defined in RCW 41.32.010(~~((+15))~~).
- 32 (13) "Select committee" means the select committee on pension
33 policy created in RCW 41.04.276.
- 34 (14) "Actuarial value of assets" means the value of pension plan
35 investments and other property used by the actuary for the purpose of
36 an actuarial valuation.
- 37 (15) "Public safety employees' retirement system plan 2" means
38 the benefits and funding provisions established under chapter 41.37
39 RCW.

1 (16) "Normal cost" means the portion of the actuarial present
2 value of projected benefits and expenses that is allocated to a
3 period, typically twelve months, under the actuarial cost method.

4 **Sec. 444.** RCW 41.45.050 and 2020 c 103 s 3 are each amended to
5 read as follows:

6 (1) Employers of members of the public employees' retirement
7 system, the teachers' retirement system, the school employees'
8 retirement system, the public safety employees' retirement system,
9 the Washington state patrol retirement system, and the higher
10 education retirement plans shall make contributions to those systems
11 and plans based on the rates established in RCW 41.45.060 and
12 41.45.070.

13 (2) The state shall make contributions to the law enforcement
14 officers' and firefighters' retirement system plan 2 based on the
15 rates established in RCW 41.45.060 and 41.45.070. The state treasurer
16 shall transfer the required contributions each month on the basis of
17 salary data provided by the department.

18 (3) The department shall bill employers, and the state shall make
19 contributions to the law enforcement officers' and firefighters'
20 retirement system plan 2, using the combined rates established in RCW
21 41.45.060 and 41.45.070 regardless of the level of appropriation
22 provided in the biennial budget. Any member of an affected retirement
23 system may, by mandamus or other appropriate proceeding, require the
24 transfer and payment of funds as directed in this section.

25 (4) The contributions received for the public employees'
26 retirement system shall be allocated between the public employees'
27 retirement system plan 1 fund and the public employees' retirement
28 system combined plan 2 and plan 3 fund as follows: The contributions
29 necessary to fully fund the public employees' retirement system
30 combined plan 2 and plan 3 employer contribution shall first be
31 deposited in the public employees' retirement system combined plan 2
32 and plan 3 fund. All remaining public employees' retirement system
33 employer contributions shall be deposited in the public employees'
34 retirement system plan 1 fund.

35 (5) The contributions received for the teachers' retirement
36 system shall be allocated between the plan 1 fund and the combined
37 plan 2 and plan 3 fund as follows: The contributions necessary to
38 fully fund the combined plan 2 and plan 3 employer contribution shall
39 first be deposited in the combined plan 2 and plan 3 fund. All

1 remaining teachers' retirement system employer contributions shall be
2 deposited in the plan 1 fund.

3 (6) The contributions received for the school employees'
4 retirement system shall be allocated between the public employees'
5 retirement system plan 1 fund and the school employees' retirement
6 system combined plan 2 and plan 3 fund as follows: The contributions
7 necessary to fully fund the combined plan 2 and plan 3 employer
8 contribution shall first be deposited in the combined plan 2 and plan
9 3 fund. All remaining school employees' retirement system employer
10 contributions shall be deposited in the public employees' retirement
11 system plan 1 fund.

12 (7) The contributions received for the law enforcement officers'
13 and firefighters' retirement system plan 2 shall be deposited in the
14 law enforcement officers' and firefighters' retirement system plan 2
15 fund.

16 (8) The contributions received for the public safety employees'
17 retirement system shall be allocated between the public employees'
18 retirement system plan 1 fund and the public safety employees'
19 retirement system plan 2 fund as follows: The contributions necessary
20 to fully fund the plan 2 employer contribution shall first be
21 deposited in the plan 2 fund. All remaining public safety employees'
22 retirement system employer contributions shall be deposited in the
23 public employees' retirement system plan 1 fund.

24 (9) The contributions received for the higher education
25 retirement plan supplemental benefit fund shall be deposited in the
26 higher education retirement plan supplemental benefit fund and
27 amounts received from each institution accounted for separately and
28 shall only be used to make benefit payments to the beneficiaries of
29 that institution's plan.

30 (10) The funding of the restated law enforcement officers' and
31 firefighters' defined benefit retirement system shall be provided
32 pursuant to section 104 of this act. Contributions, if received for
33 the restated law enforcement officers' and firefighters' defined
34 benefit retirement system, shall be based upon the amounts
35 established in RCW 41.45.060 and shall be deposited in the restated
36 law enforcement officers' and firefighters' retirement fund.

37 **Sec. 445.** RCW 41.45.060 and 2025 c 381 s 3 are each amended to
38 read as follows:

1 (1) The state actuary shall provide preliminary actuarial
2 valuation results based on the economic assumptions and asset value
3 smoothing technique included in RCW 41.45.035 or adopted under RCW
4 41.45.030 or 41.45.035.

5 (2) Not later than July 31, 2008, and every two years thereafter,
6 consistent with the economic assumptions and asset value smoothing
7 technique included in RCW 41.45.035 or adopted under RCW 41.45.030 or
8 41.45.035, the council shall adopt and may make changes to:

9 (a) A basic state contribution rate for the law enforcement
10 officers' and firefighters' retirement system plan 1;

11 (b) Basic employer contribution rates for the public employees'
12 retirement system, the teachers' retirement system, and the
13 Washington state patrol retirement system; ~~((and))~~

14 (c) Basic employer contribution rates for the school employees'
15 retirement system and the public safety employees' retirement system
16 for funding both those systems and the public employees' retirement
17 system plan 1; and

18 (d) If the state actuary determines an unfunded liability exists
19 in the restated law enforcement officers' and firefighters'
20 retirement system, a state contribution for the restated law
21 enforcement officers' and firefighters' retirement system based on a
22 systematic actuarial funding policy that would fully amortize the
23 unfunded actuarial accrued liability over reasonable periods using
24 reasonable assumptions and methods as determined by the state
25 actuary.

26 The council may adopt annual rate changes for any plan for any
27 rate-setting period. The contribution rates adopted by the council
28 shall be subject to revision by the legislature.

29 (3) The employer and state contribution rates adopted by the
30 council shall be the level percentages of pay that are needed:

31 ~~((To fully amortize the total costs of the law enforcement~~
32 ~~officers' and firefighters' retirement system plan 1 not later than~~
33 ~~June 30, 2024;~~

34 ~~(b))~~ To fully fund the public employees' retirement system plans
35 2 and 3, the teachers' retirement system plans 2 and 3, the public
36 safety employees' retirement system plan 2, and the school employees'
37 retirement system plans 2 and 3 in accordance with RCW 41.45.061,
38 41.45.067, and this section; and

1 (~~(e)~~) (b) To fully fund the public employees' retirement system
2 plan 1 and the teachers' retirement system plan 1 in accordance with
3 RCW 41.45.070, 41.45.150, and this section.

4 (4) The aggregate actuarial cost method shall be used to
5 calculate a combined plan 2 and 3 normal cost, a Washington state
6 patrol retirement system normal cost, and a public safety employees'
7 retirement system normal cost.

8 (5) A modified entry age normal cost method, as set forth in this
9 chapter, shall be used to calculate employer contributions to the
10 public employees' retirement system plan 1 and the teachers'
11 retirement system plan 1.

12 (6) The employer contribution rate for the public employees'
13 retirement system and the school employees' retirement system shall
14 equal the sum of:

15 (a) The amount required to pay the combined plan 2 and plan 3
16 normal cost for the system, subject to any minimum rates applied
17 pursuant to RCW 41.45.155; plus

18 (b) The amount required to amortize the unfunded actuarial
19 accrued liability in plan 1 of the public employees' retirement
20 system over a rolling ten-year period using projected future salary
21 growth and growth in system membership, and subject to any minimum or
22 maximum rates applied pursuant to RCW 41.45.150; plus

23 (c) Except as described in (d) of this subsection, the amounts
24 required to amortize the costs of any benefit improvements in plan 1
25 of the public employees' retirement system that become effective
26 after June 30, 2009. The cost of each benefit improvement shall be
27 amortized over a fixed 15-year period using projected future salary
28 growth and growth in system membership. The amounts required under
29 this subsection are not subject to, and are collected in addition to,
30 any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

31 (d) The amounts required to fully amortize the remaining costs of
32 benefit improvements in the public employees' retirement system plan
33 1 effective from July 1, 2018, through June 30, 2025, over a fixed
34 15-year period with the rate between July 1, 2025, and June 30, 2029,
35 being zero. The amounts required under this subsection are not
36 subject to, and are collected in addition to, any minimum or maximum
37 rates applied pursuant to RCW 41.45.150.

38 (7) The employer contribution rate for the public safety
39 employees' retirement system shall equal the sum of:

1 (a) The amount required to pay the normal cost for the system,
2 subject to any minimum rates applied pursuant to RCW 41.45.155; plus

3 (b) The amount required to amortize the unfunded actuarial
4 accrued liability in plan 1 of the public employees' retirement
5 system over a rolling ten-year period using projected future salary
6 growth and growth in system membership, and subject to any minimum or
7 maximum rates applied pursuant to RCW 41.45.150; plus

8 (c) Except as described in (d) of this subsection, the amounts
9 required to amortize the costs of any benefit improvements in plan 1
10 of the public employees' retirement system that become effective
11 after June 30, 2009. The cost of each benefit improvement shall be
12 amortized over a fixed 15-year period using projected future salary
13 growth and growth in system membership. The amounts required under
14 this subsection are not subject to, and are collected in addition to,
15 any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

16 (d) The amounts required to fully amortize the remaining costs of
17 benefit improvements in the public employees' retirement system plan
18 1 effective from July 1, 2018, through June 30, 2025, over a fixed
19 15-year period with the rate between July 1, 2025, and June 30, 2029,
20 being zero. The amounts required under this subsection are not
21 subject to, and are collected in addition to, any minimum or maximum
22 rates applied pursuant to RCW 41.45.150.

23 (8) The employer contribution rate for the teachers' retirement
24 system shall equal the sum of:

25 (a) The amount required to pay the combined plan 2 and plan 3
26 normal cost for the system, subject to any minimum rates applied
27 pursuant to RCW 41.45.155; plus

28 (b) The amount required to amortize the unfunded actuarial
29 accrued liability in plan 1 of the teachers' retirement system over a
30 rolling ten-year period using projected future salary growth and
31 growth in system membership, and subject to any minimum or maximum
32 rates applied pursuant to RCW 41.45.150; plus

33 (c) Except as described in (d) of this subsection, the amounts
34 required to amortize the costs of any benefit improvements in plan 1
35 of the teachers' retirement system that become effective after June
36 30, 2009. The cost of each benefit improvement shall be amortized
37 over a fixed 15-year period using projected future salary growth and
38 growth in system membership. The amounts required under this
39 subsection are not subject to, and are collected in addition to, any
40 minimum or maximum rates applied pursuant to RCW 41.45.150; plus

1 (d) The amounts required to fully amortize the remaining costs of
2 benefit improvements in the teachers' retirement system plan 1
3 effective from July 1, 2018, through June 30, 2025, over a fixed 15-
4 year period with the rate between July 1, 2025, and June 30, 2029,
5 being zero. The amounts required under this subsection are not
6 subject to, and are collected in addition to, any minimum or maximum
7 rates applied pursuant to RCW 41.45.150.

8 (9) The employer contribution rate for each of the institutions
9 of higher education for the higher education supplemental retirement
10 benefits must be sufficient to fund, as a level percentage of pay, a
11 portion of the projected cost of the supplemental retirement benefits
12 for the institution beginning in 2035, with the other portion
13 supported on a pay-as-you-go basis, either as direct payments by each
14 institution to retirees, or as contributions to the higher education
15 retirement plan supplemental benefit fund. Contributions must
16 continue until the council determines that the institution for higher
17 education supplemental retirement benefit liabilities are satisfied.

18 (10) The council shall immediately notify the directors of the
19 office of financial management and department of retirement systems
20 of the state and employer contribution rates adopted. The rates shall
21 be effective for the ensuing biennial period, subject to any
22 legislative modifications.

23 (11) The director shall collect those rates adopted by the
24 council. The rates established in RCW 41.45.062, or by the council,
25 shall be subject to revision by the legislature.

26 (12) The state actuary shall prepare final actuarial valuation
27 results based on the economic assumptions, asset value smoothing
28 technique, and contribution rates included in or adopted under RCW
29 41.45.030, 41.45.035, and this section.

30 **Sec. 446.** RCW 41.48.030 and 2008 c 142 s 1 are each amended to
31 read as follows:

32 (1) The governor is hereby authorized to enter on behalf of the
33 state into an agreement with the federal secretary of health and
34 human services consistent with the terms and provisions of this
35 chapter, for the purpose of extending the benefits of the federal
36 old-age and survivors insurance system to employees of the state or
37 any political subdivision not members of an existing retirement
38 system, or to members of a retirement system established by the state
39 or by a political subdivision thereof or by an institution of higher

1 learning with respect to services specified in such agreement which
2 constitute "employment" as defined in RCW 41.48.020. Such agreement
3 may contain such provisions relating to coverage, benefits,
4 contributions, effective date, modification and termination of the
5 agreement, administration, and other appropriate provisions as the
6 governor and secretary of health and human services shall agree upon,
7 but, except as may be otherwise required by or under the social
8 security act as to the services to be covered, such agreement shall
9 provide in effect that:

10 (a) Benefits will be provided for employees whose services are
11 covered by the agreement (and their dependents and survivors) on the
12 same basis as though such services constituted employment within the
13 meaning of Title II of the social security act;

14 (b) The state will pay to the secretary of the treasury, at such
15 time or times as may be prescribed under the social security act,
16 contributions with respect to wages (as defined in RCW 41.48.020),
17 equal to the sum of the taxes which would be imposed by the federal
18 insurance contributions act if the services covered by the agreement
19 constituted employment within the meaning of that act;

20 (c) Such agreement shall be effective with respect to services in
21 employment covered by the agreement or modification thereof performed
22 after a date specified therein but in no event may it be effective
23 with respect to any such services performed prior to the first day of
24 the calendar year immediately preceding the calendar year in which
25 such agreement or modification of the agreement is accepted by the
26 secretary of health and human services;

27 (d) All services which constitute employment as defined in RCW
28 41.48.020 and are performed in the employ of the state by employees
29 of the state, shall be covered by the agreement;

30 (e) All services which (i) constitute employment as defined in
31 RCW 41.48.020, (ii) are performed in the employ of a political
32 subdivision of the state, and (iii) are covered by a plan which is in
33 conformity with the terms of the agreement and has been approved by
34 the governor under RCW 41.48.050, shall be covered by the agreement;

35 (f) As modified, the agreement shall include all services
36 described in either (d) or (e) of this subsection and performed by
37 individuals to whom section 218(c)(3)(C) of the social security act
38 is applicable, and shall provide that the service of any such
39 individual shall continue to be covered by the agreement in case he

1 or she thereafter becomes eligible to be a member of a retirement
2 system;

3 (g) As modified, the agreement shall include all services
4 described in either (d) or (e) of this subsection and performed by
5 individuals in positions covered by a retirement system with respect
6 to which the governor has issued a certificate to the secretary of
7 health and human services pursuant to subsection (5) of this section;
8 and

9 (h) Law enforcement officers and firefighters of each political
10 subdivision of this state who are covered by the (~~Washington~~)
11 restated law enforcement officers' and firefighters' retirement
12 system or law enforcement officers' and firefighters' retirement
13 system ((act)) plan 2, chapter 41.--- (the new chapter created in
14 section 507 of this act) or 41.26 RCW, shall constitute a separate
15 "coverage group" for purposes of the agreement entered into under
16 this section and for purposes of section 218 of the social security
17 act.

18 (2) Any instrumentality jointly created by this state and any
19 other state or states is hereby authorized, upon the granting of like
20 authority by such other state or states, (a) to enter into an
21 agreement with the secretary of health and human services whereby the
22 benefits of the federal old-age and survivors insurance system shall
23 be extended to employees of such instrumentality, (b) to require its
24 employees to pay (and for that purpose to deduct from their wages)
25 contributions equal to the amounts which they would be required to
26 pay under RCW 41.48.040(1) if they were covered by an agreement made
27 pursuant to subsection (1) of this section, and (c) to make payments
28 to the secretary of the treasury in accordance with such agreement,
29 including payments from its own funds, and otherwise to comply with
30 such agreements. Such agreement shall, to the extent practicable, be
31 consistent with the terms and provisions of subsection (1) of this
32 section and other provisions of this chapter.

