
SENATE BILL 5510

State of Washington

52nd Legislature

1991 Regular Session

By Senators Rasmussen, Moore, Nelson, Bauer, Saling and L. Smith.

Read first time February 4, 1991. Referred to Committee on Ways & Means.

1 AN ACT Relating to Washington public employees' retirement system;
2 and amending RCW 41.40.150.

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

4 **Sec. 1.** RCW 41.40.150 and 1990 c 249 s 17 are each amended to read
5 as follows:

6 Should any member die, or should the individual separate or be
7 separated from service without leave of absence before attaining age
8 sixty years, or should the individual become a beneficiary, except a
9 beneficiary of an optional retirement allowance as provided by RCW
10 41.40.188, the individual shall thereupon cease to be a member except;

11 (1) As provided in RCW 41.40.170.

12 (2) An employee not previously retired who reenters service shall
13 upon completion of six months of continuous service and upon the
14 restoration, in one lump sum or in annual installments, of all
15 withdrawn contributions with interest as computed by the director,

1 which restoration must be completed within a total period of five years
2 of membership service following the member's first resumption of
3 employment, be returned to the status, either as an original member or
4 new member which the member held at time of separation.

5 (3) Within the ninety days following the employee's resumption of
6 employment, the employer shall notify the department of the resumption
7 and the department shall then return to the employer a statement of the
8 potential service credit to be restored, the amount of funds required
9 for restoration, and the date when the restoration must be
10 accomplished. The employee shall be given a copy of the statement and
11 shall sign a copy of the statement which signed copy shall be placed in
12 the employee's personnel file.

13 (4) A member who separates or has separated after having completed
14 at least five years of service shall remain a member during the period
15 of absence from service for the exclusive purpose of receiving a
16 retirement allowance to begin at attainment of age sixty-five, however,
17 such a member may on written notice to the director elect to receive a
18 reduced retirement allowance on or after age sixty which allowance
19 shall be the actuarial equivalent of the sum necessary to pay regular
20 retirement benefits as of age sixty-five: PROVIDED, That if such
21 member should withdraw all or part of the member's accumulated
22 contributions except those additional contributions made pursuant to
23 RCW 41.40.330(2), the individual shall thereupon cease to be a member
24 and this section shall not apply.

25 (5)(a) The recipient of a retirement allowance who is employed in
26 an eligible position other than under RCW 41.40.120(12) shall be
27 considered to have terminated his or her retirement status and shall
28 immediately become a member of the retirement system with the status of
29 membership the member held as of the date of retirement. Retirement
30 benefits shall be suspended during the period of eligible employment

1 and the individual shall make contributions and receive membership
2 credit. Such a member shall have the right to again retire if eligible
3 in accordance with RCW 41.40.180: PROVIDED, That where any such right
4 to retire is exercised to become effective before the member has
5 rendered two uninterrupted years of service the type of retirement
6 allowance the member had at the time of the member's previous
7 retirement shall be reinstated;

8 (b) The recipient of a retirement allowance elected to office or
9 appointed to office directly by the governor, and who shall apply for
10 and be accepted in membership as provided in RCW 41.40.120(3) shall be
11 considered to have terminated his or her retirement status and shall
12 become a member of the retirement system with the status of membership
13 the member held as of the date of retirement. Retirement benefits
14 shall be suspended from the date of return to membership until the date
15 when the member again retires and the member shall make contributions
16 and receive membership credit. Such a member shall have the right to
17 again retire if eligible in accordance with RCW 41.40.180: PROVIDED,
18 That where any such right to retire is exercised to become effective
19 before the member has rendered six uninterrupted months of service the
20 type of retirement allowance the member had at the time of the member's
21 previous retirement shall be reinstated, but no additional service
22 credit shall be allowed: AND PROVIDED FURTHER, That if such a
23 recipient of a retirement allowance does not elect to apply for reentry
24 into membership as provided in RCW 41.40.120(3), the member shall be
25 considered to remain in a retirement status and the individual's
26 retirement benefits shall continue without interruption.

27 (6) Any member who leaves the employment of an employer and enters
28 the employ of a public agency or agencies of the state of Washington,
29 other than those within the jurisdiction of the Washington public
30 employees' retirement system, and who establishes membership in a

1 retirement system or a pension fund operated by such agency or agencies
2 and who shall continue membership therein until attaining age sixty,
3 shall remain a member for the exclusive purpose of receiving a
4 retirement allowance without the limitation found in RCW 41.40.180(1)
5 to begin on attainment of age sixty-five; however, such a member may on
6 written notice to the director elect to receive a reduced retirement
7 allowance on or after age sixty which allowance shall be the actuarial
8 equivalent of the sum necessary to pay regular retirement benefits
9 commencing at age sixty-five: PROVIDED, That if such member should
10 withdraw all or part of the member's accumulated contributions except
11 those additional contributions made pursuant to RCW 41.40.330(2), the
12 individual shall thereupon cease to be a member and this section shall
13 not apply.