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**SECOND SUBSTITUTE HOUSE BILL 2034**

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**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, and 41.45.230; reenacting  
15 and amending RCW 41.26.030, 41.05.011, 41.56.030, 43.79A.040, and  
16 43.79A.040; adding a new chapter to Title 41 RCW; creating new  
17 sections; repealing RCW 41.26.005, 41.26.035, 41.26.045, 41.26.046,  
18 41.26.047, 41.26.075, 41.26.080, 41.26.090, 41.26.100, 41.26.105,  
19 41.26.110, 41.26.115, 41.26.120, 41.26.125, 41.26.130, 41.26.135,  
20 41.26.140, 41.26.150, 41.26.160, 41.26.161, 41.26.162, 41.26.164,  
21 41.26.170, 41.26.190, 41.26.192, 41.26.194, 41.26.195, 41.26.197,  
22 41.26.199, 41.26.200, 41.26.211, 41.26.221, 41.26.240, 41.26.250,  
23 41.26.260, 41.26.270, 41.26.281, 41.26.291, 41.26.3901, 41.26.3902,

1 41.26.3903, and 41.26.410; prescribing penalties; providing effective  
2 dates; and providing an expiration date.

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

4 **PART I**  
5 **GENERALLY**

6 NEW SECTION. **Sec. 101.** LEGISLATIVE FINDINGS AND DECLARATION.  
7 The legislature finds that plan 1 of the Washington law enforcement  
8 officers' and firefighters' retirement system (LEOFF plan 1) has been  
9 closed to new members for nearly a quarter of a century and is now  
10 comprised almost entirely of retirees and survivor beneficiaries.  
11 Similarly, employers and employees have made no contributions to the  
12 plan for nearly a quarter of a century, and over the life of the  
13 plan, over 80 percent of all funds contributed have been from the  
14 state through general fund—state appropriations.

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

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

33 As the plan sponsor, the state retains the inherent power to  
34 terminate a retirement plan and, upon the satisfaction of all  
35 liabilities under the plan, is entitled to a reversion of the surplus  
36 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 ~~((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 504 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 504 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 504 of this act)  
7 RCW, firefighter as defined in chapter 41.26, 41.--- (the new chapter  
8 created in section 504 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 504 of  
20 this act) RCW, firefighter as defined in chapter 41.26, 41.--- (the  
21 new chapter created in section 504 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 504 of this act)  
20 RCW, firefighter as defined in chapter 41.26, 41.--- (the new chapter  
21 created in section 504 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 504 of  
30 this act) RCW, firefighter as defined in chapter 41.26, 41.--- (the  
31 new chapter created in section 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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 504 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  
18 504 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 504 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 504 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 504 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 504 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 504 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 504 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  
38 504 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 504 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 504  
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 504 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 NEW SECTION. **Sec. 501.** REPEALER. The following acts or parts of  
14 acts are each repealed:

15 (1) RCW 41.26.005 (Provisions applicable to "plan 1" and "plan  
16 2.") and 1992 c 72 s 2, 1991 c 35 s 12, 1989 c 273 s 10, 1985 c 102 s  
17 5, 1979 ex.s. c 249 s 1, & 1977 ex.s. c 294 s 18;

18 (2) RCW 41.26.035 ("Minimum medical and health standards"  
19 defined) and 1991 c 35 s 14 & 1971 ex.s. c 257 s 2;

20 (3) RCW 41.26.045 (Minimum medical and health standards) and 2012  
21 c 117 s 40, 1979 ex.s. c 249 s 3, 1977 ex.s. c 294 s 20, 1974 ex.s. c  
22 120 s 8, & 1971 ex.s. c 257 s 3;

23 (4) RCW 41.26.046 (Minimum medical and health standards—Board to  
24 adopt—Publication and distribution—Employer certification  
25 procedures) and 2012 c 117 s 41, 1987 c 418 s 2, 1977 ex.s. c 294 s  
26 21, 1974 ex.s. c 120 s 12, 1972 ex.s. c 131 s 2, & 1971 ex.s. c 257 s  
27 4;

28 (5) RCW 41.26.047 (Minimum medical and health standards—  
29 Exemptions—Employer may adopt higher standards) and 2012 c 117 s 42,  
30 1972 ex.s. c 131 s 3, & 1971 ex.s. c 257 s 5;

31 (6) RCW 41.26.075 (Provisions applicable to plan 1) and 1992 c 72  
32 s 3 & 1991 c 35 s 101;

33 (7) RCW 41.26.080 (Funding total liability of plan 1 system) and  
34 2007 c 492 s 8, 2000 2nd sp.s. c 1 s 907, 1991 c 35 s 17, 1989 c 273  
35 s 13, & 1969 ex.s. c 209 s 8;

36 (8) RCW 41.26.090 (Retirement for service) and 1991 sp.s. c 11 s  
37 4;