33 (3) The governor is empowered to authorize a referendum, and to
34 designate an agency or individual to supervise its conduct, in
35 accordance with the requirements of section 218(d)(3) of the social
36 security act, and subsection (4) of this section on the question of
37 whether service in all positions covered by a retirement system
38 established by the state or by a political subdivision thereof should
39 be excluded from or included under an agreement under this chapter.
40 If a retirement system covers positions of employees of the state of

1 Washington, of the institutions of higher learning, and positions of
2 employees of one or more of the political subdivisions of the state,
3 then for the purpose of the referendum as provided in this section,
4 there may be deemed to be a separate retirement system with respect
5 to employees of the state, or any one or more of the political
6 subdivisions, or institutions of higher learning and the governor
7 shall authorize a referendum upon request of the subdivisions' or
8 institutions' of higher learning governing body: PROVIDED HOWEVER,
9 That if a referendum of state employees generally fails to produce a
10 favorable majority vote then the governor may authorize a referendum
11 covering positions of employees in any state department who are
12 compensated in whole or in part from grants made to this state under
13 Title III of the federal social security act: PROVIDED, That any city
14 or town affiliated with the statewide city employees retirement
15 system organized under chapter 41.44 RCW may at its option agree to a
16 plan submitted by the board of trustees of that statewide city
17 employees retirement system for inclusion under an agreement under
18 this chapter if the referendum to be held as provided in this section
19 indicates a favorable result: PROVIDED FURTHER, That the teachers'
20 retirement system be considered one system for the purpose of the
21 referendum except as applied to the several state colleges (~~of~~
22 ~~education~~). The notice of referendum required by section
23 218(d)(3)(C) of the social security act to be given to employees
24 shall contain or shall be accompanied by a statement, in such form
25 and such detail as the agency or individual designated to supervise
26 the referendum shall deem necessary and sufficient, to inform the
27 employees of the rights which will accrue to them and their
28 dependents and survivors, and the liabilities to which they will be
29 subject, if their services are included under an agreement under this
30 chapter.

31 (4) The governor, before authorizing a referendum, shall require
32 the following conditions to be met:

33 (a) The referendum shall be by secret written ballot on the
34 question of whether service in positions covered by such retirement
35 system shall be excluded from or included under the agreement between
36 the governor and the secretary of health and human services provided
37 for in subsection (1) of this section;

38 (b) An opportunity to vote in such referendum shall be given and
39 shall be limited to eligible employees;

1 (c) Not less than ninety days' notice of such referendum shall be
2 given to all such employees;

3 (d) Such referendum shall be conducted under the supervision of
4 the governor or of an agency or individual designated by the
5 governor;

6 (e)(i) The proposal for coverage shall be approved only if a
7 majority of the eligible employees vote in favor of including
8 services in such positions under the agreement;

9 (ii) Coverage obtained through a divided referendum process shall
10 extend coverage to law enforcement officers, firefighters, and
11 employees of political subdivisions of this state, who have
12 membership in a qualified retirement system, allowing them to obtain
13 medicare coverage only (HI-only). In such a divided referendum
14 process, those members voting in favor of medicare coverage
15 constitute a separate coverage group;

16 (f) The state legislature, in the case of a referendum affecting
17 the rights and liabilities of state employees covered under the state
18 employees' retirement system and employees under the teachers'
19 retirement system, and in all other cases the local legislative
20 authority or governing body, shall have specifically approved the
21 proposed plan and approved any necessary structural adjustment to the
22 existing system to conform with the proposed plan;

23 (g) In the case of a referendum authorized under section
24 218(d)(6) of the social security act and (e)(ii) of this subsection,
25 the retirement system will be divided into two parts or divisions.
26 One part or division of the retirement system shall be composed of
27 positions of those members of the system who desire coverage under
28 the agreement as permitted by this section. The remaining part or
29 division of the retirement system shall be composed of positions of
30 those members who do not desire coverage under such an agreement.
31 Each part or division is a separate retirement system for the
32 purposes of section 218(d) of the social security act. The positions
33 of individuals who become members of the system after the coverage is
34 extended shall be included in the part or division of the system
35 composed of members desiring the coverage, with the exception of
36 positions that are excluded in the agreement.

37 (5) Upon receiving satisfactory evidence that with respect to any
38 such referendum the conditions specified in subsection (4) of this
39 section and section 218(d)(3) of the social security act have been

1 met, the governor shall so certify to the secretary of health and
2 human services.

3 (6) If the legislative body of any political subdivision of this
4 state certifies to the governor that a referendum has been held under
5 the terms of RCW 41.48.050(1)(i) and gives notice to the governor of
6 termination of social security for any coverage group of the
7 political subdivision, the governor shall give two years advance
8 notice in writing to the federal department of health and human
9 services of the termination of the agreement entered into under this
10 section with respect to that coverage group.

11 **Sec. 447.** RCW 41.48.050 and 2012 c 117 s 79 are each amended to
12 read as follows:

13 (1) Each political subdivision of the state is hereby authorized
14 to submit for approval by the governor a plan for extending the
15 benefits of title II of the social security act, in conformity with
16 the applicable provisions of such act, to those employees of such
17 political subdivisions who are not covered by an existing pension or
18 retirement system. Each pension or retirement system established by
19 the state or a political subdivision thereof is hereby authorized to
20 submit for approval by the governor a plan for extending the benefits
21 of title II of the social security act, in conformity with applicable
22 provisions of such act, to members of such pension or retirement
23 system. Each such plan and any amendment thereof shall be approved by
24 the governor if he or she finds that such plan, or such plan as
25 amended, is in conformity with such requirements as are provided in
26 regulations of the governor, except that no such plan shall be
27 approved unless ~~((—))~~:

28 (a) It is in conformity with the requirements of the social
29 security act and with the agreement entered into under RCW 41.48.030;

30 (b) It provides that all services which constitute employment as
31 defined in RCW 41.48.020 and are performed in the employ of the
32 political subdivision by employees thereof, shall be covered by the
33 plan;

34 (c) It specifies the source or sources from which the funds
35 necessary to make the payments required by ~~((paragraph (a) of))~~
36 subsections (3) (a) and ~~((by subsection))~~ (4) of this section are
37 expected to be derived and contains reasonable assurance that such
38 sources will be adequate for such purposes;

1 (d) It provides that in the plan of coverage for members of the
2 state teachers' retirement system or for state employee members of
3 the state employees' retirement system, there shall be no additional
4 cost to or involvement of the state until such plan has received
5 prior approval by the legislature;

6 (e) It provides for such methods of administration of the plan by
7 the political subdivision as are found by the governor to be
8 necessary for the proper and efficient administration of the plan;

9 (f) It provides that the political subdivision will make such
10 reports, in such form and containing such information, as the
11 governor may from time to time require and comply with such
12 provisions as the governor or the secretary of health, education, and
13 welfare may from time to time find necessary to assure the
14 correctness and verification of such reports; ((and))

15 (g) It authorizes the governor to terminate the plan in its
16 entirety, in his or her discretion, if he or she finds that there has
17 been a failure to comply substantially with any provision contained
18 in such plan, such termination to take effect at the expiration of
19 such notice and on such conditions as may be provided by regulations
20 of the governor and may be consistent with the provisions of the
21 social security act;

22 (h) It provides that law enforcement officers and firefighters of
23 each political subdivision of this state who are covered by the
24 (~~Washington Law Enforcement Officers' and Firefighters' Retirement~~
25 ~~System Act (chapter 209, Laws of 1969 ex. sess.)~~) law enforcement
26 officers' and firefighters' retirement systems under chapters 41.26
27 and 41.--- (the new chapter created in section 507 of this act) RCW
28 as now in existence or hereafter amended shall constitute a separate
29 "coverage group" for purposes of the plan or agreement entered into
30 under this section and for purposes of section 216 of the social
31 security act. To the extent that the plan or agreement entered into
32 between the state and any political subdivision of this state is
33 inconsistent with this subsection, the governor shall seek to modify
34 the inconsistency;

35 (i) It provides that the plan or agreement may be terminated by
36 any political subdivision as to any such coverage group upon giving
37 at least two years advance notice in writing to the governor,
38 effective at the end of the calendar quarter specified in the notice.
39 It shall specify that before notice of such termination is given, a

1 referendum shall be held among the members of the coverage group
2 under the following conditions:

3 (i) The referendum shall be conducted under the supervision of
4 the legislative body of the political subdivision.

5 (ii) Not less than sixty days' notice of such referendum shall be
6 given to members of the coverage group.

7 (iii) An opportunity to vote by secret ballot in such referendum
8 shall be given and shall be limited to all members of the coverage
9 group.

10 (iv) The proposal for termination shall be approved only if a
11 majority of the coverage group vote in favor of termination.

12 (v) If a majority of the coverage group vote in favor of
13 termination, the legislative body of the political subdivision shall
14 certify the results of the referendum to the governor and give notice
15 of termination of such coverage group.

16 (2) The governor shall not finally refuse to approve a plan
17 submitted by a political subdivision under subsection (1) (~~(of this~~
18 ~~section)) of this section, and shall not terminate an approved plan,
19 without reasonable notice and opportunity for hearing to the
20 political subdivision affected thereby.~~

21 (3)(a) Each political subdivision as to which a plan has been
22 approved under this section shall pay into the contribution account,
23 with respect to wages (as defined in RCW 41.48.020), at such time or
24 times as the governor may by regulation prescribe, contributions in
25 the amounts and at the rates specified in the applicable agreement
26 entered into by the governor under RCW 41.48.030.

27 (b) Each political subdivision required to make payments under
28 (~~paragraph~~) (a) of this subsection is authorized, in consideration
29 of the employee's retention in, or entry upon, employment after
30 enactment of this chapter, to impose upon each of its employees, as
31 to services which are covered by an approved plan, a contribution
32 with respect to his or her wages (as defined in RCW 41.48.020), not
33 exceeding the amount of employee tax which is imposed by the federal
34 insurance contributions act, and to deduct the amount of such
35 contribution from his or her wages as and when paid. Contributions so
36 collected shall be paid into the OASI contribution account in partial
37 discharge of the liability of such political subdivision or
38 instrumentality under (~~paragraph~~) (a) of this subsection. Failure
39 to deduct such contribution shall not relieve the employee or
40 employer of liability therefor.

1 (4) Delinquent reports and payments due under (~~paragraph (f)~~
2 ~~of~~) subsections (1) (f) and (~~paragraph (a) of subsection~~) (3) (a) of
3 this section will be subject to an added interest charge of six
4 percent per year or, if higher, the rate chargeable to the state by
5 the secretary by virtue of federal law, if the late report or payment
6 contributes to any federal penalty for late filing of reports or for
7 late deposit of contributions. Delinquent contributions, interest,
8 and penalties may be recovered by civil action or may, at the request
9 of the governor, be deducted from any other moneys payable to the
10 political subdivision by any department or agency of the state.

11 **Sec. 448.** RCW 41.50.030 and 2011 1st sp.s. c 47 s 20 are each
12 amended to read as follows:

13 (1) As soon as possible but not more than one hundred and eighty
14 days after March 19, 1976, there is transferred to the department of
15 retirement systems, except as otherwise provided in this chapter, all
16 powers, duties, and functions of:

- 17 (a) The Washington public employees' retirement system;
18 (b) The Washington state teachers' retirement system;
19 (c) The Washington law enforcement officers' and firefighters'
20 retirement system;
21 (d) The Washington state patrol retirement system;
22 (e) The Washington judicial retirement system; and
23 (f) The state treasurer with respect to the administration of the
24 judges' retirement fund imposed pursuant to chapter 2.12 RCW.

25 (2) On July 1, 1996, there is transferred to the department all
26 powers, duties, and functions of the deferred compensation committee.

27 (3) The department shall administer chapter 41.34 RCW.

28 (4) The department shall administer the Washington school
29 employees' retirement system created under chapter 41.35 RCW.

30 (5) The department shall administer the Washington public safety
31 employees' retirement system created under chapter 41.37 RCW.

32 (6) The department shall administer the collection of employer
33 contributions and initial prefunding of the higher education
34 retirement plan supplemental benefits, also referred to as the
35 annuity or retirement income plans created under chapter 28B.10 RCW.

36 (7) The department shall administer the restated law enforcement
37 officers' and firefighters' retirement system under chapter 41.---
38 (the new chapter created in section 507 of this act) RCW.

1 **Sec. 449.** RCW 41.50.033 and 2019 c 64 s 18 are each amended to
2 read as follows:

3 (1) The director shall determine when interest, if provided by a
4 plan, shall be credited to accounts in the public employees'
5 retirement system, the teachers' retirement system, the school
6 employees' retirement system, the public safety employees' retirement
7 system, the law enforcement officers' and firefighters' retirement
8 system, or the Washington state patrol retirement system. The amounts
9 to be credited and the methods of doing so shall be at the director's
10 discretion, except that if interest is credited, it shall be done at
11 least quarterly.

12 (2) Interest as determined by the director under this section is
13 "regular interest" as defined in RCW 41.40.010, 41.32.010, 41.35.010,
14 41.37.010, 41.26.030, section 303 of this act, and 43.43.120.

15 (3) The legislature affirms that the authority of the director
16 under RCW 41.40.020 and 41.50.030 includes the authority and
17 responsibility to establish the amount and all conditions for regular
18 interest, if any. The legislature intends chapter 493, Laws of 2007
19 to be curative, remedial, and retrospectively applicable.

20 **Sec. 450.** RCW 41.50.055 and 1991 c 35 s 16 are each amended to
21 read as follows:

22 The administration of the (~~Washington~~) restated law enforcement
23 officers' and firefighters' retirement system and law enforcement
24 officers' and firefighters' retirement system (~~is~~), chapters 41.26
25 and 41.--- (the new chapter created in section 507 of this act) RCW,
26 are hereby vested in the director of retirement systems, and the
27 director shall:

28 (1) Keep in convenient form such data as shall be deemed
29 necessary for actuarial evaluation purposes;

30 (2) As of March 1, 1970, and at least every two years thereafter,
31 through the state actuary, make an actuarial valuation as to the
32 mortality and service experience of the beneficiaries under this
33 chapter and the various accounts created for the purpose of showing
34 the financial status of the retirement fund;

35 (3) Adopt for the Washington law enforcement officers' and
36 firefighters' retirement system the mortality tables and such other
37 tables as shall be deemed necessary;

38 (4) Keep a record of all its proceedings, which shall be open to
39 inspection by the public;

1 (5) From time to time adopt such rules and regulations not
2 inconsistent with chapters 41.26 and 41.--- (the new chapter created
3 in section 507 of this act) RCW, for the administration of the
4 provisions of this chapter, for the administration of the fund
5 created by this chapter and the several accounts thereof, and for the
6 transaction of the business of the system;

7 (6) Prepare and publish annually a financial statement showing
8 the condition of the Washington law enforcement officers' and
9 firefighters' fund and the various accounts thereof, and setting
10 forth such other facts, recommendations and data as may be of use in
11 the advancement of knowledge concerning the Washington law
12 enforcement officers' and firefighters' retirement system, and
13 furnish a copy thereof to each employer, and to such members as may
14 request copies thereof;

15 (7) Perform such other functions as are required for the
16 execution of the provisions of chapters 41.26 and 41.--- (the new
17 chapter created in section 507 of this act) RCW;

18 (8) Fix the amount of interest to be credited at a rate which
19 shall be based upon the net annual earnings of the Washington law
20 enforcement officers' and firefighters' fund for the preceding
21 twelve-month period and from time to time make any necessary changes
22 in such rate;

23 (9) Pay from the department of retirement systems expense fund
24 the expenses incurred in administration of the Washington law
25 enforcement officers' and firefighters' retirement system from those
26 funds appropriated for that purpose;

27 (10) Perform any other duties prescribed elsewhere in chapter
28 41.26 or 41.--- (the new chapter created in section 507 of this act)
29 RCW;

30 (11) Issue decisions relating to appeals initiated pursuant to
31 RCW 41.16.145 and 41.18.104 as now or hereafter amended and shall be
32 authorized to order increased benefits pursuant to RCW 41.16.145 and
33 41.18.104 as now or hereafter amended.

34 **Sec. 451.** RCW 41.50.075 and 2020 c 103 s 5 are each amended to
35 read as follows:

36 (1) (~~Two funds are~~) A fund is hereby created and established in
37 the state treasury to be known as (~~the Washington law enforcement~~
38 ~~officers' and firefighters' system plan 1 retirement fund, and~~) the
39 Washington law enforcement officers' and firefighters' system plan 2

1 retirement fund which shall consist of all moneys paid into (~~them~~)
2 the fund in accordance with the provisions of this chapter and
3 chapter 41.26 RCW, whether such moneys take the form of cash,
4 securities, or other assets. The (~~plan 1 fund shall consist of all~~
5 ~~moneys paid to finance the benefits provided to members of the law~~
6 ~~enforcement officers' and firefighters' retirement system plan 1, and~~
7 ~~the~~) plan 2 fund shall consist of all moneys paid to finance the
8 benefits provided to members of the law enforcement officers' and
9 firefighters' retirement system plan 2.

10 (2) All of the assets of the Washington state teachers'
11 retirement system shall be credited according to the purposes for
12 which they are held, to two funds to be maintained in the state
13 treasury, namely, the teachers' retirement system plan 1 fund and the
14 teachers' retirement system combined plan 2 and 3 fund. The plan 1
15 fund shall consist of all moneys paid to finance the benefits
16 provided to members of the Washington state teachers' retirement
17 system plan 1, and the combined plan 2 and 3 fund shall consist of
18 all moneys paid to finance the benefits provided to members of the
19 Washington state teachers' retirement system plan 2 and 3.

