

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1936

69th Legislature
2025 Regular Session

Passed by the House April 24, 2025
Yeas 94 Nays 1

**Speaker of the House of
Representatives**

Passed by the Senate April 16, 2025
Yeas 47 Nays 2

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1936** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

HOUSE BILL 1936

AS AMENDED BY THE SENATE

Passed Legislature - 2025 Regular Session

State of Washington 69th Legislature 2025 Regular Session

By Representatives Chase, Leavitt, and Pollet

Read first time 02/11/25. Referred to Committee on Appropriations.

1 AN ACT Relating to extending the expiration of certain school
2 employee postretirement employment restrictions; amending RCW
3 41.32.570, 41.32.802, 41.32.862, 41.35.060, and 41.40.037; and
4 declaring an emergency.

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

6 **Sec. 1.** RCW 41.32.570 and 2022 c 110 s 1 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 seven 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 forty hours per month. Any
16 monthly benefit reduction over one hundred percent will be applied to
17 the benefit the retiree is eligible to receive in subsequent months.

18 (2) Any retired teacher or retired administrator who enters
19 service in any public educational institution in Washington state at
20 least one calendar month after his or her accrual date shall cease to
21 receive pension payments while engaged in such service, after the

1 retiree has rendered service for more than eight hundred sixty-seven
2 hours in a school year.

3 (3) (a) Between March 23, 2022, and (~~July 1, 2025~~) January 1,
4 2030, a retiree who reenters employment more than one calendar month
5 after his or her accrual date, and who enters service in a school
6 district in a nonadministrative position shall continue to receive
7 pension payments while engaged in such service, until the retiree has
8 rendered service for more than 1,040 hours in a school year.

9 (b) Between March 23, 2022, and (~~July 1, 2025~~) January 1, 2030,
10 a retiree that retired before January 1, 2022, and who enters service
11 in a second-class school district, as defined in RCW 28A.300.065, as
12 either a district superintendent or an in-school administrator shall
13 continue to receive pension payments while engaged in such service,
14 until the retiree has rendered service for more than 1,040 hours in a
15 school year.

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

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

23 **Sec. 2.** RCW 41.32.802 and 2023 c 410 s 3 are each amended to
24 read as follows:

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

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

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

1 41.26.030, or in a position covered by annuity and retirement income
2 plans offered by institutions of higher education pursuant to RCW
3 28B.10.400, without suspension of his or her benefit.

4 (b) (i) Between March 23, 2022, and (~~July 1, 2025~~) January 1,
5 2030, a retiree who reenters employment more than one month after his
6 or her accrual date, and who enters service in a school district in a
7 nonadministrative position shall continue to receive pension payments
8 while engaged in such service, until the retiree has rendered service
9 for more than 1,040 hours in a calendar year.

10 (ii) Between March 23, 2022, and (~~July 1, 2025~~) January 1,
11 2030, a retiree that retired before January 1, 2022, and who enters
12 service in a second-class school district, as defined in RCW
13 28A.300.065, as either a district superintendent or an in-school
14 administrator shall continue to receive pension payments while
15 engaged in such service, until the retiree has rendered service for
16 more than 1,040 hours in a calendar year.

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

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

27 **Sec. 3.** RCW 41.32.862 and 2023 c 410 s 4 are each amended to
28 read as follows:

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

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

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

9 (b) (i) Between March 23, 2022, and (~~July 1, 2025~~) January 1,
10 2030, a retired teacher or retired administrator who reenters
11 employment more than one month after his or her accrual date, and who
12 enters service in a school district in a nonadministrative position
13 shall continue to receive pension payments while engaged in such
14 service, until the retiree has rendered service for more than 1,040
15 hours in a calendar year.

16 (ii) Between March 23, 2022, and (~~July 1, 2025~~) January 1,
17 2030, a retiree that retired before January 1, 2022, and who enters
18 service in a second-class school district, as defined in RCW
19 28A.300.065, as either a district superintendent or an in-school
20 administrator shall continue to receive pension payments while
21 engaged in such service, until the retiree has rendered service for
22 more than 1,040 hours in a calendar year.

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

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

33 **Sec. 4.** RCW 41.35.060 and 2023 c 410 s 6 are each amended to
34 read as follows:

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

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

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

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

15 (b) Between March 23, 2022, and (~~July 1, 2025~~) January 1, 2030,
16 a retiree, including a retiree who has retired under the alternate
17 early retirement provisions of RCW 41.35.420(3)(b) or
18 41.35.680(3)(b), who reenters employment more than one month after
19 his or her accrual date, and who enters service in a school district
20 in a nonadministrative position shall continue to receive pension
21 payments while engaged in such service, until the retiree has
22 rendered service for more than 1,040 hours in a calendar year. The
23 legislature reserves the right to amend or repeal this subsection
24 (2)(b) in the future and no member or beneficiary has a contractual
25 right to be employed for more than 867 hours in a calendar year
26 without a reduction of his or her pension.

27 (3) If the retiree opts to reestablish membership under RCW
28 41.35.030, he or she terminates his or her retirement status and
29 becomes a member. Retirement benefits shall not accrue during the
30 period of membership and the individual shall make contributions and
31 receive membership credit. Such a member shall have the right to
32 again retire if eligible in accordance with RCW 41.35.420 or
33 41.35.680. However, if the right to retire is exercised to become
34 effective before the member has rendered two uninterrupted years of
35 service, the retirement formula and survivor options the member had
36 at the time of the member's previous retirement shall be reinstated.

37 **Sec. 5.** RCW 41.40.037 and 2023 c 99 s 2 are each amended to read
38 as follows:

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

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

11 (2) (a) A retiree from plan 1, plan 2, or plan 3 who has satisfied
12 the break in employment requirement of subsection (1) of this section
13 may work up to eight hundred sixty-seven hours per calendar year in
14 an eligible position, as defined in RCW 41.32.010, 41.35.010,
15 41.37.010, or 41.40.010, or as a firefighter or law enforcement
16 officer, as defined in RCW 41.26.030, or in a position covered by
17 annuity and retirement income plans offered by institutions of higher
18 education pursuant to RCW 28B.10.400, without suspension of his or
19 her benefit.

20 (b) Between March 23, 2022, and (~~July 1, 2025~~) January 1, 2030,
21 a retiree, including a retiree who has retired under the alternate
22 early retirement provisions of RCW 41.40.630(3)(b) or
23 41.40.820(3)(b), who reenters employment more than 100 days after his
24 or her accrual date, and who enters service in a school district in a
25 nonadministrative position shall continue to receive pension payments
26 while engaged in such service, until the retiree has rendered service
27 for more than 1,040 hours in a calendar year.

28 (c) Between April 14, 2023, and July 1, 2026, a retiree,
29 including a retiree who has retired under the alternate early
30 retirement provisions of RCW 41.40.630(3)(b) or 41.40.820(3)(b), and
31 who enters service in a nonadministrative position as a licensed
32 nurse for a state agency, shall continue to receive pension payments
33 while engaged in such service, until the retiree has rendered service
34 for more than 1,040 hours in a calendar year.

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

1 if the right to retire is exercised to become effective before the
2 member has rendered two uninterrupted years of service, the
3 retirement formula and survivor options the member had at the time of
4 the member's previous retirement shall be reinstated.

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

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

12 NEW SECTION. **Sec. 6.** This act is necessary for the immediate
13 preservation of the public peace, health, or safety, or support of
14 the state government and its existing public institutions, and takes
15 effect immediately.

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