```
2 ESHB 1211 - S COMM AMD
```

3 By Committee on Ways and Means

4

5 On page 2, line 9, after "dissolution," insert "invalidity,"

6 **ESHB 1211** - S AMD

- 7 By Senators Johnson and Craswell
- 8 Adopted 4/19/91 Voice Vote
- 9 On page 41, after line 22, insert the following:
- 10 "Sec. 33. RCW 41.32.550 and 1970 ex.s. c 35 s 4 are each amended
- 11 to read as follows:
- 12 Should the ((board)) director determine from the report of the
- 13 medical director that a member ((in full time service)) employed under
- 14 an annual contract with an employer has become permanently disabled for
- 15 the performance of his or her duties or at any time while a member is
- 16 receiving temporary disability benefits that a member's disability will
- 17 be permanent, a member shall have the option of then receiving (1) all
- 18 of his or her accumulated contributions in a lump sum payment and
- 19 canceling his or her membership, or (2) of accepting a retirement
- 20 allowance based on service or age, if eligible under RCW 41.32.480, or
- 21 (3) if he or she had five or more years of Washington membership
- 22 service credit established with the retirement system, a retirement
- 23 allowance because of disability: PROVIDED, That any member applying for
- 24 a retirement allowance who is eligible for benefits on the basis of
- 25 service or age shall receive a retirement allowance based on the
- 26 provision of law governing retirement for service or age. If the
- 27 member qualifies to receive a retirement allowance because of
- 28 disability he or she shall be paid the maximum annuity which shall be

- 1 the actuarial equivalent of his or her accumulated contributions at his
- 2 or her age of retirement and a pension equal to the service pension to
- 3 which he or she would be entitled under RCW 41.32.497 as now or
- 4 hereafter amended. If the member dies before he or she has received in
- 5 annuity payments the present value of his or her accumulated
- 6 contributions at the time of his or her retirement, the unpaid balance
- 7 shall be paid to his <u>or her</u> estate or to such persons as he <u>or she</u>
- 8 shall have nominated by written designation executed and filed with the
- 9 ((board of trustees)) department.
- 10 A member retired for disability may be required at any time to
- 11 submit to reexamination. If medical findings reveal that the
- 12 individual is no longer disabled for the performance of public school
- 13 service, the retirement allowance granted because of disability may be
- 14 terminated by action of the ((board of trustees)) director or upon
- 15 written request of the member. In case of such termination, the
- 16 individual shall be restored to full membership in the retirement
- 17 system."
- 18 "NEW SECTION. Sec. 34. A new section is added to chapter 41.32
- 19 RCW to read as follows:
- 20 Persons who were under an annual half-time contract with an
- 21 employer anytime during the period of September 1, 1986, through August
- 22 31, 1987, shall be eligible for benefits provided by RCW 41.32.550, as
- 23 amended by chapter ..., Laws of 1991 (this act), if during that period
- 24 they were medically determined to be permanently disabled for the
- 25 performance of their duty."
- 26 Renumber the sections consecutively and correct any internal
- 27 references accordingly.

- 1 **ESHB 1211** S AMD
- 2 By Senators Johnson and Craswell
- 3 Adopted 4/19/91 Voice Vote
- 4 On page 1, line 6 of the title, strike "and 43.43.280" and insert
- 5 "43.43.280, and 41.32.550"
- On page 1, line 6 of the title, after "41.50 RCW;" insert "adding
- 7 a new section to chapter 41.32 RCW;"