20 (3) There is hereby established in the state treasury two
21 separate funds, namely the public employees' retirement system plan 1
22 fund and the public employees' retirement system combined plan 2 and
23 plan 3 fund. The plan 1 fund shall consist of all moneys paid to
24 finance the benefits provided to members of the public employees'
25 retirement system plan 1, and the combined plan 2 and plan 3 fund
26 shall consist of all moneys paid to finance the benefits provided to
27 members of the public employees' retirement system plans 2 and 3.

28 (4) There is hereby established in the state treasury the school
29 employees' retirement system combined plan 2 and 3 fund. The combined
30 plan 2 and 3 fund shall consist of all moneys paid to finance the
31 benefits provided to members of the school employees' retirement
32 system plan 2 and plan 3.

33 (5) There is hereby established in the state treasury the public
34 safety employees' retirement system plan 2 fund. The plan 2 fund
35 shall consist of all moneys paid to finance the benefits provided to
36 members of the public safety employees' retirement system plan 2.

37 (6) (a) (i) There is hereby established in the state treasury the
38 higher education retirement plan supplemental benefit fund. The
39 higher education retirement plan supplemental benefit fund shall

1 consist of all moneys paid to finance the benefits provided to
2 members of each of the higher education retirement plans.

3 (ii) The fund in this subsection (6) was originally created under
4 chapter 47, Laws of 2011 1st sp. sess. (Engrossed Substitute House
5 Bill No. 1981).

6 (b) The office of financial management must create individual
7 accounts for each institution of higher education within the higher
8 education retirement plan supplemental benefit fund. For fiscal year
9 2021, the office of financial management must transfer all the assets
10 of the higher education retirement plan supplemental benefit fund
11 into the individual accounts for each institution that will be used
12 to manage the accounting for each benefit plan. The higher education
13 retirement plan supplemental benefit fund will include all the
14 amounts in the individual accounts created in this subsection.

15 (7) The department shall administer the funds established under
16 the restated law enforcement officers' and firefighters' retirement
17 system under chapter 41.--- RCW (the new chapter created in section
18 507 of this act), including:

19 (a) The restated law enforcement officers' and firefighters'
20 defined benefit retirement fund; and

21 (b) The pension funding stabilization account.

22 **Sec. 452.** RCW 41.50.080 and 2011 1st sp.s. c 47 s 21 are each
23 amended to read as follows:

24 The state investment board shall provide for the investment of
25 all funds of the Washington public employees' retirement system, the
26 teachers' retirement system, the school employees' retirement system,
27 the Washington law enforcement officers' and firefighters' retirement
28 systems under chapters 41.26 and 41.--- (the new chapter created in
29 section 507 of this act) RCW, the Washington state patrol retirement
30 system, the Washington judicial retirement system, the Washington
31 public safety employees' retirement system, the higher education
32 retirement plan supplemental benefit fund, and the judges' retirement
33 fund, pursuant to RCW 43.84.150, and may sell or exchange investments
34 acquired in the exercise of that authority.

35 **Sec. 453.** RCW 41.50.090 and 1985 c 102 s 6 are each amended to
36 read as follows:

37 (1) Except as otherwise provided in this section, on the
38 effective date of transfer as provided in RCW 41.50.030, the

1 department shall succeed to and is vested with all powers, duties,
2 and functions now or by any concurrent act of this 1976 legislature
3 vested in the individual retirement boards set forth in RCW 41.50.030
4 relating to the administration of their various retirement systems,
5 including but not limited to the power to appoint a staff and define
6 the duties thereof: PROVIDED, That actuarial services required by the
7 department shall be performed by the state actuary as provided in RCW
8 44.44.040.

9 (2) The department shall keep each retirement board fully
10 informed on the administration of the corresponding retirement
11 system, and shall furnish any information requested by a retirement
12 board.

13 (3) Rules proposed by the director under RCW 2.10.070, 41.50.055,
14 41.32.025, or 41.40.020 shall be submitted to the appropriate
15 retirement boards for review prior to adoption. After receiving
16 approval of the members of the appropriate board, such rules shall
17 become effective as provided by the administrative procedure act,
18 chapter 34.05 RCW.

19 (4) Each retirement board shall continue to perform all functions
20 as are vested in it by law with respect to applications for benefits
21 paid upon either temporary or permanent disability, with such staff
22 assistance from the department as may be required. The director shall
23 perform those functions with respect to disability benefits as are
24 vested in him or her by ((RCW 41.26.120, 41.26.125, and 41.26.200))
25 chapter 41.--- RCW (the new chapter created in section 507 of this
26 act).

27 **Sec. 454.** RCW 41.50.110 and 2025 c 424 s 941 are each amended to
28 read as follows:

29 (1) Except as provided by RCW 41.50.255 and subsection (6) of
30 this section, all expenses of the administration of the department,
31 the expenses of administration of the retirement systems, and the
32 expenses of the administration of the office of the state actuary
33 created in chapters 2.10, 2.12, 28B.10, 41.26, 41.--- (the new
34 chapter created in section 507 of this act), 41.32, 41.40, 41.34,
35 41.35, 41.37, 43.43, and 44.44 RCW shall be paid from the department
36 of retirement systems expense fund.

37 (2) In order to reimburse the department of retirement systems
38 expense fund on an equitable basis the department shall ascertain and
39 report to each employer, as defined in RCW 28B.10.400, 41.26.030,

1 section 303 of this act, 41.32.010, 41.35.010, 41.37.010, or
2 41.40.010, the sum necessary to defray its proportional share of the
3 entire expense of the administration of the retirement system that
4 the employer participates in during the ensuing biennium or fiscal
5 year whichever may be required. Such sum is to be computed in an
6 amount directly proportional to the estimated entire expense of the
7 administration as the ratio of monthly salaries of the employer's
8 members bears to the total salaries of all members in the entire
9 system. It shall then be the duty of all such employers to include in
10 their budgets or otherwise provide the amounts so required.

11 (3) The department shall compute and bill each employer, as
12 defined in RCW 28B.10.400, 41.26.030, section 303 of this act,
13 41.32.010, 41.35.010, 41.37.010, or 41.40.010, at the end of each
14 month for the amount due for that month to the department of
15 retirement systems expense fund and the same shall be paid as are its
16 other obligations. Such computation as to each employer shall be made
17 on a percentage rate of salary established by the department.
18 However, the department may at its discretion establish a system of
19 billing based upon calendar year quarters in which event the said
20 billing shall be at the end of each such quarter.

21 (4) The director may adjust the expense fund contribution rate
22 for each system at any time when necessary to reflect unanticipated
23 costs or savings in administering the department.

24 (5) An employer who fails to submit timely and accurate reports
25 to the department may be assessed an additional fee related to the
26 increased costs incurred by the department in processing the
27 deficient reports. Fees paid under this subsection shall be deposited
28 in the retirement system expense fund.

29 (a) Every six months the department shall determine the amount of
30 an employer's fee by reviewing the timeliness and accuracy of the
31 reports submitted by the employer in the preceding six months. If
32 those reports were not both timely and accurate the department may
33 prospectively assess an additional fee under this subsection.

34 (b) An additional fee assessed by the department under this
35 subsection shall not exceed fifty percent of the standard fee.

36 (c) The department shall adopt rules implementing this section.

37 (6) Expenses other than those under RCW 41.34.060(4) shall be
38 paid pursuant to subsection (1) of this section.

1 (7) During the 2025-2027 fiscal biennium, the legislature may
2 direct the state treasurer to transfer money in the department of
3 retirement systems' expense fund to the state general fund.

4 **Sec. 455.** RCW 41.50.112 and 2000 c 247 s 1107 are each amended
5 to read as follows:

6 Employers, as defined in RCW 41.26.030, section 303 of this act,
7 41.32.010, 41.34.020, 41.35.010, and 41.40.010, must report all
8 member data to the department in a format designed and communicated
9 by the department. Employers failing to comply with this reporting
10 requirement shall be assessed an additional fee as defined under RCW
11 41.50.110(5).

12 **Sec. 456.** RCW 41.50.150 and 2004 c 242 s 47 are each amended to
13 read as follows:

14 (1) The employer of any employee whose retirement benefits are
15 based in part on excess compensation, as defined in this section,
16 shall, upon receipt of a billing from the department, pay into the
17 appropriate retirement system the present value at the time of the
18 employee's retirement of the total estimated cost of all present and
19 future benefits from the retirement system attributable to the excess
20 compensation. The state actuary shall determine the estimated cost
21 using the same method and procedure as is used in preparing fiscal
22 note costs for the legislature. However, the director may in the
23 director's discretion decline to bill the employer if the amount due
24 is less than fifty dollars. Accounts unsettled within thirty days of
25 the receipt of the billing shall be assessed an interest penalty of
26 one percent of the amount due for each month or fraction thereof
27 beyond the original thirty-day period.

28 (2) "Excess compensation," as used in this section, includes the
29 following payments, if used in the calculation of the employee's
30 retirement allowance:

31 (a) A cash out of unused annual leave in excess of two hundred
32 forty hours of such leave. "Cash out" for purposes of this subsection
33 means:

34 (i) Any payment in lieu of an accrual of annual leave; or

35 (ii) Any payment added to salary or wages, concurrent with a
36 reduction of annual leave;

37 (b) A cash out of any other form of leave;

1 (c) A payment for, or in lieu of, any personal expense or
2 transportation allowance to the extent that payment qualifies as
3 reportable compensation in the member's retirement system;

4 (d) The portion of any payment, including overtime payments, that
5 exceeds twice the regular daily or hourly rate of pay; and

6 (e) Any termination or severance payment.

7 (3) This section applies to the retirement systems listed in RCW
8 41.50.030 and to retirements occurring on or after March 15, 1984.
9 Nothing in this section is intended to amend or determine the meaning
10 of any definition in chapter 2.10, 2.12, 41.26, 41.--- (the new
11 chapter created in section 507 of this act), 41.32, 41.40, 41.35,
12 41.37, or 43.43 RCW or to determine in any manner what payments are
13 includable in the calculation of a retirement allowance under such
14 chapters.

15 (4) An employer is not relieved of liability under this section
16 because of the death of any person either before or after the billing
17 from the department.

18 **Sec. 457.** RCW 41.50.255 and 2025 c 424 s 943 are each amended to
19 read as follows:

20 The director is authorized to pay from the interest earnings of
21 the trust funds of the public employees' retirement system, the
22 teachers' retirement system, the Washington state patrol retirement
23 system, the Washington judicial retirement system, the judges'
24 retirement system, the school employees' retirement system, the
25 public safety employees' retirement system, or the law enforcement
26 officers' and firefighters' retirement systems under chapters 41.26
27 and 41.--- (the new chapter created in section 507 of this act) RCW
28 lawful obligations of the appropriate system for legal, medical, and,
29 during the 2025-2027 fiscal biennium, administrative expenses, which
30 expenses are primarily incurred for the purpose of protecting or
31 preventing losses from the appropriate trust fund or are incurred in
32 compliance with statutes governing such funds.

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

37 The term "medical expense" includes, but is not limited to,
38 expenses for the medical examination or reexamination of members or
39 retirees, the costs of preparation of medical reports, and fees

1 charged by medical professionals for attendance at discovery
2 proceedings or hearings.

3 The term "administrative expenses" includes, but is not limited
4 to, expenses incurred to prevent losses to the trust funds such as
5 audits, cybersecurity, petition decisions, departmental liaison work
6 with the attorney general's office, and other similar expenses
7 incurred by the department to ensure that trust funds are protected
8 against risks that might lead to losses from the trust funds.

9 The director may also pay from the interest earnings of the trust
10 funds specified in this section costs incurred in investigating fraud
11 and collecting overpayments, including expenses incurred to review
12 and investigate cases of possible fraud against the trust funds and
13 collection agency fees and other costs incurred in recovering
14 overpayments. Recovered funds must be returned to the appropriate
15 trust funds.

16 **Sec. 458.** RCW 41.50.500 and 2004 c 242 s 50 are each amended to
17 read as follows:

18 Unless the context clearly requires otherwise, the definitions in
19 this section apply throughout RCW 41.50.500 through 41.50.650,
20 41.50.670 through 41.50.720, and 26.09.138.

21 (1) "Benefits" means periodic retirement payments or a withdrawal
22 of accumulated contributions.

23 (2) "Disposable benefits" means that part of the benefits of an
24 individual remaining after the deduction from those benefits of any
25 amount required by law to be withheld. The term "required by law to
26 be withheld" does not include any deduction elective to the member.

27 (3) "Dissolution order" means any judgment, decree, or order of
28 spousal maintenance, property division, or court-approved property
29 settlement incident to a decree of divorce, dissolution, invalidity,
30 or legal separation issued by the superior court of the state of
31 Washington or a judgment, decree, or other order of spousal support
32 issued by a court of competent jurisdiction in another state or
33 country, that has been registered or otherwise made enforceable in
34 this state.

35 (4) "Mandatory benefits assignment order" means an order issued
36 to the department of retirement systems pursuant to RCW 41.50.570 to
37 withhold and deliver benefits payable to an obligor under chapter
38 2.10, 2.12, 41.26, 41.--- (the new chapter created in section 507 of
39 this act), 41.32, 41.40, 41.35, 41.37, or 43.43 RCW.

1 (5) "Obligee" means an ex spouse or spouse to whom a duty of
2 spousal maintenance or property division obligation is owed.

3 (6) "Obligor" means the spouse or ex spouse owing a duty of
4 spousal maintenance or a property division obligation.

5 (7) "Periodic retirement payments" means periodic payments of
6 retirement allowances, including but not limited to service
7 retirement allowances, disability retirement allowances, and
8 survivors' allowances. The term does not include a withdrawal of
9 accumulated contributions.

10 (8) "Property division obligation" means any outstanding court-
11 ordered property division or court-approved property settlement
12 obligation incident to a decree of divorce, dissolution, or legal
13 separation.

14 (9) "Standard allowance" means a benefit payment option selected
15 under RCW 2.10.146(1)(a), 41.26.460(1)(a), 41.32.785(1)(a),
16 41.40.188(1)(a), 41.40.660(1), 41.40.845(1)(a), 41.37.170, or
17 41.35.220 that ceases upon the death of the retiree. Standard
18 allowance also means the benefit allowance provided under RCW
19 2.10.110, 2.10.130, 43.43.260, (~~41.26.100, 41.26.130(1)(a),~~)
20 section 318 or 324(1)(a) of this act or chapter 2.12 RCW. Standard
21 allowance also means the maximum retirement allowance available under
22 RCW 41.32.530(1) following member withdrawal of accumulated
23 contributions, if any.

24 (10) "Withdrawal of accumulated contributions" means a lump sum
25 payment to a retirement system member of all or a part of the
26 member's accumulated contributions, including accrued interest, at
27 the request of the member including any lump sum amount paid upon the
28 death of the member.

29 **Sec. 459.** RCW 41.50.650 and 1991 c 365 s 12 are each amended to
30 read as follows:

31 (1) Notwithstanding RCW 2.10.180(1), 2.12.090(1), (~~41.26.180~~)
32 41.26.053(1), section 310(1) of this act, 41.32.052(1), 41.40.052(1),
33 and 43.43.310(1) as those sections existed between July 1, 1987, and
34 July 28, 1991, the department of retirement systems shall make direct
35 payments of benefits to a spouse or ex spouse pursuant to court
36 orders or decrees entered before July 1, 1987, that complied with all
37 the requirements in RCW 2.10.180(1), 2.12.090(2), (~~41.26.180~~)
38 41.26.053(3), section 310(3) of this act, 41.32.052(3), 41.40.052(3),
39 43.43.310(2), and 41.04.310 through 41.04.330, as such requirements

1 existed before July 1, 1987. The department shall be responsible for
2 making direct payments only if the decree or court order expressly
3 orders the department to make direct payments to the spouse or ex
4 spouse and specifies a sum certain or percentage amount of the
5 benefit payments to be made to the spouse or ex spouse.

6 (2) The department of retirement systems shall notify a spouse or
7 ex spouse who, pursuant to a mandatory benefits assignment order
8 entered between July 1, 1987, and July 28, 1991, is receiving
9 benefits in satisfaction of a court-ordered property division, that
10 he or she is entitled to receive direct payments of a court-ordered
11 property division pursuant to RCW 41.50.670 if the dissolution order
12 fully complies or is modified to fully comply with the requirements
13 of RCW 41.50.670 through 41.50.720 and, as applicable, RCW 2.10.180,
14 2.12.090, (~~41.26.180~~) 41.26.053, section 310 of this act,
15 41.32.052, 41.40.052, 43.43.310, and 26.09.138. The department shall
16 send notice in writing as soon as reasonably feasible but no later
17 than ninety days after July 28, 1991. The department shall also send
18 notice to the obligor member spouse.

