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HOUSE BILL 1670

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State of Washington

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By Representatives Sommers, Heavey, Locke, King, Jacobsen, Vance, Wineberry, Mielke, Linville, Lisk, J. Kohl, Wolfe, Basich, Orr, Valle, Veloria, Anderson, G. Cole, Dorn, Jones, R. Fisher, Holm, Ogden and Kremen

Read first time 02/05/93. Referred to Committee on Appropriations.

1 AN ACT Relating to providing service credit for periods of paid  
2 leave; amending RCW 41.40.710, 41.26.520, and 41.32.810; adding a new  
3 section to chapter 41.40 RCW; adding a new section to chapter 41.26  
4 RCW; adding a new section to chapter 41.32 RCW; and creating a new  
5 section.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 41.40 RCW  
8 under the subchapter heading "Plan I" to read as follows:

9 (1) A member who is on a paid leave of absence authorized by a  
10 member's employer shall continue to receive service credit as provided  
11 under the provisions of RCW 41.40.145 through 41.40.363.

12 (2) A member who receives compensation from an employer while on an  
13 authorized leave of absence to serve as an elected official of a labor  
14 organization may be considered to be on a paid leave of absence if the  
15 member's employer is reimbursed by the labor organization for the  
16 compensation paid to the member during the period of absence. This  
17 subsection shall only apply if the member's leave of absence is  
18 authorized by a collective bargaining agreement that provides that the  
19 member retains seniority rights with the employer during the period of

1 leave. The compensation earnable reported for a member who establishes  
2 service credit under this subsection may not be greater than the salary  
3 paid to the highest paid job class covered by the collective bargaining  
4 agreement.

5 **Sec. 2.** RCW 41.40.710 and 1992 c 119 s 3 are each amended to read  
6 as follows:

7 (1) A member who is on a paid leave of absence authorized by a  
8 member's employer shall continue to receive service credit as provided  
9 for under the provisions of RCW 41.40.610 through 41.40.740.

10 (2) A member who receives compensation from an employer while on an  
11 authorized leave of absence to serve as an elected official of a labor  
12 organization may be considered to be on a paid leave of absence if the  
13 member's employer is reimbursed by the labor organization for the  
14 compensation paid to the member during the period of absence. This  
15 subsection shall only apply if the member's leave of absence is  
16 authorized by a collective bargaining agreement that provides that the  
17 member retains seniority rights with the employer during the period of  
18 leave. The compensation earnable reported for a member who establishes  
19 service credit under this subsection may not be greater than the salary  
20 paid to the highest paid job class covered by the collective bargaining  
21 agreement.

22 (3) Except as specified in subsection (~~(3)~~) (4) of this section,  
23 a member shall be eligible to receive a maximum of two years service  
24 credit during a member's entire working career for those periods when  
25 a member is on an unpaid leave of absence authorized by an employer.  
26 Such credit may be obtained only if the member makes both the plan II  
27 employer and member contributions plus interest as determined by the  
28 department for the period of the authorized leave of absence within  
29 five years of resumption of service or prior to retirement whichever  
30 comes sooner. The contributions required shall be based on the average  
31 of the member's compensation earnable at both the time the authorized  
32 leave of absence was granted and the time the member resumed  
33 employment.

34 (~~(3)~~) (4) A member who leaves the employ of an employer to enter  
35 the armed forces of the United States shall be entitled to retirement  
36 system service credit for up to four years of military service.

37 (a) The member qualifies for service credit under this subsection  
38 if:

1 (i) Within ninety days of the member's honorable discharge from the  
2 United States armed forces, the member applies for reemployment with  
3 the employer who employed the member immediately prior to the member  
4 entering the United States armed forces; and

5 (ii) The member makes the employee contributions required under RCW  
6 41.40.650 plus interest as determined by the department within five  
7 years of resumption of service or prior to retirement, whichever comes  
8 sooner.

9 (b) Upon receipt of member contributions under (a)(ii) of this  
10 subsection, the department shall bill the employer for its contribution  
11 required under RCW 41.40.650 for the period of military service, plus  
12 interest as determined by the department.

13 (c) The contributions required shall be based on the average of the  
14 member's compensation earnable at both the time the member left the  
15 employ of the employer to enter the armed forces and the time the  
16 member resumed employment.

17 NEW SECTION. **Sec. 3.** A new section is added to chapter 41.26 RCW  
18 under the subchapter heading "Plan I" to read as follows:

19 (1) A member who is on a paid leave of absence authorized by a  
20 member's employer shall continue to receive service credit as provided  
21 under the provisions of RCW 41.26.080 through 41.26.3903.

22 (2) A member who receives compensation from an employer while on an  
23 authorized leave of absence to serve as an elected official of a labor  
24 organization may be considered to be on a paid leave of absence if the  
25 member's employer is reimbursed by the labor organization for the  
26 compensation paid to the member during the period of absence. This  
27 subsection shall only apply if the member's leave of absence is  
28 authorized by a collective bargaining agreement that provides that the  
29 member retains seniority rights with the employer during the period of  
30 leave. The basic salary reported for a member who establishes service  
31 credit under this subsection may not be greater than the salary paid to  
32 the highest paid job class covered by the collective bargaining  
33 agreement.

34 **Sec. 4.** RCW 41.26.520 and 1992 c 119 s 1 are each amended to read  
35 as follows:

1 (1) A member who is on a paid leave of absence authorized by a  
2 member's employer shall continue to receive service credit as provided  
3 for under the provisions of RCW 41.26.410 through 41.26.550.