- 8 **ESHB 1211** S Amd
- 9 By Senators Rasmussen, Wojahn, Roach, Stratton, Niemi, Skratek,
- 10 Murray and Rinehart
- 11 Adopted 4/19/91 Voice Vote
- 12 On page 41, after line 22, add a section as follows:
- "Sec. 33. Section 3, chapter 209, Laws of 1969 ex. sess. as last
- 14 amended by section 1, chapter 418, Laws of 1987 and RCW 41.26.030 are
- 15 each amended to read as follows:
- 16 As used in this chapter, unless a different meaning is
- 17 plainly required by the context:
- 18 (1) "Retirement system" means the "Washington law enforcement
- 19 officers' and fire fighters' retirement system provided herein.
- 20 (2) (a) "Employer" for persons who establish membership in the
- 21 retirement system on or before September 30, 1977, means the
- 22 legislative authority of any city, town, county or district or the
- 23 elected officials of any municipal corporation that employs any law
- 24 enforcement officer and/or fire fighter, any authorized association of
- 25 such municipalities, and, except for the purposes of RCW 41.26.150, any
- 26 labor guild, association, or organization, which represents the fire
- 27 fighters or law enforcement officers of at least seven cities of over

- 1 20,000 population and the membership of each local lodge or division of
- 2 which is composed of at least sixty percent law enforcement officers or
- 3 fire fighters as defined in this chapter.
- 4 (b) "Employer" for persons who establish membership in the
- 5 retirement system on or after October 1, 1977, means the legislative
- 6 authority of any city, town, county, or district or the elected
- 7 officials of any municipal corporation that employs any law enforcement
- 8 officer and/or fire fighter.
- 9 (3) "Law enforcement officer" means any person who is serving on a
- 10 full time, fully compensated basis as a county sheriff or deputy
- 11 sheriff, including sheriffs or deputy sheriffs serving under a
- 12 different title pursuant to a county charter, city police officer, or
- 13 town marshal or deputy marshal, with the following qualifications:
- 14 (a) No person who is serving in a position that is basically
- 15 clerical or secretarial in nature, and who is not commissioned shall be
- 16 considered a law enforcement officer;
- 17 (b) Only those deputy sheriffs, including those serving under a
- 18 different title pursuant to county charter, who have successfully
- 19 completed a civil service examination for deputy sheriff or the
- 20 equivalent position, where a different title is used, and those persons
- 21 serving in unclassified positions authorized by RCW 41.14.070 except a
- 22 private secretary will be considered law enforcement officers;
- 23 (c) Only such full time commissioned law enforcement personnel as
- 24 have been appointed to offices, positions, or ranks in the police
- 25 department which have been specifically created or otherwise expressly
- 26 provided for and designated by city charter provision or by ordinance
- 27 enacted by the legislative body of the city shall be considered city
- 28 police officers;
- 29 (d) The term "law enforcement officer" also includes the executive
- 30 secretary of a labor guild, association or organization (which is an

- 1 employer under RCW 41.26.030(2) as now or hereafter amended) if such
- 2 individual has five years previous membership in the retirement system
- 3 established in chapter 41.20 RCW: PROVIDED, That for persons who
- 4 establish membership in the retirement system on or after October 1,
- 5 1977, the provisions of this subparagraph shall not apply; and
- 6 (e) The term "law enforcement officer" also includes any person
- 7 employed on or after November 1, 1975, and prior to December 1, 1975,
- 8 as a director of public safety so long as the duties of the director
- 9 substantially involve only police and/or fire duties and no other
- 10 duties.
- 11 (4) "Fire fighter" means:
- 12 (a) any person who is serving on a full time, fully compensated
- 13 basis as a member of a fire department of an employer and who is
- 14 serving in a position which requires passing a civil service
- 15 examination for fire fighter, or fireman if this title is used by the
- 16 department, and who is actively employed as such;
- 17 (b) anyone who is actively employed as a full time fire fighter
- 18 where the fire department does not have a civil service examination;
- 19 (c) supervisory fire fighter personnel;
- 20 (d) any full time executive secretary of an association of fire
- 21 protection districts authorized under RCW 52.12.031: PROVIDED, That
- 22 for persons who establish membership in the retirement system on or
- 23 after October 1, 1977, the provisions of this subparagraph shall not
- 24 apply;
- 25 (e) the executive secretary of a labor guild, association or
- 26 organization (which is an employer under RCW 41.26.030(2) as now or
- 27 hereafter amended), if such individual has five years previous
- 28 membership in a retirement system established in chapter 41.16 or 41.18
- 29 RCW: PROVIDED, That for persons who establish membership in the