19 **Sec. 460.** RCW 41.50.670 and 2004 c 242 s 51 are each amended to
20 read as follows:

21 (1) Nothing in this chapter regarding mandatory assignment of
22 benefits to enforce a spousal maintenance obligation shall abridge
23 the right of an obligee to direct payments of retirement benefits to
24 satisfy a property division obligation ordered pursuant to a court
25 decree of dissolution or legal separation or any court order or
26 court-approved property settlement agreement incident to any court
27 decree of dissolution or legal separation as provided in RCW
28 2.10.180, 2.12.090, 41.26.053, (~~41.26.162~~) section 310 or 330 of
29 this act, 41.32.052, 41.35.100, 41.34.070(4), 41.40.052, 43.43.310,
30 41.37.090, or 26.09.138, as those statutes existed before July 1,
31 1987, and as those statutes exist on and after July 28, 1991. The
32 department shall pay benefits under this chapter in a lump sum or as
33 a portion of periodic retirement payments as expressly provided by
34 the dissolution order. A dissolution order may not order the
35 department to pay a periodic retirement payment or lump sum unless
36 that payment is specifically authorized under the provisions of
37 chapter 2.10, 2.12, 41.26, 41.--- (the new chapter created in section
38 507 of this act), 41.32, 41.35, 41.34, 41.40, 41.37, or 43.43 RCW, as
39 applicable.

1 (2) The department shall pay directly to an obligee the amount of
2 periodic retirement payments or lump sum payment, as appropriate,
3 specified in the dissolution order if the dissolution order filed
4 with the department pursuant to subsection (1) of this section
5 includes a provision that states in the following form:

6 If (the obligor) receives periodic retirement
7 payments as defined in RCW 41.50.500, the department of retirement
8 systems shall pay to (the obligee) dollars
9 from such payments or . . . percent of such payments. If the
10 obligor's debt is expressed as a percentage of his or her periodic
11 retirement payment and the obligee does not have a survivorship
12 interest in the obligor's benefit, the amount received by the obligee
13 shall be the percentage of the periodic retirement payment that the
14 obligor would have received had he or she selected a standard
15 allowance.

16 If (the obligor) requests or has requested a
17 withdrawal of accumulated contributions as defined in RCW 41.50.500,
18 or becomes eligible for a lump sum death benefit, the department of
19 retirement systems shall pay to (the obligee)
20 dollars plus interest at the rate paid by the department of
21 retirement systems on member contributions. Such interest to accrue
22 from the date of this order's entry with the court of record.

23 (3) This section does not require a member to select a standard
24 allowance upon retirement nor does it require the department to
25 recalculate the amount of a retiree's periodic retirement payment
26 based on a change in survivor option.

27 (4) A court order under this section may not order the department
28 to pay more than seventy-five percent of an obligor's periodic
29 retirement payment to an obligee.

30 (5) Persons whose court decrees were entered between July 1,
31 1987, and July 28, 1991, shall also be entitled to receive direct
32 payments of retirement benefits to satisfy court-ordered property
33 divisions if the dissolution orders comply or are modified to comply
34 with this section and RCW 41.50.680 through 41.50.720 and, as
35 applicable, RCW 2.10.180, 2.12.090, 41.26.053, section 310 of this
36 act, 41.32.052, 41.35.100, 41.34.070, 41.40.052, 43.43.310,
37 41.37.090, and 26.09.138.

38 (6) The obligee must file a copy of the dissolution order with
39 the department within ninety days of that order's entry with the
40 court of record.

1 (7) A division of benefits pursuant to a dissolution order under
2 this section shall be based upon the obligor's gross benefit prior to
3 any deductions. If the department is required to withhold a portion
4 of the member's benefit pursuant to 26 U.S.C. Sec. 3402 and the sum
5 of that amount plus the amount owed to the obligee exceeds the total
6 benefit, the department shall satisfy the withholding requirements
7 under 26 U.S.C. Sec. 3402 and then pay the remainder to the obligee.
8 The provisions of this subsection do not apply to amounts withheld
9 pursuant to 26 U.S.C. Sec. 3402(i).

10 **Sec. 461.** RCW 41.50.700 and 2003 c 294 s 12 are each amended to
11 read as follows:

12 (1) Except under subsection (3) of this section and RCW
13 41.26.460(5), 41.32.530(5), 41.32.785(5), 41.32.851(4), 41.35.220(4),
14 41.40.188(5), 41.40.660(5), 41.40.845(4), 43.43.271(4), and
15 41.34.080, the department's obligation to provide direct payment of a
16 property division obligation to an obligee under RCW 41.50.670 shall
17 cease upon the death of the obligee or upon the death of the obligor,
18 whichever comes first. However, if an obligor dies and is eligible
19 for a lump sum death benefit, the department shall be obligated to
20 provide direct payment to the obligee of all or a portion of the
21 withdrawal of accumulated contributions pursuant to a court order
22 that complies with RCW 41.50.670.

23 (2) The direct payment of a property division obligation to an
24 obligee under RCW 41.50.670 shall be paid as a deduction from the
25 member's periodic retirement payment. An obligee may not direct the
26 department to withhold any funds from such payment.

27 (3) The department's obligation to provide direct payment to a
28 nonmember ex spouse from a preretirement divorce meeting the criteria
29 of RCW 41.26.162(2) or 43.43.270(2) may continue for the life of the
30 member's surviving spouse qualifying for benefits under RCW
31 ~~((41.26.160, 41.26.161, or))~~ 43.43.270(2) or section 328 or 329 of
32 this act. Upon the death of the member's surviving spouse qualifying
33 for benefits under RCW ~~((41.26.160, 41.26.161, or))~~ 43.43.270(2) or
34 section 328 or 329 of this act, the department's obligation under
35 this subsection shall cease. The department's obligation to provide
36 direct payment to a nonmember ex spouse qualifying for a continued
37 split benefit payment under RCW 41.26.162(3) shall continue for the
38 life of that nonmember ex spouse.

1 **Sec. 462.** RCW 41.56.030 and 2025 c 322 s 1 and 2025 c 113 s 1
2 are each reenacted and amended to read as follows:

3 As used in this chapter:

4 (1) "Adult family home provider" means a provider as defined in
5 RCW 70.128.010 who receives payments from the medicaid and state-
6 funded long-term care programs.

7 (2) "Bargaining representative" means any lawful organization
8 which has as one of its primary purposes the representation of
9 employees in their employment relations with employers.

10 (3) "Child care subsidy" means a payment from the state through a
11 child care subsidy program established pursuant to RCW 74.12.340, 45
12 C.F.R. Sec. 98.1 through 98.17, or any successor program.

13 (4) "Collective bargaining" means the performance of the mutual
14 obligations of the public employer and the exclusive bargaining
15 representative to meet at reasonable times, to confer and negotiate
16 in good faith, and to execute a written agreement with respect to
17 grievance procedures, subject to RCW 41.58.070, and collective
18 negotiations on personnel matters, including wages, hours, and
19 working conditions, which may be peculiar to an appropriate
20 bargaining unit of such public employer, except that by such
21 obligation neither party shall be compelled to agree to a proposal or
22 be required to make a concession unless otherwise provided in this
23 chapter.

24 (5) "Commission" means the public employment relations
25 commission.

26 (6) "Executive director" means the executive director of the
27 commission.

28 (7) "Family child care provider" means a person who: (a) Provides
29 regularly scheduled care for a child or children in the home of the
30 provider or in the home of the child or children for periods of less
31 than twenty-four hours or, if necessary due to the nature of the
32 parent's work, for periods equal to or greater than twenty-four
33 hours; (b) receives child care subsidies; and (c) under chapter
34 43.216 RCW, is either licensed by the state or is exempt from
35 licensing.

36 (8) "Fish and wildlife officer" means a fish and wildlife officer
37 as defined in RCW 77.08.010 who ranks below deputy chief and includes
38 officers, detectives, sergeants, lieutenants, and captains of the
39 department of fish and wildlife.

1 (9) "Individual provider" means an individual provider as defined
2 in RCW 74.39A.240(3) who, solely for the purposes of collective
3 bargaining, is a public employee as provided in RCW 74.39A.270.

4 (10) "Institution of higher education" means the University of
5 Washington, Washington State University, Central Washington
6 University, Eastern Washington University, Western Washington
7 University, The Evergreen State College, and the various state
8 community colleges.

9 (11)(a) "Language access provider" means any independent
10 contractor who provides spoken language interpreter services, whether
11 paid by a broker, language access agency, or the respective
12 department:

13 (i) For department of social and health services appointments,
14 department of children, youth, and families appointments, medicaid
15 enrollee appointments, or who provided these services on or after
16 January 1, 2011, and before June 10, 2012;

17 (ii) For department of labor and industries authorized medical
18 and vocational providers who provided these services on or after
19 January 1, 2019; or

20 (iii) For state agencies who provided these services on or after
21 January 1, 2019.

22 (b) "Language access provider" does not mean a manager or
23 employee of a broker or a language access agency.

24 (12) "Public employee" means any employee of a public employer
25 except any person (a) elected by popular vote, or (b) appointed to
26 office pursuant to statute, ordinance or resolution for a specified
27 term of office as a member of a multimember board, commission, or
28 committee, whether appointed by the executive head or body of the
29 public employer, or (c) whose duties as deputy, administrative
30 assistant or secretary necessarily imply a confidential relationship
31 to (i) the executive head or body of the applicable bargaining unit,
32 or (ii) any person elected by popular vote, or (iii) any person
33 appointed to office pursuant to statute, ordinance or resolution for
34 a specified term of office as a member of a multimember board,
35 commission, or committee, whether appointed by the executive head or
36 body of the public employer, or (d) who is a court commissioner or a
37 court magistrate of superior court, district court, or a department
38 of a district court organized under chapter 3.46 RCW, or (e) who is a
39 personal assistant to a district court judge, superior court judge,
40 or court commissioner. For the purpose of (e) of this subsection, no

1 more than one assistant for each judge or commissioner may be
2 excluded from a bargaining unit.

3 (13) "Public employer" means any officer, board, commission,
4 council, or other person or body acting on behalf of any public body
5 governed by this chapter, or any subdivision of such public body. For
6 the purposes of this section, the public employer of district court
7 or superior court employees for wage-related matters is the
8 respective county legislative authority, or person or body acting on
9 behalf of the legislative authority, and the public employer for
10 nonwage-related matters is the judge or judge's designee of the
11 respective district court or superior court. For the purposes of this
12 chapter, public employer does not include a comprehensive cancer
13 center participating in a collaborative arrangement as defined in RCW
14 28B.10.930 that is operated in conformance with RCW 28B.10.930.

15 (14) "Uniformed personnel" means: (a) Law enforcement officers as
16 defined in RCW 41.26.030 or section 303 of this act employed by the
17 governing body of any city or town, law enforcement officers employed
18 by the governing body of any county, and law enforcement officers
19 employed by the governing body of a municipal airport operating under
20 the provisions of chapter 14.08 RCW; (b) correctional employees who
21 are uniformed and nonuniformed, commissioned and noncommissioned
22 security personnel employed in a jail as defined in RCW 70.48.020(9),
23 by a county with a population of seventy thousand or more, in a
24 correctional facility created under RCW 70.48.095, or in a detention
25 facility created under chapter 13.40 RCW that is located in a county
26 with a population over one million five hundred thousand, and who are
27 trained for and charged with the responsibility of controlling and
28 maintaining custody of inmates in the jail and safeguarding inmates
29 from other inmates; (c) general authority Washington peace officers
30 as defined in RCW 10.93.020 employed by a port district in a county
31 with a population of one million or more; (d) security forces
32 established under RCW 43.52.520; (e) firefighters as that term is
33 defined in RCW 41.26.030 or section 303 of this act; (f) employees of
34 a port district in a county with a population of one million or more
35 whose duties include crash fire rescue or other firefighting duties;
36 (g) employees of fire departments of public employers who dispatch
37 exclusively either fire or emergency medical services, or both; (h)
38 employees in the several classes of advanced life support
39 technicians, as defined in RCW 18.71.200, who are employed by a
40 public employer; (i) court marshals of any county who are employed

1 by, trained for, and commissioned by the county sheriff and charged
2 with the responsibility of enforcing laws, protecting and maintaining
3 security in all county-owned or contracted property, and performing
4 any other duties assigned to them by the county sheriff or mandated
5 by judicial order; or (j) public safety telecommunicators, as defined
6 in RCW 38.60.020, employed by a public employer. This subsection
7 (14)(j) does not apply to public safety telecommunicators employed by
8 the Washington state patrol or any other state agency.

9 **Sec. 463.** RCW 43.79A.040 and 2025 c 399 s 13 and 2025 c 190 s 3
10 are each reenacted and amended to read as follows:

11 (1) Money in the treasurer's trust fund may be deposited,
12 invested, and reinvested by the state treasurer in accordance with
13 RCW 43.84.080 in the same manner and to the same extent as if the
14 money were in the state treasury, and may be commingled with moneys
15 in the state treasury for cash management and cash balance purposes.

16 (2) All income received from investment of the treasurer's trust
17 fund must be set aside in an account in the treasury trust fund to be
18 known as the investment income account.

19 (3) The investment income account may be utilized for the payment
20 of purchased banking services on behalf of treasurer's trust funds
21 including, but not limited to, depository, safekeeping, and
22 disbursement functions for the state treasurer or affected state
23 agencies. The investment income account is subject in all respects to
24 chapter 43.88 RCW, but no appropriation is required for payments to
25 financial institutions. Payments must occur prior to distribution of
26 earnings set forth in subsection (4) of this section.

27 (4)(a) Monthly, the state treasurer must distribute the earnings
28 credited to the investment income account to the state general fund
29 except under (b), (c), and (d) of this subsection.

30 (b) The following accounts and funds must receive their
31 proportionate share of earnings based upon each account's or fund's
32 average daily balance for the period: The 24/7 sobriety account, the
33 Washington promise scholarship account, the Gina Grant Bull memorial
34 legislative page scholarship account, the Rosa Franklin legislative
35 internship program scholarship account, the Washington advanced
36 college tuition payment program account, the Washington college
37 savings program account, the accessible communities account, the
38 Washington achieving a better life experience program account, the
39 Washington career and college pathways innovation challenge program

1 account, the community and technical college innovation account, the
2 agricultural local fund, the American Indian scholarship endowment
3 fund, the behavioral health loan repayment and scholarship program
4 account, the Billy Frank Jr. national statuary hall collection fund,
5 the foster care scholarship endowment fund, the foster care endowed
6 scholarship trust fund, the contract harvesting revolving account,
7 the Washington state combined fund drive account, the county 911
8 excise tax account, the county road administration board emergency
9 loan account, the toll collection account, the developmental
10 disabilities endowment trust fund, the energy account, the energy
11 facility site evaluation council account, the fair fund, the family
12 and medical leave insurance account, the Fern Lodge maintenance
13 account, the fish and wildlife federal lands revolving account, the
14 natural resources federal lands revolving account, the food animal
15 veterinarian conditional scholarship account, the forest health
16 revolving account, the fruit and vegetable inspection account, the
17 educator conditional scholarship account, the game farm alternative
18 account, the GET ready for math and science scholarship account, the
19 Washington global health technologies and product development
20 account, the grain inspection revolving fund, the Washington history
21 day account, the industrial insurance rainy day fund, the law
22 enforcement officers' and firefighters' plan 2 expense fund, the
23 local tourism promotion account, the low-income home rehabilitation
24 account, the medication for people living with HIV rebate revenue
25 account, the homeowner recovery account, the multiagency permitting
26 team account, the northeast Washington wolf-livestock management
27 account, the pollution liability insurance program trust account, the
28 public use general aviation airport loan revolving account, the
29 regional transportation investment district account, the restated law
30 enforcement officers' and firefighters' defined benefit retirement
31 fund, the rural rehabilitation account, the Washington sexual assault
32 kit account, the stadium and exhibition center account, the youth
33 athletic facility account, the self-insurance revolving fund, the
34 children's trust fund, the Washington horse racing commission
35 Washington bred owners' bonus fund and breeder awards account, the
36 Washington horse racing commission class C purse fund account, the
37 individual development account program account, the Washington horse
38 racing commission operating account, the life sciences discovery
39 fund, the Washington state library-archives building account, the
40 reduced cigarette ignition propensity account, the center for deaf

1 and hard of hearing youth account, the school for the blind account,
2 the public employees' and retirees' insurance reserve fund, the
3 school employees' benefits board insurance reserve fund, the public
4 employees' and retirees' insurance account, the school employees'
5 insurance account, the long-term services and supports trust account,
6 the radiation perpetual maintenance fund, the Indian health
7 improvement reinvestment account, the department of licensing tuition
8 recovery trust fund, the student achievement council tuition recovery
9 trust fund, the tuition recovery trust fund, the industrial insurance
10 premium refund account, the mobile home park relocation fund, the
11 natural resources deposit fund, the Washington state health insurance
12 pool account, the federal forest revolving account, the Washington
13 saves administrative trust account, and the library operations
14 account.