1 (9) RCW 41.26.100 (Allowance on retirement for service) and 2006  
2 c 350 s 1, 1991 c 343 s 16, 1974 ex.s. c 120 s 3, 1972 ex.s. c 131 s  
3 7, 1971 ex.s. c 257 s 9, 1970 ex.s. c 6 s 5, & 1969 ex.s. c 209 s 10;  
4 (10) RCW 41.26.105 (Purchase of actuarially equivalent life  
5 annuity benefit upon retirement—Purchase by past retirees) and 2016 c  
6 222 s 2;  
7 (11) RCW 41.26.110 (Disability boards authorized—Composition—  
8 Terms—Reimbursement for travel expenses—Duties) and 2020 c 107 s 7;  
9 (12) RCW 41.26.115 (Director of retirement systems to adopt rules  
10 governing disability boards—Remand of orders not in accordance with  
11 rules) and 1981 c 294 s 1;  
12 (13) RCW 41.26.120 (Retirement for disability incurred in the  
13 line of duty) and 1991 c 35 s 19, 1986 c 176 s 5, 1985 c 102 s 2,  
14 1981 c 294 s 2, 1974 ex.s. c 120 s 10, 1972 ex.s. c 131 s 8, 1970  
15 ex.s. c 6 s 7, & 1969 ex.s. c 209 s 12;  
16 (14) RCW 41.26.125 (Retirement for disability not incurred in the  
17 line of duty) and 1986 c 176 s 6 & 1985 c 102 s 3;  
18 (15) RCW 41.26.130 (Allowance on retirement for disability) and  
19 1991 c 35 s 20, 1987 c 185 s 11, 1981 c 294 s 3, 1970 ex.s. c 6 s 8,  
20 & 1969 ex.s. c 209 s 13;  
21 (16) RCW 41.26.135 (Cessation of disability—Determination) and  
22 1985 c 103 s 1;  
23 (17) RCW 41.26.140 (Reexaminations of disability beneficiaries—  
24 Reentry—Appeal) and 1991 c 35 s 21, 1985 c 103 s 2, 1981 c 294 s 4,  
25 1974 ex.s. c 120 s 4, 1970 ex.s. c 6 s 9, & 1969 ex.s. c 209 s 14;  
26 (18) RCW 41.26.150 (Sickness or disability benefits—Medical  
27 services) and 2013 c 23 s 70, 1992 c 22 s 3, 1991 c 35 s 22, 1987 c  
28 185 s 12, 1983 c 106 s 23, 1974 ex.s. c 120 s 11, 1971 ex.s. c 257 s  
29 10, 1970 ex.s. c 6 s 10, 1969 ex.s. c 219 s 4, & 1969 ex.s. c 209 s  
30 15;  
31 (19) RCW 41.26.160 (Death benefits—Duty or military service  
32 connected) and 2009 c 226 s 1, 2005 c 62 s 1, 2002 c 158 s 1, 1999 c  
33 134 s 2, & 1991 sp.s. c 11 s 5;  
34 (20) RCW 41.26.161 (Death benefits—Nonduty connected) and 2005 c  
35 62 s 2, 2002 c 158 s 2, & 1999 c 134 s 3;  
36 (21) RCW 41.26.162 (Ex spouse qualifying as surviving spouse) and  
37 2005 c 62 s 3, 2002 c 158 s 3, & 1991 sp.s. c 12 s 2;

1 (22) RCW 41.26.164 (Optional reduced retirement allowance—  
2 Continues for spouse otherwise ineligible for survivor benefits) and  
3 2016 c 120 s 1, 2005 c 67 s 1, & 2002 c 158 s 4;  
4 (23) RCW 41.26.170 (Refund of contributions on discontinuance of  
5 service—Reentry) and 1994 c 197 s 6, 1991 c 35 s 24, 1970 ex.s. c 6 s  
6 14, & 1969 ex.s. c 209 s 22;  
7 (24) RCW 41.26.190 (Credit for military service) and 1991 c 35 s  
8 26, 1970 ex.s. c 6 s 13, & 1969 ex.s. c 209 s 18;  
9 (25) RCW 41.26.192 (Credit for service under prior pension system  
10 —Restoration of withdrawn contributions) and 1994 c 197 s 7 & 1992 c  
11 157 s 1;  
12 (26) RCW 41.26.194 (Credit for service under prior pension system  
13 —Service not covered under prior system) and 1994 c 197 s 8 & 1992 c  
14 157 s 2;  
15 (27) RCW 41.26.195 (Transfer of service credit from other  
16 retirement system—Irrevocable election allowed) and 2010 c 260 s 1,  
17 2007 c 492 s 9, 2003 c 294 s 2, & 1997 c 122 s 1;  
18 (28) RCW 41.26.197 (Service credit for paid leave of absence—  
19 Application to elected officials of labor organizations) and 1993 c  
20 95 s 3;  
21 (29) RCW 41.26.199 (Purchase of additional service credit—Costs—  
22 Rules) and 2006 c 214 s 5;  
23 (30) RCW 41.26.200 (Appeal to director of retirement systems) and  
24 1981 c 294 s 5, 1974 ex.s. c 120 s 6, 1971 ex.s. c 257 s 13, 1970  
25 ex.s. c 6 s 11, & 1969 ex.s. c 209 s 16;  
26 (31) RCW 41.26.211 (Notice for hearing required prior to  
27 petitioning for judicial review) and 1984 c 184 s 16, 1981 c 294 s 6,  
28 & 1969 ex.s. c 209 s 19;  
29 (32) RCW 41.26.221 (Hearing—Conduct) and 1984 c 184 s 17, 1981 c  
30 294 s 7, & 1969 ex.s. c 209 s 20;  
31 (33) RCW 41.26.240 (Increases or decreases in retirement  
32 allowances to be determined by department in accordance with consumer  
33 price index) and 1991 c 35 s 27, 1974 ex.s. c 120 s 13, 1970 ex.s. c  
34 6 s 16, & 1969 ex.s. c 209 s 24;  
35 (34) RCW 41.26.250 (Increase in presently payable benefits for  
36 service or disability authorized) and 1975 1st ex.s. c 178 s 3, 1974  
37 ex.s. c 190 s 3, 1970 ex.s. c 37 s 2, & 1969 ex.s. c 209 s 34;