- 1 retirement system on or after October 1, 1977, the provisions of this
- 2 subparagraph shall not apply;
- 3 (f) any person who is serving on a full time, fully compensated
- 4 basis for an employer, as a fire dispatcher, in a department in which,
- 5 on March 1, 1970, a dispatcher was required to have passed a civil
- 6 service examination for fireman or fire fighter;
- 7 (g) any person who on March 1, 1970, was employed on a full time,
- 8 fully compensated basis by an employer, and who on May 21, 1971 was
- 9 making retirement contributions under the provisions of chapter 41.16
- 10 or 41.18 RCW; and
- 11 (h) the term "fire fighter" also includes any person employed on or
- 12 after November [1,] 1975, and prior to December 1, 1975, as a director
- 13 of public safety so long as the duties of the director substantially
- 14 involve only police and/or fire duties and no other duties.
- 15 (5) "Retirement board" means the Washington public employees'
- 16 retirement system board established in chapter 41.40 RCW, including two
- 17 members of the retirement system and two employer representatives as
- 18 provided for in **RCW 41.26.050. The retirement board shall be called
- 19 the Washington law enforcement officers' and fire fighters' retirement
- 20 board and may enter in legal relationships in that name. Any legal
- 21 relationships entered into in that name prior to the adoption of *this
- 22 1972 amendatory act are hereby ratified.
- 23 (6) "Surviving spouse" for persons who establish membership in the
- 24 retirement system on or before September 30, 1977, means the surviving
- 25 widow or widower of a member((. The word shall not include the
- 26 divorced spouse of a member)) or an ex-spouse who has been provided
- 27 <u>benefits under any court decree of dissolution or legal separation or</u>
- 28 <u>in any court order or court approved property settlement agreement</u>
- 29 <u>incident to any court decree of dissolution or legal separation. In</u>
- 30 order to qualify as a surviving spouse under this subsection: (a) A

- 1 person shall have been married to the member for at least thirty years,
- 2 including at least twenty years prior to the member's retirement or
- 3 separation from service if a vested member; (b) the decree or court
- 4 order must be currently effective; and (c) the decree or court order
- 5 <u>must have been entered after the member's retirement and prior to</u>
- 6 December 31, 1979. If two or more persons are eligible as surviving
- 7 spouses under this subsection, benefits shall be divided between the
- 8 <u>surviving spouses based on the percentage of total service credit the</u>
- 9 member accrued during each marriage. This definition shall apply
- 10 retroactively.
- 11 (7) "Child" or "children" whenever used in this chapter means every
- 12 natural born child and stepchild where that relationship was in
- 13 existence prior to the date benefits are payable under this chapter,
- 14 posthumous child, child legally adopted or made a legal ward of a
- 15 member prior to the date benefits are payable under this chapter, and
- 16 illegitimate child legitimized prior to the date any benefits are
- 17 payable under this chapter, all while unmarried, and either under the
- 18 age of eighteen years or mentally or physically handicapped as
- 19 determined by the retirement board except a handicapped person in the
- 20 full time care of a state institution. A person shall also be deemed
- 21 to be a child up to and including the age of twenty years and eleven
- 22 months while attending any high school, college, or vocational or other
- 23 educational institution accredited, licensed, or approved by the state,
- 24 in which it is located, including the summer vacation months and all
- 25 other normal and regular vacation periods at the particular educational
- 26 institution after which the child returns to school.
- 27 (8) "Member" means any fire fighter, law enforcement officer, or
- 28 other person as would apply under subsections (3) or (4) of this
- 29 section whose membership is transferred to the Washington law
- 30 enforcement officers' and fire fighters' retirement system on or after