15 (c) The following accounts and funds must receive 80 percent of
16 their proportionate share of earnings based upon each account's or
17 fund's average daily balance for the period: The advance right-of-way
18 revolving fund, the advanced environmental mitigation revolving
19 account, the federal narcotics asset forfeitures account, the high
20 occupancy vehicle account, the local rail service assistance account,
21 and the miscellaneous transportation programs account.

22 (d) Any state agency that has independent authority over accounts
23 or funds not statutorily required to be held in the custody of the
24 state treasurer that deposits funds into a fund or account in the
25 custody of the state treasurer pursuant to an agreement with the
26 office of the state treasurer shall receive its proportionate share
27 of earnings based upon each account's or fund's average daily balance
28 for the period.

29 (5) In conformance with Article II, section 37 of the state
30 Constitution, no trust accounts or funds shall be allocated earnings
31 without the specific affirmative directive of this section.

32 **Sec. 464.** RCW 43.79A.040 and 2025 c 399 s 14 and 2025 c 190 s 4
33 are each reenacted and amended to read as follows:

34 (1) Money in the treasurer's trust fund may be deposited,
35 invested, and reinvested by the state treasurer in accordance with
36 RCW 43.84.080 in the same manner and to the same extent as if the
37 money were in the state treasury, and may be commingled with moneys
38 in the state treasury for cash management and cash balance purposes.

1 (2) All income received from investment of the treasurer's trust
2 fund must be set aside in an account in the treasury trust fund to be
3 known as the investment income account.

4 (3) The investment income account may be utilized for the payment
5 of purchased banking services on behalf of treasurer's trust funds
6 including, but not limited to, depository, safekeeping, and
7 disbursement functions for the state treasurer or affected state
8 agencies. The investment income account is subject in all respects to
9 chapter 43.88 RCW, but no appropriation is required for payments to
10 financial institutions. Payments must occur prior to distribution of
11 earnings set forth in subsection (4) of this section.

12 (4)(a) Monthly, the state treasurer must distribute the earnings
13 credited to the investment income account to the state general fund
14 except under (b), (c), and (d) of this subsection.

15 (b) The following accounts and funds must receive their
16 proportionate share of earnings based upon each account's or fund's
17 average daily balance for the period: The 24/7 sobriety account, the
18 Washington promise scholarship account, the Gina Grant Bull memorial
19 legislative page scholarship account, the Rosa Franklin legislative
20 internship program scholarship account, the Washington advanced
21 college tuition payment program account, the Washington college
22 savings program account, the accessible communities account, the
23 Washington achieving a better life experience program account, the
24 Washington career and college pathways innovation challenge program
25 account, the community and technical college innovation account, the
26 agricultural local fund, the American Indian scholarship endowment
27 fund, the behavioral health loan repayment and scholarship program
28 account, the Billy Frank Jr. national statuary hall collection fund,
29 the foster care scholarship endowment fund, the foster care endowed
30 scholarship trust fund, the contract harvesting revolving account,
31 the Washington state combined fund drive account, the county 911
32 excise tax account, the county road administration board emergency
33 loan account, the toll collection account, the developmental
34 disabilities endowment trust fund, the energy account, the energy
35 facility site evaluation council account, the fair fund, the family
36 and medical leave insurance account, the Fern Lodge maintenance
37 account, the fish and wildlife federal lands revolving account, the
38 natural resources federal lands revolving account, the food animal
39 veterinarian conditional scholarship account, the forest health
40 revolving account, the fruit and vegetable inspection account, the

1 educator conditional scholarship account, the game farm alternative
2 account, the GET ready for math and science scholarship account, the
3 Washington global health technologies and product development
4 account, the grain inspection revolving fund, the Washington history
5 day account, the industrial insurance rainy day fund, the law
6 enforcement officers' and firefighters' plan 2 expense fund, the
7 local tourism promotion account, the low-income home rehabilitation
8 account, the medication for people living with HIV rebate revenue
9 account, the homeowner recovery account, the multiagency permitting
10 team account, the northeast Washington wolf-livestock management
11 account, the public use general aviation airport loan revolving
12 account, the regional transportation investment district account, the
13 restated law enforcement officers' and firefighters' defined benefit
14 retirement fund, the rural rehabilitation account, the Washington
15 sexual assault kit account, the stadium and exhibition center
16 account, the youth athletic facility account, the self-insurance
17 revolving fund, the children's trust fund, the Washington horse
18 racing commission Washington bred owners' bonus fund and breeder
19 awards account, the Washington horse racing commission class C purse
20 fund account, the individual development account program account, the
21 Washington horse racing commission operating account, the life
22 sciences discovery fund, the Washington state library-archives
23 building account, the reduced cigarette ignition propensity account,
24 the center for deaf and hard of hearing youth account, the school for
25 the blind account, the public employees' and retirees' insurance
26 reserve fund, the school employees' benefits board insurance reserve
27 fund, the public employees' and retirees' insurance account, the
28 school employees' insurance account, the long-term services and
29 supports trust account, the radiation perpetual maintenance fund, the
30 Indian health improvement reinvestment account, the department of
31 licensing tuition recovery trust fund, the student achievement
32 council tuition recovery trust fund, the tuition recovery trust fund,
33 the industrial insurance premium refund account, the mobile home park
34 relocation fund, the natural resources deposit fund, the Washington
35 state health insurance pool account, the federal forest revolving
36 account, the Washington saves administrative trust account, and the
37 library operations account.

38 (c) The following accounts and funds must receive 80 percent of
39 their proportionate share of earnings based upon each account's or
40 fund's average daily balance for the period: The advance right-of-way

1 revolving fund, the advanced environmental mitigation revolving
2 account, the federal narcotics asset forfeitures account, the high
3 occupancy vehicle account, the local rail service assistance account,
4 and the miscellaneous transportation programs account.

5 (d) Any state agency that has independent authority over accounts
6 or funds not statutorily required to be held in the custody of the
7 state treasurer that deposits funds into a fund or account in the
8 custody of the state treasurer pursuant to an agreement with the
9 office of the state treasurer shall receive its proportionate share
10 of earnings based upon each account's or fund's average daily balance
11 for the period.

12 (5) In conformance with Article II, section 37 of the state
13 Constitution, no trust accounts or funds shall be allocated earnings
14 without the specific affirmative directive of this section.

15 **Sec. 465.** RCW 46.52.130 and 2023 c 118 s 1 are each amended to
16 read as follows:

17 Upon a proper request, the department may only furnish
18 information contained in an abstract of a person's driving record as
19 permitted under this section.

20 (1) **Contents of abstract of driving record.** An abstract of a
21 person's driving record, whenever possible, must include:

22 (a) An enumeration of motor vehicle accidents in which the person
23 was driving, including:

24 (i) The total number of vehicles involved;

25 (ii) Whether the vehicles were legally parked or moving;

26 (iii) Whether the vehicles were occupied at the time of the
27 accident; and

28 (iv) Whether the accident resulted in a fatality;

29 (b) Any reported convictions, forfeitures of bail, or findings
30 that an infraction was committed based upon a violation of any motor
31 vehicle law;

32 (c) The status of the person's driving privilege in this state;
33 and

34 (d) Any reports of failure to appear in response to a traffic
35 citation or failure to respond to a notice of infraction served upon
36 the named individual by an arresting officer.

37 (2) **Release of abstract of driving record.** Unless otherwise
38 required in this section, the release of an abstract does not require
39 a signed statement by the subject of the abstract. An abstract of a

1 person's driving record may be furnished to the following persons or
2 entities:

3 (a) **Named individuals.** (i) An abstract of the full driving record
4 maintained by the department may be furnished to the individual named
5 in the abstract.

6 (ii) Nothing in this section prevents a court from providing a
7 copy of the driver's abstract to the individual named in the abstract
8 or that named individual's attorney, provided that the named
9 individual has a pending or open infraction or criminal case in that
10 court. A pending case includes criminal cases that have not reached a
11 disposition by plea, stipulation, trial, or amended charge. An open
12 infraction or criminal case includes cases on probation, payment
13 agreement or subject to, or in collections. A probation clerk or
14 probation officer employed by the court may also provide a copy of
15 the driver's abstract to a treatment agency in accordance with (f) of
16 this subsection. Courts may charge a reasonable fee for the
17 production and copying of the abstract for the individual unless the
18 person is indigent as defined in RCW 10.101.010.

19 (b) **Employers or prospective employers.** (i) An abstract of the
20 full driving record maintained by the department may be furnished to
21 an employer or prospective employer or agents acting on behalf of an
22 employer or prospective employer of the named individual for purposes
23 related to driving by the individual as a condition of employment or
24 otherwise at the direction of the employer.

25 (ii) The department may provide employers or their agents a
26 three-year insurance carrier driving record of existing employees
27 only for the purposes of sharing the driving record with its
28 insurance carrier for underwriting. Employers may not provide the
29 employees' full driving records to its insurance carrier.

30 (iii) An abstract of the full driving record maintained by the
31 department may be furnished to an employer or prospective employer or
32 the agent(s) acting on behalf of an employer or prospective employer
33 of the named individual for purposes unrelated to driving by the
34 individual when a driving record is required by federal or state law,
35 or the employee or prospective employee will be handling heavy
36 equipment or machinery.

37 (iv) Release of an abstract of the driving record of an employee
38 or prospective employee requires a statement signed by: (A) The
39 employee or prospective employee that authorizes the release of the
40 record; and (B) the employer attesting that the information is

1 necessary for employment purposes related to driving by the
2 individual as a condition of employment or otherwise at the direction
3 of the employer. If the employer or prospective employer authorizes
4 agents to obtain this information on their behalf, this must be noted
5 in the statement. The statement must also note that any information
6 contained in the abstract related to an adjudication that is subject
7 to a court order sealing the juvenile record of an employee or
8 prospective employee may not be used by the employer or prospective
9 employer, or an agent authorized to obtain this information on their
10 behalf, unless required by federal regulation or law. The employer or
11 prospective employer must afford the employee or prospective employee
12 an opportunity to demonstrate that an adjudication contained in the
13 abstract is subject to a court order sealing the juvenile record.

14 (v) Upon request of the person named in the abstract provided
15 under this subsection, and upon that same person furnishing copies of
16 court records ruling that the person was not at fault in a motor
17 vehicle accident, the department must indicate on any abstract
18 provided under this subsection that the person was not at fault in
19 the motor vehicle accident.

20 (vi) No employer or prospective employer, nor any agents of an
21 employer or prospective employer, may use information contained in
22 the abstract related to an adjudication that is subject to a court
23 order sealing the juvenile record of an employee or prospective
24 employee for any purpose unless required by federal regulation or
25 law. The employee or prospective employee must furnish a copy of the
26 court order sealing the juvenile record to the employer or
27 prospective employer, or the agents of the employer or prospective
28 employer, as may be required to ensure the application of this
29 subsection.

30 (c) **Volunteer organizations.** (i) An abstract of the full driving
31 record maintained by the department may be furnished to a volunteer
32 organization or an agent for a volunteer organization for which the
33 named individual has submitted an application for a position that
34 would require driving by the individual at the direction of the
35 volunteer organization.

36 (ii) Release of an abstract of the driving record of a
37 prospective volunteer requires a statement signed by: (A) The
38 prospective volunteer that authorizes the release of the record; and
39 (B) the volunteer organization attesting that the information is
40 necessary for purposes related to driving by the individual at the

1 direction of the volunteer organization. If the volunteer
2 organization authorizes an agent to obtain this information on their
3 behalf, this must be noted in the statement.

4 (d) **Transit authorities.** An abstract of the full driving record
5 maintained by the department may be furnished to an employee or
6 agents of a transit authority checking prospective or existing
7 volunteer vanpool drivers for insurance and risk management needs.

8 (e) **Insurance carriers.** (i) An abstract of the driving record
9 maintained by the department covering the period of not more than the
10 last three years may be furnished to an insurance company or its
11 agents:

12 (A) That has motor vehicle or life insurance in effect covering
13 the named individual;

14 (B) To which the named individual has applied; or

15 (C) That has insurance in effect covering the employer or a
16 prospective employer of the named individual.

17 (ii) The abstract provided to the insurance company must:

18 (A) Not contain any information related to actions committed by
19 law enforcement officers or firefighters, as both terms are defined
20 in RCW 41.26.030 or section 303 of this act, or by Washington state
21 patrol officers, while driving official vehicles in the performance
22 of their occupational duty, or by registered tow truck operators as
23 defined in RCW 46.55.010 in the performance of their occupational
24 duties while at the scene of a roadside impound or recovery so long
25 as they are not issued a citation. This does not apply to any
26 situation where the vehicle was used in the commission of a
27 misdemeanor or felony;

28 (B) Include convictions under RCW 46.61.5249 and 46.61.525,
29 except that the abstract must report the convictions only as
30 negligent driving without reference to whether they are for first or
31 second degree negligent driving; and

32 (C) Exclude any deferred prosecution under RCW 10.05.060, except
33 that if a person is removed from a deferred prosecution under RCW
34 10.05.090, the abstract must show the deferred prosecution as well as
35 the removal.

36 (iii) Any policy of insurance may not be canceled, nonrenewed,
37 denied, or have the rate increased on the basis of information
38 regarding an accident included in the abstract of a driving record,
39 unless the policyholder was determined to be at fault.

1 (iv) Any insurance company or its agents, for underwriting
2 purposes relating to the operation of commercial motor vehicles, may
3 not use any information contained in the abstract relative to any
4 person's operation of motor vehicles while not engaged in such
5 employment. Any insurance company or its agents, for underwriting
6 purposes relating to the operation of noncommercial motor vehicles,
7 may not use any information contained in the abstract relative to any
8 person's operation of commercial motor vehicles. For the purposes of
9 this subsection, "commercial motor vehicle" has the same meaning as
10 in RCW 46.25.010(6).

11 (f) **Alcohol/drug assessment or treatment agencies.** An abstract of
12 the full driving record maintained by the department may be furnished
13 to an alcohol/drug assessment or treatment agency approved by the
14 department of health to which the named individual has applied or
15 been assigned for evaluation or treatment, for purposes of assisting
16 employees in making a determination as to what level of treatment, if
17 any, is appropriate, and the abstract must:

18 (i) Also include records of alcohol-related offenses, as defined
19 in RCW 46.01.260(2); and

20 (ii) Indicate whether an alcohol-related offense was originally
21 charged as a violation of either RCW 46.61.502 or 46.61.504.

22 (g) **Attorneys—City attorneys, county prosecuting attorneys, and**
23 **named individual's attorney of record.** An abstract of the full
24 driving record maintained by the department, including whether a
25 recorded violation is an alcohol-related offense, as defined in RCW
26 46.01.260(2), that was originally charged as a violation of either
27 RCW 46.61.502 or 46.61.504, may be furnished to city attorneys,
28 county prosecuting attorneys, or the named individual's attorney of
29 record. City attorneys, county prosecuting attorneys, or the named
30 individual's attorney of record may provide the driving record to
31 alcohol/drug assessment or treatment agencies approved by the
32 department of social and health services to which the named
33 individual has applied or been assigned for evaluation or treatment.

34 (h) **State colleges, universities, or agencies, or units of local**
35 **government.** An abstract of the full driving record maintained by the
36 department may be furnished to (i) state colleges, universities, or
37 agencies for employment and risk management purposes or (ii) units of
38 local government authorized to self-insure under RCW 48.62.031, or
39 their agents, for employment and risk management purposes. "Unit of

1 local government" includes an insurance pool established under RCW
2 48.62.031.

3 (i) **Superintendent of public instruction.** (i) An abstract of the
4 full driving record maintained by the department may be furnished to
5 the superintendent of public instruction for review of public school
6 bus driver records. The superintendent or superintendent's designee
7 may discuss information on the driving record with an authorized
8 representative of the employing school district for employment and
9 risk management purposes.

10 (ii) The superintendent of public instruction is exempt from
11 paying the fees related to the reviewing of records and the fee
12 required in subsection (5) of this section.

13 (j) **State and federal agencies.** An abstract of the driving record
14 maintained by the department may be furnished to state and federal
15 agencies, or their agents, in carrying out its functions.

16 (k) **Transportation network companies.** An abstract of the full
17 driving record maintained by the department may be furnished to a
18 transportation network company or its agents acting on its behalf of
19 the named individual for purposes related to driving by the
20 individual as a condition of being a contracted driver.

21 (l) **Research.** (i) The department may furnish driving record data
22 to state agencies and bona fide scientific research organizations.
23 The department may require review and approval by an institutional
24 review board. For the purposes of this subsection, "research" means a
25 planned and systematic sociological, psychological, epidemiological,
26 biomedical, or other scientific investigation carried out by a state
27 agency, or by a scientific research professional associated with a
28 bona fide scientific research organization with an objective to
29 contribute to scientific knowledge, the solution of social and health
30 problems, or the evaluation of public benefit and service programs.
31 This definition excludes methods of record analysis and data
32 collection that are subjective, do not permit replication, and are
33 not designed to yield reliable and valid results.