1 (35) RCW 41.26.260 (Increase in certain presently payable death  
2 benefits authorized) and 1974 ex.s. c 190 s 4 & 1969 ex.s. c 209 s  
3 35;

4 (36) RCW 41.26.270 (Declaration of policy respecting benefits for  
5 injury or death—Civil actions abolished) and 1989 c 12 s 13, 1987 c  
6 185 s 13, 1985 c 102 s 4, & 1971 ex.s. c 257 s 14;

7 (37) RCW 41.26.281 (Cause of action for injury or death, when)  
8 and 1991 c 35 s 28 & 1971 ex.s. c 257 s 15;

9 (38) RCW 41.26.291 (Lump sum defined benefit—Payable January 31,  
10 2023) and 2022 c 168 s 1;

11 (39) RCW 41.26.3901 (Severability—1969 ex.s. c 209) and 1969  
12 ex.s. c 209 s 42;

13 (40) RCW 41.26.3902 (Act to control inconsistencies) and 1969  
14 ex.s. c 209 s 43;

15 (41) RCW 41.26.3903 (Effective date—1969 ex.s. c 209) and 1969  
16 ex.s. c 209 s 45; and

17 (42) RCW 41.26.410 (Provisions applicable to plan 2) and 1991 c  
18 35 s 29 & 1977 ex.s. c 294 s 2.

19 NEW SECTION. **Sec. 502.** SAVINGS. The repeals in section 501 of  
20 this act do not affect any existing right acquired or liability or  
21 obligation incurred under the statutes repealed or under any rule or  
22 order adopted under those statutes nor do they affect any proceeding  
23 instituted under them. Rules adopted by the department of retirement  
24 systems relating to plan 1 of the law enforcement officers' and  
25 firefighters' retirement system under chapter 41.26 RCW shall  
26 continue in effect and apply to the restated law enforcement  
27 officers' and firefighters' retirement system under chapter 41.---  
28 RCW (the new chapter created in section 504 of this act) unless  
29 expressly inconsistent therewith and until repealed or superseded.

30 NEW SECTION. **Sec. 503.** NONSEVERABILITY. Sections 101 through  
31 107 of this act are not severable, and if any provision of those  
32 sections is held invalid by a court of competent jurisdiction, this  
33 entire act is null and void.

34 NEW SECTION. **Sec. 504.** LEGISLATIVE DIRECTIVE. Sections 101  
35 through 108 and 301 through 348 of this act constitute a new chapter  
36 in Title 41 RCW.

1       **Sec. 505.** RCW 41.45.230 and 2021 c 334 s 966 are each amended to  
2 read as follows:

3       The pension funding stabilization account is created in the state  
4 treasury. Moneys in the account may be spent only after  
5 appropriation. Expenditures from the account may be used only for  
6 payment of state government employer contributions for members of the  
7 public employees' retirement system, the teachers' retirement system,  
8 the school employees' retirement system, and the public safety  
9 employees' retirement system, and during the ((2019-2021 and  
10 ~~2021-2023~~ fiscal biennia for the judicial retirement system))  
11 2027-2029 fiscal biennium the legislature may direct the state  
12 treasurer to make transfers of moneys in the pension funding  
13 stabilization account into the state general fund. The account may  
14 not be used to pay for any new benefit or for any benefit increase  
15 that takes effect after July 1, 2005. An increase that is provided in  
16 accordance with a formula that is in existence on July 1, 2005, is  
17 not considered a benefit increase for this purpose. Moneys in the  
18 account shall be for the exclusive use of the specified retirement  
19 systems and may be invested by the state treasurer pursuant to RCW  
20 43.84.080. For purposes of RCW 43.135.034, expenditures from the  
21 pension funding stabilization account shall not be considered a state  
22 program cost shift from the state general fund to another account.

23       NEW SECTION. **Sec. 506.** EFFECTIVE DATE. Except for sections 107,  
24 108, and 464 of this act, this act takes effect June 30, 2029.

25       NEW SECTION. **Sec. 507.** Section 463 of this act expires July 1,  
26 2030.

27       NEW SECTION. **Sec. 508.** Section 464 of this act takes effect  
28 July 1, 2030.

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