- 1 March 1, 1970, and every law enforcement officer and fire fighter who
- 2 is employed in that capacity on or after such date.
- 3 (9) "Retirement fund" means the "Washington law enforcement
- 4 officers' and fire fighters' retirement system fund" as provided for
- 5 herein.
- 6 (10) "Employee" means any law enforcement officer or fire fighter
- 7 as defined in subsections (3) and (4) above.
- 8 (11) (a) "Beneficiary" for persons who establish membership in the
- 9 retirement system on or before September 30, 1977, means any person in
- 10 receipt of a retirement allowance, disability allowance, death benefit,
- 11 or any other benefit described herein.
- 12 (b) "Beneficiary" for persons who establish membership in the
- 13 retirement system on or after October 1, 1977, means any person in
- 14 receipt of a retirement allowance or other benefit provided by this
- 15 chapter resulting from service rendered to an employer by another
- 16 person.
- 17 (12) (a) "Final average salary" for persons who establish
- 18 membership in the retirement system on or before September 30, 1977,
- 19 means (i) for a member holding the same position or rank for a minimum
- 20 of twelve months preceding the date of retirement, the basic salary
- 21 attached to such same position or rank at time of retirement; (ii) for
- 22 any other member, including a civil service member who has not served
- 23 a minimum of twelve months in the same position or rank preceding the
- 24 date of retirement, the average of the greatest basic salaries payable
- 25 to such member during any consecutive twenty-four month period within
- 26 such member's last ten years of service for which service credit is
- 27 allowed, computed by dividing the total basic salaries payable to such
- 28 member during the selected twenty-four month period by twenty-four;
- 29 (iii) in the case of disability of any member, the basic salary payable
- 30 to such member at the time of disability retirement; (iv) in the case

- 1 of a member who hereafter vests pursuant to RCW 41.26.090, the basic
- 2 salary payable to such member at the time of vesting.
- 3 (b) "Final average salary" for persons who establish membership in
- 4 the retirement system on or after October 1, 1977, means the monthly
- 5 average of the member's basic salary for the highest consecutive sixty
- 6 months of service prior to such member's retirement, termination, or
- 7 death. Periods constituting authorized unpaid leaves of absence may
- 8 not be used in the calculation of final average salary.
- 9 (13) (a) "Basic salary" for persons who establish membership in the
- 10 retirement system on or before September 30, 1977, means the basic
- 11 monthly rate of salary or wages, including longevity pay but not
- 12 including overtime earnings or special salary or wages, upon which
- 13 pension or retirement benefits will be computed and upon which employer
- 14 contributions and salary deductions will be based.
- 15 (b) "Basic salary" for persons who establish membership in the
- 16 retirement system on or after October 1, 1977, means salaries or wages
- 17 earned by a member during a payroll period for personal services,
- 18 including overtime payments, and shall include wages and salaries
- 19 deferred under provisions established pursuant to sections 403(b),
- 20 414(h), and 457 of the United States Internal Revenue Code, but shall
- 21 exclude lump sum payments for deferred annual sick leave, unused
- 22 accumulated vacation, unused accumulated annual leave, or any form of
- 23 severance pay: PROVIDED, That in any year in which a member serves in
- 24 the legislature the member shall have the option of having such
- 25 member's basic salary be the greater of:
- (i) the basic salary the member would have received had such member
- 27 not served in the legislature; or
- 28 (ii) such member's actual basic salary received for nonlegislative
- 29 public employment and legislative service combined. Any additional
- 30 contributions to the retirement system required because basic salary

- 1 under subparagraph (i) of this subsection is greater than basic salary
- 2 under subparagraph (ii) of this subsection shall be paid by the member
- 3 for both member and employer contributions.
- 4 (14) (a) "Service" for persons who establish membership in the retirement system on or before September 30, 1977, means all periods of 5 6 employment for an employer as a fire fighter or law enforcement officer, for which compensation is paid, together with periods of 7 suspension not exceeding thirty days in duration. For the purposes of 8 this chapter service shall also include service in the armed forces of 9 10 the United States as provided in RCW 41.26.190. Credit shall be allowed for all months of service rendered by a member from and after 11 12 the member's initial commencement of employment as a fire fighter or 13 law enforcement officer, during which the member worked for seventy or 14 more hours, or was on disability leave or disability retirement. Only months of service shall be counted in the computation of any retirement 15 allowance or other benefit provided for in this chapter. In addition 16 17 to the foregoing, for members retiring after May 21, 1971 who were 18 employed under the coverage of a prior pension act before March 1, 19 1970, "service" shall include (i) such military service not exceeding 20 five years as was creditable to the member as of March 1, 1970, under the member's particular prior pension act, and (ii) such other periods 21 of service as were then creditable to a particular member under the 22 provisions of RCW 41.18.165, 41.20.160 or 41.20.170. However, in no 23 24 event shall credit be allowed for any service rendered prior to March 1, 1970, where the member at the time of rendition of such service was 25 employed in a position covered by a prior pension act, unless such 26 service, at the time credit is claimed therefor, is also creditable 27 28 under the provisions of such prior act: PROVIDED, That if such 29 member's prior service is not creditable due to the withdrawal of his contributions plus accrued interest thereon from a prior pension 30