34 (ii) The state agency, or a scientific research professional
35 associated with a bona fide scientific research organization, are
36 exempt from paying the fees related to the reviewing of records and
37 the fee required in subsection (5) of this section. However, the
38 department may charge a cost-recovery fee for the actual cost of
39 providing the data.

1 (3) **Reviewing of driving records.** (a) In addition to the methods
2 described herein, the director may enter into a contractual agreement
3 for the purpose of reviewing the driving records of existing
4 employees for changes to the record during specified periods of time.
5 The department shall establish a fee for this service, which must be
6 deposited in the highway safety fund. The fee for this service must
7 be set at a level that does not result in a net revenue loss to the
8 state. Any information provided under this subsection must be treated
9 in the same manner and is subject to the same restrictions as driving
10 record abstracts.

11 (b) The department may provide reviewing services to the
12 following entities:

13 (i) Employers for existing employees, or their agents;

14 (ii) Transit authorities for current vanpool drivers, or their
15 agents;

16 (iii) Insurance carriers for current policyholders, or their
17 agents;

18 (iv) State colleges, universities, or agencies, or units of local
19 government, or their agents;

20 (v) The office of the superintendent of public instruction for
21 school bus drivers statewide; and

22 (vi) Transportation network companies, or their agents.

23 (4) **Release to third parties prohibited.** (a) Any person or entity
24 receiving an abstract of a person's driving record under subsection
25 (2)(b) through (1) of this section shall use the abstract exclusively
26 for his, her, or its own purposes or as otherwise expressly permitted
27 under this section, and shall not divulge any information contained
28 in the abstract to a third party.

29 (b) The following release of records to third parties are hereby
30 authorized:

31 (i) Employers may divulge driving records to regulatory bodies,
32 as defined by the department by rule, such as the United States
33 department of transportation and the federal motor carrier safety
34 administration.

35 (ii) Employers may divulge a three-year driving record to their
36 insurance carrier for underwriting purposes.

37 (iii) Employers may divulge driving records to contracted motor
38 carrier consultants for the purposes of ensuring driver compliance
39 and risk management.

1 (5) **Fees.** (a) The director shall collect a \$15 fee for each
2 abstract of a person's driving record furnished by the department.
3 After depositing \$2 of the driver's abstract fee in the move ahead WA
4 flexible account created in RCW 46.68.520, the remainder shall be
5 distributed as follows:

6 (i) Fifty percent must be deposited in the highway safety fund;
7 and

8 (ii) Fifty percent must be deposited according to RCW 46.68.038.

9 (b) Beginning July 1, 2029, the director shall collect an
10 additional \$2 fee for each abstract of a person's driving record
11 furnished by the department. The \$2 additional driver's abstract fee
12 must be deposited in the move ahead WA flexible account created in
13 RCW 46.68.520.

14 (c) City attorneys and county prosecuting attorneys are exempt
15 from paying the fees specified in (a) and (b) of this subsection for
16 an abstract of a person's driving record furnished by the department
17 for use in criminal proceedings.

18 (6) **Violation.** (a) Any negligent violation of this section is a
19 gross misdemeanor.

20 (b) Any intentional violation of this section is a class C
21 felony.

22 (7) Effective July 1, 2019, the contents of a driving abstract
23 pursuant to this section shall not include any information related to
24 sealed juvenile records unless that information is required by
25 federal law or regulation.

26 **Sec. 466.** RCW 49.44.160 and 2002 c 155 s 1 are each amended to
27 read as follows:

28 The legislature intends that public employers be prohibited from
29 misclassifying employees, or taking other action to avoid providing
30 or continuing to provide employment-based benefits to which employees
31 are entitled under state law or employer policies or collective
32 bargaining agreements applicable to the employee's correct
33 classification.

34 Chapter 155, Laws of 2002 does not mandate that any public
35 employer provide benefits to actual temporary, seasonal, or part-time
36 employees beyond the benefits to which they are entitled under state
37 law or employer policies or collective bargaining agreements
38 applicable to the employee's correct classification. Public employers
39 may determine eligibility rules for their own benefit plans and may

1 exclude categories of workers such as "temporary" or "seasonal," so
2 long as the definitions and eligibility rules are objective and
3 applied on a consistent basis. Objective standards, such as control
4 over the work and the length of the employment relationship, should
5 determine whether a person is an employee who is entitled to employee
6 benefits, rather than the arbitrary application of labels, such as
7 "temporary" or "contractor." Common law standards should be used to
8 determine whether a person is performing services as an employee, as
9 a contractor, or as part of an agency relationship.

10 Chapter 155, Laws of 2002 does not modify any statute or policy
11 regarding the employment of: Public employee retirees who are hired
12 for postretirement employment as provided for in chapter 41.26,
13 41.--- (the new chapter created in section 507 of this act), 41.32,
14 41.35, or 41.40 RCW or who work as contractors; or enrolled students
15 who receive employment as student employees or as part of their
16 education or financial aid.

17 **Sec. 467.** RCW 51.08.142 and 2023 c 370 s 1 are each amended to
18 read as follows:

19 (1) Except as provided in subsections (2) and (3) of this
20 section, the department shall adopt a rule pursuant to chapter 34.05
21 RCW that claims based on mental conditions or mental disabilities
22 caused by stress do not fall within the definition of occupational
23 disease in RCW 51.08.140.

24 (2)(a) Except as provided in (b) and (c) of this subsection, the
25 rule adopted under subsection (1) of this section shall not apply to
26 occupational disease claims resulting from posttraumatic stress
27 disorders of firefighters as defined in RCW 41.26.030(~~((17))~~) (14)
28 (a), (b), (c), and (~~(h))~~ (e) or section 303(17) (a), (b), (c), and
29 (h) of this act and firefighters, including supervisors, employed on
30 a full-time, fully compensated basis as a firefighter of a private
31 sector employer's fire department that includes over fifty such
32 firefighters, and law enforcement officers as defined in RCW
33 41.26.030(~~((19))~~) (16) (b), (c), and (~~((e))~~) (d) or section 303(19)
34 (b), (c), and (e) of this act, and public safety telecommunicators
35 who receive calls for assistance and dispatch emergency services.

36 (b) For firefighters as defined in RCW 41.26.030(~~((17))~~) (14)
37 (a), (b), (c), and (~~(h))~~ (e) or section 303(17) (a), (b), (c), and
38 (h) of this act and firefighters, including supervisors, employed on
39 a full-time, fully compensated basis as a firefighter of a private

1 sector employer's fire department that includes over fifty such
2 firefighters, and law enforcement officers as defined in RCW
3 41.26.030(~~((19))~~) (16) (b), (c), and (~~((e))~~) (d) or section 303(19)
4 (b), (c), and (e) of this act hired after June 7, 2018, and public
5 safety telecommunicators hired after June 11, 2020, (a) of this
6 subsection only applies if the firefighter or law enforcement officer
7 or public safety telecommunicators, as a condition of employment, has
8 submitted to a psychological examination administered by a
9 psychiatrist licensed in the state of Washington under chapter 18.71
10 RCW or a psychologist licensed in the state of Washington under
11 chapter 18.83 RCW that ruled out the presence of posttraumatic stress
12 disorder from preemployment exposures. If the employer does not
13 provide the psychological examination, (a) of this subsection
14 applies.

15 (c) Posttraumatic stress disorder for purposes of this
16 subsection(~~((s—(2))~~) and subsection (3) of this section is not
17 considered an occupational disease if the disorder is directly
18 attributed to disciplinary action, work evaluation, job transfer,
19 layoff, demotion, termination, or similar action taken in good faith
20 by an employer.

21 (d) "Public safety telecommunicators" means individuals who
22 receive and respond to telephone or other electronic requests for
23 emergency assistance, such as law enforcement, fire, and medical
24 services, and dispatch appropriate emergency responders.

25 (3)(a) Except as provided in this subsection, the rule adopted
26 under subsection (1) of this section shall not apply to occupational
27 disease claims resulting from posttraumatic stress disorders of
28 direct care registered nurses as defined in RCW 51.32.395.

29 (b) The limitation in subsection (2)(c) of this section also
30 applies to this subsection (3).

31 (c) This subsection (3) applies only to a direct care registered
32 nurse who has posttraumatic stress disorder that develops or
33 manifests itself after the individual has been employed on a fully
34 compensated basis as a direct care registered nurse in Washington
35 state for at least 90 consecutive days.

36 **Sec. 468.** RCW 51.32.050 and 2010 c 261 s 3 are each amended to
37 read as follows:

1 (1) Where death results from the injury the expenses of burial
2 not to exceed two hundred percent of the average monthly wage in the
3 state as defined in RCW 51.08.018 shall be paid.

4 (2) (a) Where death results from the injury, a surviving spouse of
5 a deceased worker eligible for benefits under this title shall
6 receive monthly for life or until remarriage payments according to
7 the following schedule:

8 (i) If there are no children of the deceased worker, sixty
9 percent of the wages of the deceased worker;

10 (ii) If there is one child of the deceased worker and in the
11 legal custody of such spouse, sixty-two percent of the wages of the
12 deceased worker;

13 (iii) If there are two children of the deceased worker and in the
14 legal custody of such spouse, sixty-four percent of the wages of the
15 deceased worker;

16 (iv) If there are three children of the deceased worker and in
17 the legal custody of such spouse, sixty-six percent of the wages of
18 the deceased worker;

19 (v) If there are four children of the deceased worker and in the
20 legal custody of such spouse, sixty-eight percent of the wages of the
21 deceased worker; or

22 (vi) If there are five or more children of the deceased worker
23 and in the legal custody of such spouse, seventy percent of the wages
24 of the deceased worker.

25 (b) Where the surviving spouse does not have legal custody of any
26 child or children of the deceased worker or where after the death of
27 the worker legal custody of such child or children passes from such
28 surviving spouse to another, any payment on account of such child or
29 children not in the legal custody of the surviving spouse shall be
30 made to the person or persons having legal custody of such child or
31 children. The amount of such payments shall be five percent of the
32 monthly benefits payable as a result of the worker's death for each
33 such child but such payments shall not exceed twenty-five percent.
34 Such payments on account of such child or children shall be
35 subtracted from the amount to which such surviving spouse would have
36 been entitled had such surviving spouse had legal custody of all of
37 the children and the surviving spouse shall receive the remainder
38 after such payments on account of such child or children have been
39 subtracted. Such payments on account of a child or children not in

1 the legal custody of such surviving spouse shall be apportioned
2 equally among such children.

3 (c) Payments to the surviving spouse of the deceased worker shall
4 cease at the end of the month in which remarriage occurs: PROVIDED,
5 That a monthly payment shall be made to the child or children of the
6 deceased worker from the month following such remarriage in a sum
7 equal to five percent of the wages of the deceased worker for one
8 child and a sum equal to five percent for each additional child up to
9 a maximum of five such children. Payments to such child or children
10 shall be apportioned equally among such children. Such sum shall be
11 in place of any payments theretofore made for the benefit of or on
12 account of any such child or children. If the surviving spouse does
13 not have legal custody of any child or children of the deceased
14 worker, or if after the death of the worker, legal custody of such
15 child or children passes from such surviving spouse to another, any
16 payment on account of such child or children not in the legal custody
17 of the surviving spouse shall be made to the person or persons having
18 legal custody of such child or children.

19 (d) In no event shall the monthly payments provided in this
20 subsection (2) (~~of this section~~):

21 (i) Exceed the applicable percentage of the average monthly wage
22 in the state as computed under RCW 51.08.018 as follows:

	AFTER	PERCENTAGE
23		
24	June 30, 1993	105%
25	June 30, 1994	110%
26	June 30, 1995	115%
27	June 30, 1996	120%

28 (ii) For dates of injury or disease manifestation after July 1,
29 2008, be less than fifteen percent of the average monthly wage in the
30 state as computed under RCW 51.08.018 plus an additional ten dollars
31 per month for a surviving spouse and an additional ten dollars per
32 month for each child of the worker up to a maximum of five children.
33 However, if the monthly payment computed under this subsection
34 (2)(d)(ii) is greater than one hundred percent of the wages of the
35 deceased worker as determined under RCW 51.08.178, the monthly
36 payment due to the surviving spouse shall be equal to the greater of
37 the monthly wages of the deceased worker or the minimum benefit set
38 forth in this section on June 30, 2008.

1 (e) In addition to the monthly payments provided for in
2 (~~subsection (2)~~) (a) through (c) of this (~~section~~) subsection, a
3 surviving spouse or child or children of such worker if there is no
4 surviving spouse, or dependent parent or parents, if there is no
5 surviving spouse or child or children of any such deceased worker
6 shall be forthwith paid a sum equal to one hundred percent of the
7 average monthly wage in the state as defined in RCW 51.08.018, any
8 such children, or parents to share and share alike in said sum.

9 (f) Upon remarriage of a surviving spouse the monthly payments
10 for the child or children shall continue as provided in this section,
11 but the monthly payments to such surviving spouse shall cease at the
12 end of the month during which remarriage occurs. However, after
13 September 8, 1975, an otherwise eligible surviving spouse of a worker
14 who died at any time prior to or after September 8, 1975, shall have
15 an option of:

16 (i) (A) Receiving, once and for all, a lump sum of twenty-four
17 times the monthly compensation rate in effect on the date of
18 remarriage allocable to the spouse for himself or herself pursuant to
19 (~~subsection (2)~~) (a) (i) of this (~~section~~) subsection and subject
20 to any modifications specified under (~~subsection (2)~~) (d) of this
21 (~~section~~) subsection and RCW 51.32.075(3) or fifty percent of the
22 then remaining annuity value of his or her pension, whichever is the
23 lesser: PROVIDED, That if the injury occurred prior to July 28, 1991,
24 the remarriage benefit lump sum available shall be as provided in the
25 remarriage benefit schedules then in effect;

26 (B) If a surviving spouse is the surviving spouse of a member of
27 the law enforcement officers' and firefighters' retirement system
28 under chapter 41.26 or 41.--- (the new chapter created in section 507
29 of this act) RCW or the state patrol retirement system under chapter
30 43.43 RCW, the surviving spouse may receive a lump sum of thirty-six
31 times the monthly compensation rate in effect on the date of
32 remarriage allocable to the spouse for himself or herself pursuant to
33 (~~subsection (2)~~) (a) (i) of this (~~section~~) subsection and RCW
34 51.32.075(3) or fifty percent of the remaining annuity value of his
35 or her pension provided under this chapter, whichever is the lesser:
36 PROVIDED, That if the injury occurred prior to July 28, 1991, the
37 lump sum benefit shall be as provided in the remarriage benefit
38 schedules then in effect; or

39 (ii) If a surviving spouse does not choose the option specified
40 in (~~subsection (2)~~) (f) (i) of this (~~section~~) subsection to accept

1 the lump sum payment, the remarriage of the surviving spouse of a
2 worker shall not bar him or her from claiming the lump sum payment
3 authorized in (~~subsection (2)~~) (f) (i) of this (~~section~~) subsection
4 during the life of the remarriage, or shall not prevent subsequent
5 monthly payments to him or to her if the remarriage has been
6 terminated by death or has been dissolved or annulled by valid court
7 decree provided he or she has not previously accepted the lump sum
8 payment.

9 (g) If the surviving spouse during the remarriage should die
10 without having previously received the lump sum payment provided in
11 (~~subsection (2)~~) (f) (i) of this (~~section~~) subsection, his or her
12 estate shall be entitled to receive the sum specified under
13 (~~subsection (2)~~) (f) (i) of this (~~section~~) subsection or fifty
14 percent of the then remaining annuity value of his or her pension
15 whichever is the lesser.

16 (h) The effective date of resumption of payments under
17 (~~subsection (2)~~) (f) (ii) of this (~~section~~) subsection to a
18 surviving spouse based upon termination of a remarriage by death,
19 annulment, or dissolution shall be the date of the death or the date
20 the judicial decree of annulment or dissolution becomes final and
21 when application for the payments has been received.

22 (i) If it should be necessary to increase the reserves in the
23 reserve fund or to create a new pension reserve fund as a result of
24 the amendments in chapter 45, Laws of 1975-'76 2nd ex. sess., the
25 amount of such increase in pension reserve in any such case shall be
26 transferred to the reserve fund from the supplemental pension fund.

27 (3) If there is a child or children and no surviving spouse of
28 the deceased worker or the surviving spouse is not eligible for
29 benefits under this title, a sum equal to thirty-five percent of the
30 wages of the deceased worker shall be paid monthly for one child and
31 a sum equivalent to fifteen percent of such wage shall be paid
32 monthly for each additional child, the total of such sum to be
33 divided among such children, share and share alike: PROVIDED, That
34 benefits under this subsection or subsection (4) of this section
35 shall not exceed the lesser of sixty-five percent of the wages of the
36 deceased worker at the time of his or her death or the applicable
37 percentage of the average monthly wage in the state as defined in RCW
38 51.08.018, as follows:

39 AFTER PERCENTAGE

1	June 30, 1993	105%
2	June 30, 1994	110%
3	June 30, 1995	115%
4	June 30, 1996	120%

5 (4) In the event a surviving spouse receiving monthly payments
6 dies, the child or children of the deceased worker shall receive the
7 same payment as provided in subsection (3) of this section.