- system, such member shall be credited with such prior service, as a law 1 enforcement officer or fire fighter, by paying to the Washington law 2 enforcement officers' and fire fighters' retirement system, on or 3 4 before March 1, 1975, an amount which is equal to that which was withdrawn from the prior system by such member, as a law enforcement 5 6 officer or fire fighter: PROVIDED FURTHER, That if such member's prior service is not creditable because, although employed in a position 7 covered by a prior pension act, such member had not yet become a member 8 9 of the pension system governed by such act, such member shall be 10 credited with such prior service as a law enforcement officer or fire fighter, by paying to the Washington law enforcement officers' and fire 11 fighters' retirement system, on or before March 1, 1975, an amount 12 which is equal to the employer's contributions which would have been 13 required under the prior act when such service was rendered if the 14 15 member had been a member of such system during such period: PROVIDED FURTHER, That where a member is employed by two employers at 16 the same time, he shall only be credited with service to one such 17 18 employer for any month during which he rendered such dual service.
- 19 (b) "Service" for persons who establish membership in the 20 retirement system on or after October 1, 1977, means periods of 21 employment by a member for one or more employers for which basic salary 22 is earned for ninety or more hours per calendar month.
- Members of the retirement system who are elected or appointed to a state elective position may elect to continue to be members of this retirement system.
- Years of service shall be determined by dividing the total number of months of service by twelve. Any fraction of a year of service as so determined shall be taken into account in the computation of such retirement allowance or benefits.

- 1 If a member receives basic salary from two or more employers during
- 2 any calendar month, the individual shall receive one month's service
- 3 credit during any calendar month in which multiple service for ninety
- 4 or more hours is rendered.
- 5 (15) "Accumulated contributions" means the employee's contributions
- 6 made by a member plus accrued interest credited thereon.
- 7 (16) "Actuarial reserve" means a method of financing a pension or
- 8 retirement plan wherein reserves are accumulated as the liabilities for
- 9 benefit payments are incurred in order that sufficient funds will be
- 10 available on the date of retirement of each member to pay the member's
- 11 future benefits during the period of retirement.
- 12 (17) "Actuarial valuation" means a mathematical determination of
- 13 the financial condition of a retirement plan. It includes the
- 14 computation of the present monetary value of benefits payable to
- 15 present members, and the present monetary value of future employer and
- 16 employee contributions, giving effect to mortality among active and
- 17 retired members and also to the rates of disability, retirement,
- 18 withdrawal from service, salary and interest earned on investments.
- 19 (18) "Disability board" means either the county disability board or
- 20 the city disability board established in RCW 41.26.110 for persons who
- 21 establish membership in the retirement system on or before September
- 22 30, 1977.
- 23 (19) "Disability leave" means the period of six months or any
- 24 portion thereof during which a member is on leave at an allowance equal
- 25 to the member's full salary prior to the commencement of disability
- 26 retirement. The definition contained in this subsection shall apply
- 27 only to persons who establish membership in the retirement system on or
- 28 before September 30, 1977.
- 29 (20) "Disability retirement" for persons who establish membership
- 30 in the retirement system on or before September 30, 1977, means the

- 1 period following termination of a member's disability leave, during
- 2 which the member is in receipt of a disability retirement allowance.
- 3 (21) "Position" means the employment held at any particular time,
- 4 which may or may not be the same as civil service rank.
- 5 (22) "Medical services" for persons who establish membership in the
- 6 retirement system on or before September 30, 1977, shall include the
- 7 following as minimum services to be provided. Reasonable charges for
- 8 these services shall be paid in accordance with RCW 41.26.150.
- 9 (a) Hospital expenses: These are the charges made by a hospital,
- 10 in its own behalf, for
- 11 (i) Board and room not to exceed semiprivate room rate unless
- 12 private room is required by the attending physician due to the
- 13 condition of the patient.
- 14 (ii) Necessary hospital services, other than board and room,
- 15 furnished by the hospital.
- 16 (b) Other medical expenses: The following charges are considered
- 17 "other medical expenses", provided that they have not been considered
- 18 as "hospital expenses".
- 19 (i) The fees of the following:
- 20 (A) A physician or surgeon licensed under the provisions of chapter
- 21 18.71 RCW;
- 22 (B) An osteopath licensed under the provisions of chapter 18.57
- 23 RCW;
- 24 (C) A chiropractor licensed under the provisions of chapter 18.25
- 25 RCW.
- 26 (ii) The charges of a registered graduate nurse other than a nurse
- 27 who ordinarily resides in the member's home, or is a member of the
- 28 family of either the member or the member's spouse.
- 29 (iii) The charges for the following medical services and supplies:
- 30 (A) Drugs and medicines upon a physician's prescription;

- 1 (B) Diagnostic x-ray and laboratory examinations;
- 2 (C) X-ray, radium, and radioactive isotopes therapy;
- 3 (D) Anesthesia and oxygen;
- 4 (E) Rental of iron lung and other durable medical and surgical
- 5 equipment;
- 6 (F) Artificial limbs and eyes, and casts, splints, and trusses;
- 7 (G) Professional ambulance service when used to transport the
- 8 member to or from a hospital when he is injured by an accident or
- 9 stricken by a disease;
- 10 (H) Dental charges incurred by a member who sustains an accidental
- 11 injury to his teeth and who commences treatment by a legally licensed
- 12 dentist within ninety days after the accident;
- 13 (I) Nursing home confinement or hospital extended care facility;
- (J) Physical therapy by a registered physical therapist;
- 15 (K) Blood transfusions, including the cost of blood and blood
- 16 plasma not replaced by voluntary donors;
- 17 (L) An optometrist licensed under the provisions of chapter 18.53
- 18 RCW.
- 19 (23) "Regular interest" means such rate as the director may
- 20 determine.
- 21 (24) "Retiree" for persons who establish membership in the
- 22 retirement system on or after October 1, 1977, means any member in
- 23 receipt of a retirement allowance or other benefit provided by this
- 24 chapter resulting from service rendered to an employer by such member.
- 25 (25) "Department" means the department of retirement systems
- 26 created in chapter 41.50 RCW.
- 27 (26) "Director" means the director of the department.
- 28 (27) "State actuary" or "actuary" means the person appointed
- 29 pursuant to RCW 44.44.010(2).

- 1 (28) "State elective position" means any position held by any
- 2 person elected or appointed to state-wide office or elected or
- 3 appointed as a member of the legislature."
- 4 "
- 5 Renumber the remaining sections accordingly.
- 6 <u>ESHB 1211</u> S Amd
- 7 By Senators Rasmussen, Wojahn, Roach, Stratton, Niemi, Skratek,
- 8 Murray and Rinehart
- Adopted 4/19/91 Voice Vote
- 10 On page 1, line 6 of the title, after "41.26.510," add "41.26.030,"
- 11 <u>ESHB 1211</u> S Amd
- 12 By Senator McDonald
- Adopted 4/19/91 Voice Vote
- On page 42, beginning on line 1, strike the remainder of the bill
- 15 <u>ESHB 1211</u> S Amd
- 16 By Senator McDonald
- 17 Adopted 4/19/91 Voice Vote
- On page 1, line 6 of the title, after "43.43.280; strike the
- 19 remainder of the title and insert "and adding new sections to chapter
- 20 41.50 RCW."

21