8 (5) If the worker leaves no surviving spouse or child, but leaves
9 a dependent or dependents, a monthly payment shall be made to each
10 dependent equal to fifty percent of the average monthly support
11 actually received by such dependent from the worker during the twelve
12 months next preceding the occurrence of the injury, but the total
13 payment to all dependents in any case shall not exceed the lesser of
14 sixty-five percent of the wages of the deceased worker at the time of
15 his or her death or the applicable percentage of the average monthly
16 wage in the state as defined in RCW 51.08.018 as follows:

17	AFTER	PERCENTAGE
18	June 30, 1993	105%
19	June 30, 1994	110%
20	June 30, 1995	115%
21	June 30, 1996	120%

22 If any dependent is under the age of eighteen years at the time
23 of the occurrence of the injury, the payment to such dependent shall
24 cease when such dependent reaches the age of eighteen years except
25 such payments shall continue until the dependent reaches age twenty-
26 three while permanently enrolled at a full time course in an
27 accredited school. The payment to any dependent shall cease if and
28 when, under the same circumstances, the necessity creating the
29 dependency would have ceased if the injury had not happened.

30 (6) For claims filed prior to July 1, 1986, if the injured worker
31 dies during the period of permanent total disability, whatever the
32 cause of death, leaving a surviving spouse, or child, or children,
33 the surviving spouse or child or children shall receive benefits as
34 if death resulted from the injury as provided in subsections (2)
35 through (4) of this section. Upon remarriage or death of such
36 surviving spouse, the payments to such child or children shall be

1 made as provided in subsection (2) of this section when the surviving
2 spouse of a deceased worker remarries.

3 (7) For claims filed on or after July 1, 1986, every worker who
4 becomes eligible for permanent total disability benefits shall elect
5 an option as provided in RCW 51.32.067.

6 **Sec. 469.** RCW 51.32.185 and 2019 c 133 s 1 are each amended to
7 read as follows:

8 (1)(a) In the case of firefighters as defined in RCW
9 41.26.030(~~((17))~~) (14) (a), (b), (c), and (~~((h))~~) (e) or section
10 303(17) (a), (b), (c), and (h) of this act who are covered under this
11 title and firefighters, including supervisors, employed on a full-
12 time, fully compensated basis as a firefighter of a private sector
13 employer's fire department that includes over fifty such
14 firefighters, and public employee fire investigators, there shall
15 exist a prima facie presumption that: (i) Respiratory disease; (ii)
16 any heart problems, experienced within seventy-two hours of exposure
17 to smoke, fumes, or toxic substances, or experienced within twenty-
18 four hours of strenuous physical exertion due to firefighting
19 activities; (iii) cancer; and (iv) infectious diseases are
20 occupational diseases under RCW 51.08.140.

21 (b) In the case of firefighters as defined in RCW
22 41.26.030(~~((17))~~) (14) (a), (b), (c), and (~~((h))~~) (e) or section
23 303(17) (a), (b), (c), and (h) of this act and firefighters,
24 including supervisors, employed on a full-time, fully compensated
25 basis as a firefighter of a private sector employer's fire department
26 that includes over fifty such firefighters, and law enforcement
27 officers as defined in RCW 41.26.030(~~((19))~~) (16) (b), (c), and
28 (~~((e))~~) (d) or section 303(19) (b), (c), and (e) of this act, who are
29 covered under this title, there shall exist a prima facie presumption
30 that posttraumatic stress disorder is an occupational disease under
31 RCW 51.08.140.

32 (c) In the case of law enforcement officers as defined in RCW
33 41.26.030(~~((19))~~) (16) (b), (c), and (~~((e))~~) (d) or section 303(19)
34 (b), (c), and (e) of this act who are covered under Title 51 RCW,
35 there shall exist a prima facie presumption that: (i) Any heart
36 problems, experienced within seventy-two hours of exposure to smoke,
37 fumes, or toxic substances, or experienced within twenty-four hours
38 of strenuous physical exertion in the line of duty; and (ii)
39 infectious diseases are occupational diseases under RCW 51.08.140.

1 (d) This presumption of occupational disease established in (a),
2 (b), and (c) of this subsection may be rebutted by a preponderance of
3 the evidence. Such evidence may include, but is not limited to, use
4 of tobacco products, physical fitness and weight, lifestyle,
5 hereditary factors, and exposure from other employment or
6 nonemployment activities.

7 (2) The presumptions established in subsection (1) of this
8 section shall be extended to an applicable member following
9 termination of service for a period of three calendar months for each
10 year of requisite service, but may not extend more than sixty months
11 following the last date of employment.

12 (3)(a) The presumption established in subsection (1)(a)(iii) of
13 this section shall only apply to any active or former firefighter or
14 fire investigator who:

15 (i) Has cancer that develops or manifests itself after the
16 firefighter or fire investigator has served at least ten years; and

17 (ii)(A) Was given a qualifying medical examination upon becoming
18 a firefighter or fire investigator that showed no evidence of cancer;
19 or

20 (B)(I) For a firefighter or fire investigator who became a
21 firefighter or fire investigator on or after July 28, 2019, the
22 employer did not provide a qualifying medical examination upon
23 becoming a firefighter or fire investigator; or

24 (II) For a firefighter or fire investigator who became a
25 firefighter or fire investigator before July 28, 2019, the employer
26 did not provide a qualifying medical examination upon becoming a
27 firefighter or fire investigator and the employer provides a
28 qualifying medical examination on or before July 1, 2020. If a
29 firefighter or fire investigator described in this subsection
30 (3)(a)(ii)(B)(II) did not receive a qualifying medical examination
31 before July 1, 2020, or is diagnosed with a cancer listed in (b) of
32 this subsection at the time of the qualifying medical examination
33 under this subsection (3)(a)(ii)(B)(II) and otherwise meets the
34 requirements of this section, the presumption established in
35 subsection (1)(a)(iii) of this section applies.

36 (b) The presumption established in subsection (1)(a)(iii) of this
37 section shall only apply to the following cancers: Prostate cancer
38 diagnosed prior to the age of fifty, primary brain cancer, malignant
39 melanoma, leukemia, non-Hodgkin's lymphoma, bladder cancer, ureter
40 cancer, colorectal cancer, multiple myeloma, testicular cancer,

1 kidney cancer, mesothelioma, stomach cancer, nonmelanoma skin cancer,
2 breast cancer in women, and cervical cancer.

3 (4) The presumption established in subsection (1)(a)(iv) and
4 (c)(ii) of this section shall be extended to any firefighter, fire
5 investigator, or law enforcement officer who has contracted any of
6 the following infectious diseases: Human immunodeficiency virus/
7 acquired immunodeficiency syndrome, all strains of hepatitis,
8 meningococcal meningitis, or mycobacterium tuberculosis.

9 (5) The presumption established in subsection (1)(b) of this
10 section only applies to active or former firefighters as defined in
11 RCW 41.26.030(~~((17))~~) (14) (a), (b), (c), and (~~((h))~~) (e) or section
12 303(17) (a), (b), (c), and (h) of this act and firefighters,
13 including supervisors, employed on a full-time, fully compensated
14 basis as a firefighter of a private sector employer's fire department
15 that includes over fifty such firefighters, and law enforcement
16 officers as defined in RCW 41.26.030(~~((19))~~) (16) (b), (c), and
17 (~~((e))~~) (d) or section 303(19) (b), (c), and (e) of this act who have
18 posttraumatic stress disorder that develops or manifests itself after
19 the individual has served at least ten years.

20 (6) If the employer does not provide the psychological exam as
21 specified in RCW 51.08.142 and the employee otherwise meets the
22 requirements for the presumption established in subsection (1)(b) of
23 this section, the presumption applies.

24 (7) Beginning July 1, 2003, this section does not apply to a
25 firefighter, fire investigator, or law enforcement officer who
26 develops a heart or lung condition and who is a regular user of
27 tobacco products or who has a history of tobacco use. The department,
28 using existing medical research, shall define in rule the extent of
29 tobacco use that shall exclude a firefighter, fire investigator, or
30 law enforcement officer from the provisions of this section.

31 (8) For purposes of this section, "firefighting activities" means
32 fire suppression, fire prevention, fire investigation, emergency
33 medical services, rescue operations, hazardous materials response,
34 aircraft rescue, and training and other assigned duties related to
35 emergency response.

36 (9)(a) When a determination involving the presumption established
37 in this section is appealed to the board of industrial insurance
38 appeals and the final decision allows the claim for benefits, the
39 board of industrial insurance appeals shall order that all reasonable
40 costs of the appeal, including attorney fees and witness fees, be

1 paid to the firefighter, fire investigator, or law enforcement
2 officer, or his or her beneficiary by the opposing party.

3 (b) When a determination involving the presumption established in
4 this section is appealed to any court and the final decision allows
5 the claim for benefits, the court shall order that all reasonable
6 costs of the appeal, including attorney fees and witness fees, be
7 paid to the firefighter, fire investigator, or law enforcement
8 officer, or his or her beneficiary by the opposing party.

9 (c) When reasonable costs of the appeal must be paid by the
10 department under this section in a state fund case, the costs shall
11 be paid from the accident fund and charged to the costs of the claim.

12 (10)(a) The director must create an advisory committee on
13 occupational disease presumptions. The purposes of the advisory
14 committee are to review scientific evidence and to make
15 recommendations to the legislature on additional diseases or
16 disorders for inclusion under this section.

17 (b)(i) The advisory committee shall be composed of five voting
18 members, appointed by the director as follows:

19 (A) Two epidemiologists;

20 (B) Two preventive medicine physicians; and

21 (C) One industrial hygienist.

22 (ii) The research director of the department's safety and health
23 assessment and research for prevention program shall serve as the
24 advisory committee nonvoting chair.

25 (iii) Members serve for a term of four years and may be
26 reappointed. Members shall not be compensated for their work on the
27 advisory committee. As a condition of appointment, voting members and
28 the chair must have no past or current financial or personal
29 conflicts of interest related to the advisory committee activities.
30 Voting members of the advisory committee may not be current employees
31 of the department.

32 (c) The chair or ranking member of the appropriate committee or
33 committees of the legislature may initiate a request for the advisory
34 committee to review scientific evidence and to make recommendations
35 to the legislature on specific disorders or diseases, or specific
36 occupations, for inclusion under this section by notifying the
37 director.

38 (d) The process of developing an advisory committee
39 recommendation must include a thorough review of the scientific
40 literature on the disease or disorder, relevant exposures, and

1 strength of the association between the specific occupations and the
2 disease or disorder proposed for inclusion in this section. The
3 advisory committee must give consideration to the relevance, quality,
4 and quantity of the literature and data. The advisory committee may
5 consult nationally recognized experts or subject matter experts in
6 developing its recommendations. The advisory committee must provide a
7 recommendation to the legislature within the earlier of one hundred
8 eighty days of the request or when the advisory committee reaches a
9 consensus recommendation.

10 (e) Each recommendation must include a written description of the
11 scientific evidence and supporting information relied upon to assess
12 the causal relationship between the occupation and health condition
13 proposed for inclusion under this section. Estimates of the number of
14 Washington workers at risk, the prevalence of the disease or
15 disorder, and the medical treatment and disability costs should, if
16 available, be included with the recommendation.

17 (f) The recommendation must be made by a majority of advisory
18 committee's voting members. Any member of the advisory committee may
19 provide a written dissent as an appendix to the committee's
20 recommendation.

21 (g) The department's safety and health assessment and research
22 for prevention program shall provide organizational and scientific
23 support to the advisory committee. Scientific support must include
24 for consideration of the advisory committee preliminary written
25 reviews of the scientific literature on the disease and disorder,
26 relevant exposures, and strength of the association between the
27 specific occupations and the health condition or disorders proposed
28 for inclusion in this section.

29 **Sec. 470.** RCW 72.72.060 and 1983 c 279 s 5 are each amended to
30 read as follows:

31 The state shall reimburse cities and counties for their costs
32 incurred under chapter 41.26 or 41.--- (the new chapter created in
33 section 507 of this act) RCW if the costs are the direct result of
34 physical injuries sustained in the implementation of a contingency
35 plan adopted under RCW 72.02.150 and if reimbursement is not
36 precluded by the following provisions: If the secretary of
37 corrections identifies in the contingency plan the prison walls or
38 other perimeter of the secured area, then reimbursement will not be
39 made unless the injuries occur within the walls or other perimeter of

1 the secured area. If the secretary of corrections does not identify
2 prison walls or other perimeter of the secured area, then
3 reimbursement shall not be made unless the injuries result from
4 providing assistance, requested by the secretary of corrections or
5 the secretary's designee, which is beyond the description of the
6 assistance contained in the contingency plan. In no case shall
7 reimbursement be made when the injuries result from conduct which
8 either is not requested by the secretary of corrections or the
9 secretary's designee, or is in violation of orders by superiors of
10 the local law enforcement agency.

11 **PART V**

12 **MISCELLANEOUS**

13 **Sec. 501.** RCW 41.26.720 and 2008 c 99 s 5 are each amended to
14 read as follows:

15 (1) The board of trustees have the following powers and duties
16 and shall:

17 (a) Adopt actuarial tables, assumptions, and cost methodologies
18 in consultation with an enrolled actuary retained by the board. The
19 state actuary shall provide assistance when the board requests. The
20 actuary retained by the board shall utilize the aggregate actuarial
21 cost method, or other recognized actuarial cost method based on a
22 level percentage of payroll, as that term is employed by the American
23 academy of actuaries. The actuary retained by the board shall adjust
24 the actuarial cost method to recognize the actuarial present value of
25 future revenue that will be included in the calculation of the market
26 value of assets pursuant to RCW 41.26.805(2), using the methods and
27 assumptions employed by the state actuary in RCW 41.26.805(9). In
28 determining the reasonableness of actuarial valuations, assumptions,
29 and cost methodologies, the actuary retained by the board shall
30 provide a copy of all such calculations to the state actuary. If the
31 two actuaries concur on the calculations, contributions shall be made
32 as set forth in the report of the board's actuary. If the two
33 actuaries cannot agree, they shall appoint a third, independent,
34 enrolled actuary who shall review the calculations of the actuary
35 retained by the board and the state actuary. Thereafter,
36 contributions shall be based on the methodology most closely
37 following that of the third actuary;

1 (b)(i) Provide for the design and implementation of increased
2 benefits for members and beneficiaries of the plan, subject to the
3 contribution limitations under RCW 41.26.725. An increased benefit
4 may not be approved by the board until an actuarial cost of the
5 benefit has been determined by the actuary and contribution rates
6 adjusted as may be required to maintain the plan on a sound actuarial
7 basis. Increased benefits as approved by the board shall be presented
8 to the legislature on January 1st of each year. The increased
9 benefits as approved by the board shall become effective within
10 ninety days unless a bill is enacted in the next ensuing session of
11 the legislature, by majority vote of each house of the legislature,
12 repealing the action of the board;

13 (ii) As an alternative to the procedure in (b)(i) of this
14 subsection, recommend to the legislature changes in the benefits for
15 members and beneficiaries, without regard to the cost limitations in
16 RCW 41.26.725(3). Benefits adopted in this manner shall have the same
17 contractual protections as the minimum benefits in the plan. The
18 recommendations of the board shall be presented to the legislature on
19 January 1st of each year. These measures shall take precedence over
20 all other measures in the legislature, except appropriations bills,
21 and shall be either enacted or rejected without change or amendment
22 by the legislature before the end of such regular session;

23 (c) Retain professional and technical advisors necessary for the
24 accomplishment of its duties. The cost of these services may be
25 withdrawn from the trust;

26 (d) Consult with the department for the purpose of improving
27 benefit administration and member services;

28 (e) Provide an annual report to the governor and the legislature
29 setting forth the actuarial funding status of the plan and making
30 recommendations for improvements in those aspects of retirement
31 administration directed by the legislature or administered by the
32 department;

33 (f) Establish uniform administrative rules and operating policies
34 in the manner prescribed by law;

35 (g) Engage administrative staff and acquire office space
36 independent of, or in conjunction with, the department. The
37 department shall provide funding from its budget for these purposes;

38 (h) Publish on an annual basis a schedule of increased benefits
39 together with a summary of the minimum benefits as established by the

1 legislature which shall constitute the official plan document;
2 ((and))

3 (i) Be the fiduciary of the plan and discharge the board's duties
4 solely in the interest of the members and beneficiaries of the plan;
5 and

6 (j) The law enforcement officers' and firefighters' retirement
7 system plan 2 board has the following powers and duties for the
8 restated law enforcement officers' and firefighters' retirement
9 system:

10 (i) Study pension issues, develop pension policies for
11 beneficiaries of the plan, and make recommendations to the
12 legislature;

13 (ii) Study the financial condition of the plan, develop funding
14 policies and make recommendations to the legislature;

15 (iii) Receive the results of the actuarial valuations and
16 experience studies performed by the state actuary, and the audits of
17 those studies. The law enforcement officers' and firefighters'
18 retirement system plan 2 board shall study and make recommendations
19 on changes to assumptions or contribution rates to the legislature
20 prior to adoption of changes under RCW 41.45.030, 41.45.035, or
21 41.45.060.

22 (2) Meetings of the board of trustees shall be conducted as
23 follows:

24 (a) All board meetings are open to the public, preceded by timely
25 public notice;

26 (b) All actions of the board shall be taken in open public
27 session, except for those matters which may be considered in
28 executive session as provided by law;

29 (c) The board shall retain minutes of each meeting setting forth
30 the names of those board members present and absent, and their voting
31 record on any voted issue; and

32 (d) The board may establish, with the assistance of the
33 appropriate office of state government, an internet website providing
34 for interactive communication with state government, members and
35 beneficiaries of the plan, and the public.

36 (3) A quorum of the board is six board members. All board actions
37 require six concurring votes.

38 (4) The decisions of the board shall be made in good faith and
39 are final, binding, and conclusive on all parties. The decisions of
40 the board shall be subject to judicial review as provided by law.

1 (5) A law enforcement officers' and firefighters' retirement
2 system plan 2 expense fund is established for the purpose of
3 defraying the expenses of the board. The board shall cause an annual
4 budget to be prepared consistent with the requirements of chapter
5 43.88 RCW and shall draw the funding for the budget from the
6 investment income of the trust. Board members shall be reimbursed for
7 travel and education expenses as provided in RCW 43.03.050 and
8 43.03.060. The board shall make an annual report to the governor,
9 legislature, and state auditor setting forth a summary of the costs
10 and expenditures of the plan for the preceding year. The board shall
11 also retain the services of an independent, certified public
12 accountant who shall annually audit the expenses of the fund and
13 whose report shall be included in the board's annual report.

14 **Sec. 502.** RCW 41.26.730 and 2003 c 2 s 7 are each amended to
15 read as follows:

16 (1) The (~~joint~~) select committee on pension policy established
17 in RCW 44.44.050, and the pension funding council created in RCW
18 41.45.100, shall have no applicability or authority over matters
19 relating to this plan.

20 (2) The select committee on pension policy shall have no
21 applicability or authority over matters relating to the restated law
22 enforcement officers' and firefighters' retirement system.

23 **Sec. 503.** RCW 41.26.715 and 2007 c 303 s 1 are each amended to
24 read as follows:

25 (1) An eleven member board of trustees is hereby created.

26 (a) Before January 1, 2007, three of the board members shall be
27 active law enforcement officers who are participants in the plan.
28 Beginning with the first vacancy on or after January 1, 2007, two
29 board members shall be active law enforcement officers who are
30 participants in the plan and one board member shall be either an
31 active or a retired law enforcement officer who is a participant of
32 the plan. The law enforcement officer board members shall be
33 appointed by the governor from a list provided by a recognized
34 statewide council whose membership consists exclusively of guilds,
35 associations, and unions representing state and local government
36 police officers, deputies, and sheriffs and excludes federal law
37 enforcement officers.

1 (b) Before January 1, 2007, three of the board members shall be
2 active firefighters who are participants in the plan. Beginning with
3 the first vacancy on or after January 1, 2007, two board members
4 shall be active firefighters who are participants in the plan and one
5 board member shall be either an active or a retired firefighter who
6 is a participant of the plan. The firefighter board members shall be
7 appointed by the governor from a list provided by a recognized
8 statewide council, affiliated with an international association
9 representing the interests of firefighters.

10 (c) Three of the board members shall be representatives of
11 employers and shall be appointed by the governor.

12 (d) One board member shall be a member of the house of
13 representatives who is appointed by the governor based on the
14 recommendation of the speaker of the house of representatives.

15 (e) One board member shall be a member of the senate who is
16 appointed by the governor based on the recommendation of the majority
17 leader of the senate.

18 (f) After January 1, 2008, at least one board member must be a
19 retired participant of the law enforcement officers' and
20 firefighters' retirement system (~~(plan 2)~~) or the restated law
21 enforcement officers' and firefighters' retirement system. This
22 member may be appointed under (a) through (e) of this subsection.

23 (2) The initial law enforcement officer and firefighter board
24 members shall serve terms of six, four, and two years, respectively.
25 Thereafter, law enforcement officer and firefighter board members
26 serve terms of six years. The initial employer representative board
27 members shall serve terms of four, five, and six years, respectively.
28 Thereafter, employer representative board members serve terms of four
29 years. The initial legislative board members shall serve terms of
30 five years and six months. Thereafter, legislative board members
31 serve terms of two years, which begin on January 1st of odd-numbered
32 years. Board members may be reappointed to succeeding terms without
33 limitation. Board members shall serve until their successors are
34 appointed and seated.

35 (3) In the event of a vacancy on the board, the vacancy shall be
36 filled in the same manner as prescribed for an initial appointment.

37 NEW SECTION. Sec. 504. REPEALER. The following acts or parts of
38 acts are each repealed:

1 (1) RCW 41.26.005 (Provisions applicable to "plan 1" and "plan
2 2.") and 1992 c 72 s 2, 1991 c 35 s 12, 1989 c 273 s 10, 1985 c 102 s
3 5, 1979 ex.s. c 249 s 1, & 1977 ex.s. c 294 s 18;

4 (2) RCW 41.26.035 ("Minimum medical and health standards"
5 defined) and 1991 c 35 s 14 & 1971 ex.s. c 257 s 2;

6 (3) RCW 41.26.045 (Minimum medical and health standards) and 2012
7 c 117 s 40, 1979 ex.s. c 249 s 3, 1977 ex.s. c 294 s 20, 1974 ex.s. c
8 120 s 8, & 1971 ex.s. c 257 s 3;

9 (4) RCW 41.26.046 (Minimum medical and health standards—Board to
10 adopt—Publication and distribution—Employer certification
11 procedures) and 2012 c 117 s 41, 1987 c 418 s 2, 1977 ex.s. c 294 s
12 21, 1974 ex.s. c 120 s 12, 1972 ex.s. c 131 s 2, & 1971 ex.s. c 257 s
13 4;

14 (5) RCW 41.26.047 (Minimum medical and health standards—
15 Exemptions—Employer may adopt higher standards) and 2012 c 117 s 42,
16 1972 ex.s. c 131 s 3, & 1971 ex.s. c 257 s 5;

17 (6) RCW 41.26.075 (Provisions applicable to plan 1) and 1992 c 72
18 s 3 & 1991 c 35 s 101;

19 (7) RCW 41.26.080 (Funding total liability of plan 1 system) and
20 2007 c 492 s 8, 2000 2nd sp.s. c 1 s 907, 1991 c 35 s 17, 1989 c 273
21 s 13, & 1969 ex.s. c 209 s 8;

22 (8) RCW 41.26.090 (Retirement for service) and 1991 sp.s. c 11 s
23 4;

24 (9) RCW 41.26.100 (Allowance on retirement for service) and 2006
25 c 350 s 1, 1991 c 343 s 16, 1974 ex.s. c 120 s 3, 1972 ex.s. c 131 s
26 7, 1971 ex.s. c 257 s 9, 1970 ex.s. c 6 s 5, & 1969 ex.s. c 209 s 10;

27 (10) RCW 41.26.105 (Purchase of actuarially equivalent life
28 annuity benefit upon retirement—Purchase by past retirees) and 2016 c
29 222 s 2;

30 (11) RCW 41.26.110 (Disability boards authorized—Composition—
31 Terms—Reimbursement for travel expenses—Duties) and 2020 c 107 s 7;

32 (12) RCW 41.26.115 (Director of retirement systems to adopt rules
33 governing disability boards—Remand of orders not in accordance with
34 rules) and 1981 c 294 s 1;

35 (13) RCW 41.26.120 (Retirement for disability incurred in the
36 line of duty) and 1991 c 35 s 19, 1986 c 176 s 5, 1985 c 102 s 2,
37 1981 c 294 s 2, 1974 ex.s. c 120 s 10, 1972 ex.s. c 131 s 8, 1970
38 ex.s. c 6 s 7, & 1969 ex.s. c 209 s 12;

1 (14) RCW 41.26.125 (Retirement for disability not incurred in the
2 line of duty) and 1986 c 176 s 6 & 1985 c 102 s 3;

3 (15) RCW 41.26.130 (Allowance on retirement for disability) and
4 1991 c 35 s 20, 1987 c 185 s 11, 1981 c 294 s 3, 1970 ex.s. c 6 s 8,
5 & 1969 ex.s. c 209 s 13;

6 (16) RCW 41.26.135 (Cessation of disability—Determination) and
7 1985 c 103 s 1;

8 (17) RCW 41.26.140 (Reexaminations of disability beneficiaries—
9 Reentry—Appeal) and 1991 c 35 s 21, 1985 c 103 s 2, 1981 c 294 s 4,
10 1974 ex.s. c 120 s 4, 1970 ex.s. c 6 s 9, & 1969 ex.s. c 209 s 14;

11 (18) RCW 41.26.150 (Sickness or disability benefits—Medical
12 services) and 2013 c 23 s 70, 1992 c 22 s 3, 1991 c 35 s 22, 1987 c
13 185 s 12, 1983 c 106 s 23, 1974 ex.s. c 120 s 11, 1971 ex.s. c 257 s
14 10, 1970 ex.s. c 6 s 10, 1969 ex.s. c 219 s 4, & 1969 ex.s. c 209 s
15 15;

16 (19) RCW 41.26.160 (Death benefits—Duty or military service
17 connected) and 2009 c 226 s 1, 2005 c 62 s 1, 2002 c 158 s 1, 1999 c
18 134 s 2, & 1991 sp.s. c 11 s 5;

19 (20) RCW 41.26.161 (Death benefits—Nonduty connected) and 2005 c
20 62 s 2, 2002 c 158 s 2, & 1999 c 134 s 3;

21 (21) RCW 41.26.162 (Ex spouse qualifying as surviving spouse) and
22 2005 c 62 s 3, 2002 c 158 s 3, & 1991 sp.s. c 12 s 2;

23 (22) RCW 41.26.164 (Optional reduced retirement allowance—
24 Continues for spouse otherwise ineligible for survivor benefits) and
25 2016 c 120 s 1, 2005 c 67 s 1, & 2002 c 158 s 4;

26 (23) RCW 41.26.170 (Refund of contributions on discontinuance of
27 service—Reentry) and 1994 c 197 s 6, 1991 c 35 s 24, 1970 ex.s. c 6 s
28 14, & 1969 ex.s. c 209 s 22;

29 (24) RCW 41.26.190 (Credit for military service) and 1991 c 35 s
30 26, 1970 ex.s. c 6 s 13, & 1969 ex.s. c 209 s 18;

31 (25) RCW 41.26.192 (Credit for service under prior pension system
32 —Restoration of withdrawn contributions) and 1994 c 197 s 7 & 1992 c
33 157 s 1;

34 (26) RCW 41.26.194 (Credit for service under prior pension system
35 —Service not covered under prior system) and 1994 c 197 s 8 & 1992 c
36 157 s 2;

37 (27) RCW 41.26.195 (Transfer of service credit from other
38 retirement system—Irrevocable election allowed) and 2010 c 260 s 1,
39 2007 c 492 s 9, 2003 c 294 s 2, & 1997 c 122 s 1;

1 (28) RCW 41.26.197 (Service credit for paid leave of absence—
2 Application to elected officials of labor organizations) and 1993 c
3 95 s 3;

4 (29) RCW 41.26.199 (Purchase of additional service credit—Costs—
5 Rules) and 2006 c 214 s 5;

6 (30) RCW 41.26.200 (Appeal to director of retirement systems) and
7 1981 c 294 s 5, 1974 ex.s. c 120 s 6, 1971 ex.s. c 257 s 13, 1970
8 ex.s. c 6 s 11, & 1969 ex.s. c 209 s 16;

9 (31) RCW 41.26.211 (Notice for hearing required prior to
10 petitioning for judicial review) and 1984 c 184 s 16, 1981 c 294 s 6,
11 & 1969 ex.s. c 209 s 19;

12 (32) RCW 41.26.221 (Hearing—Conduct) and 1984 c 184 s 17, 1981 c
13 294 s 7, & 1969 ex.s. c 209 s 20;

14 (33) RCW 41.26.240 (Increases or decreases in retirement
15 allowances to be determined by department in accordance with consumer
16 price index) and 1991 c 35 s 27, 1974 ex.s. c 120 s 13, 1970 ex.s. c
17 6 s 16, & 1969 ex.s. c 209 s 24;

18 (34) RCW 41.26.250 (Increase in presently payable benefits for
19 service or disability authorized) and 1975 1st ex.s. c 178 s 3, 1974
20 ex.s. c 190 s 3, 1970 ex.s. c 37 s 2, & 1969 ex.s. c 209 s 34;

21 (35) RCW 41.26.260 (Increase in certain presently payable death
22 benefits authorized) and 1974 ex.s. c 190 s 4 & 1969 ex.s. c 209 s
23 35;

24 (36) RCW 41.26.270 (Declaration of policy respecting benefits for
25 injury or death—Civil actions abolished) and 1989 c 12 s 13, 1987 c
26 185 s 13, 1985 c 102 s 4, & 1971 ex.s. c 257 s 14;

27 (37) RCW 41.26.281 (Cause of action for injury or death, when)
28 and 1991 c 35 s 28 & 1971 ex.s. c 257 s 15;

29 (38) RCW 41.26.291 (Lump sum defined benefit—Payable January 31,
30 2023) and 2022 c 168 s 1;

31 (39) RCW 41.26.3901 (Severability—1969 ex.s. c 209) and 1969
32 ex.s. c 209 s 42;

33 (40) RCW 41.26.3902 (Act to control inconsistencies) and 1969
34 ex.s. c 209 s 43;

35 (41) RCW 41.26.3903 (Effective date—1969 ex.s. c 209) and 1969
36 ex.s. c 209 s 45; and

37 (42) RCW 41.26.410 (Provisions applicable to plan 2) and 1991 c
38 35 s 29 & 1977 ex.s. c 294 s 2.

1 NEW SECTION. **Sec. 505.** SAVINGS. The repeals in section 504 of
2 this act do not affect any existing right acquired or liability or
3 obligation incurred under the statutes repealed or under any rule or
4 order adopted under those statutes nor do they affect any proceeding
5 instituted under them. Rules adopted by the department of retirement
6 systems relating to plan 1 of the law enforcement officers' and
7 firefighters' retirement system under chapter 41.26 RCW shall
8 continue in effect and apply to the restated law enforcement
9 officers' and firefighters' retirement system under chapter 41.---
10 RCW (the new chapter created in section 507 of this act) unless
11 expressly inconsistent therewith and until repealed or superseded.

12 NEW SECTION. **Sec. 506.** NONSEVERABILITY. Sections 101 through
13 107 of this act are not severable, and if any provision of those
14 sections is held invalid by a court of competent jurisdiction, this
15 entire act is null and void.

16 NEW SECTION. **Sec. 507.** LEGISLATIVE DIRECTIVE. Sections 101
17 through 108 and 301 through 348 of this act constitute a new chapter
18 in Title 41 RCW.

19 **Sec. 508.** RCW 41.45.230 and 2021 c 334 s 966 are each amended to
20 read as follows:

21 The pension funding stabilization account is created in the state
22 treasury. Moneys in the account may be spent only after
23 appropriation. Expenditures from the account may be used only for
24 payment of state government employer contributions for members of the
25 public employees' retirement system, the teachers' retirement system,
26 the school employees' retirement system, and the public safety
27 employees' retirement system, and during the ((2019-2021 and
28 2021-2023 fiscal biennia for the judicial retirement system))
29 2027-2029 fiscal biennium the legislature may direct the state
30 treasurer to make transfers of moneys in the pension funding
31 stabilization account into the state general fund. The account may
32 not be used to pay for any new benefit or for any benefit increase
33 that takes effect after July 1, 2005. An increase that is provided in
34 accordance with a formula that is in existence on July 1, 2005, is
35 not considered a benefit increase for this purpose. Moneys in the
36 account shall be for the exclusive use of the specified retirement
37 systems and may be invested by the state treasurer pursuant to RCW

1 43.84.080. For purposes of RCW 43.135.034, expenditures from the
2 pension funding stabilization account shall not be considered a state
3 program cost shift from the state general fund to another account.

4 NEW SECTION. **Sec. 509.** EFFECTIVE DATE. Except for sections 107,
5 108, and 464 of this act, this act takes effect June 30, 2029.

6 NEW SECTION. **Sec. 510.** Section 463 of this act expires July 1,
7 2030.

8 NEW SECTION. **Sec. 511.** Section 464 of this act takes effect
9 July 1, 2030.

--- END ---