4 (2) A member who receives compensation from an employer while on an  
5 authorized leave of absence to serve as an elected official of a labor  
6 organization may be considered to be on a paid leave of absence if the  
7 member's employer is reimbursed by the labor organization for the  
8 compensation paid to the member during the period of absence. This  
9 subsection shall only apply if the member's leave of absence is  
10 authorized by a collective bargaining agreement that provides that the  
11 member retains seniority rights with the employer during the period of  
12 leave. The basic salary reported for a member who establishes service  
13 credit under this subsection may not be greater than the salary paid to  
14 the highest paid job class covered by the collective bargaining  
15 agreement.

16 (3) Except as specified in subsection (~~((3))~~) (4) of this section,  
17 a member shall be eligible to receive a maximum of two years service  
18 credit during a member's entire working career for those periods when  
19 a member is on an unpaid leave of absence authorized by an employer.  
20 Such credit may be obtained only if the member makes the employer,  
21 member, and state contributions plus interest as determined by the  
22 department for the period of the authorized leave of absence within  
23 five years of resumption of service or prior to retirement whichever  
24 comes sooner: PROVIDED, That for the purpose of this subsection the  
25 contribution shall not include the contribution for the unfunded  
26 supplemental present value as required by RCW 41.26.450. The  
27 contributions required shall be based on the average of the member's  
28 basic salary at both the time the authorized leave of absence was  
29 granted and the time the member resumed employment.

30 (~~((3))~~) (4) A member who leaves the employ of an employer to enter  
31 the armed forces of the United States shall be entitled to retirement  
32 system service credit for up to four years of military service.

33 (a) The member qualifies for service credit under this subsection  
34 if:

35 (i) Within ninety days of the member's honorable discharge from the  
36 United States armed forces, the member applies for reemployment with  
37 the employer who employed the member immediately prior to the member  
38 entering the United States armed forces; and

1 (ii) The member makes the employee contributions required under RCW  
2 41.26.450 plus interest as determined by the department within five  
3 years of resumption of service or prior to retirement, whichever comes  
4 sooner.

5 (b) Upon receipt of member contributions under (a)(ii) of this  
6 subsection, the department shall bill the employer and the state for  
7 their respective contributions required under RCW 41.26.450 for the  
8 period of military service, plus interest as determined by the  
9 department.

10 (c) The contributions required shall be based on the average of the  
11 member's basic salary at both the time the member left the employ of  
12 the employer to enter the armed forces and the time the member resumed  
13 employment.

14 (~~((4))~~) (5) A member receiving benefits under Title 51 RCW who is  
15 not receiving benefits under this chapter shall be deemed to be on  
16 unpaid, authorized leave of absence.

17 NEW SECTION. **Sec. 5.** A new section is added to chapter 41.32 RCW  
18 under the subchapter heading "Plan I" to read as follows:

19 (1) A member who is on a paid leave of absence authorized by a  
20 member's employer shall continue to receive service credit as provided  
21 under the provisions of RCW 41.32.240 through 41.32.575.

22 (2) A member who receives compensation from an employer while on an  
23 authorized leave of absence to serve as an elected official of a labor  
24 organization may be considered to be on a paid leave of absence if the  
25 member's employer is reimbursed by the labor organization for the  
26 compensation paid to the member during the period of absence. This  
27 subsection shall only apply if the member's leave of absence is  
28 authorized by a collective bargaining agreement that provides that the  
29 member retains seniority rights with the employer during the period of  
30 leave. The earnable compensation allowable for calculation of the  
31 member's average final compensation under this subsection may not be  
32 greater than the salary the member would have been paid by the district  
33 for the position the member occupied immediately prior to taking leave,  
34 as established in the district's collective bargaining agreement for  
35 nonsupervisory certificated employees.

36 **Sec. 6.** RCW 41.32.810 and 1992 c 119 s 2 are each amended to read  
37 as follows:

1 (1) A member who is on a paid leave of absence authorized by a  
2 member's employer shall continue to receive service credit as provided  
3 for under the provisions of RCW 41.32.755 through 41.32.825.

4 (2) A member who receives compensation from an employer while on an  
5 authorized leave of absence to serve as an elected official of a labor  
6 organization may be considered to be on a paid leave of absence if the  
7 member's employer is reimbursed by the labor organization for the  
8 compensation paid to the member during the period of absence. This  
9 subsection shall only apply if the member's leave of absence is  
10 authorized by a collective bargaining agreement that provides that the  
11 member retains seniority rights with the employer during the period of  
12 leave. The earnable compensation allowable for calculation of the  
13 member's average final compensation under this subsection may not be  
14 greater than the salary the member would have been paid by the district  
15 for the position the member occupied immediately prior to taking leave,  
16 as established in the district's collective bargaining agreement for  
17 nonsupervisory certificated employees.

18 (~~3~~) Except as specified in subsection (~~(3)~~) (4) of this section,  
19 a member shall be eligible to receive a maximum of two years service  
20 credit during a member's entire working career for those periods when  
21 a member is on an unpaid leave of absence authorized by an employer.  
22 Such credit may be obtained only if the member makes both the employer  
23 and member contributions plus interest as determined by the department  
24 for the period of the authorized leave of absence within five years of  
25 resumption of service or prior to retirement whichever comes sooner:  
26 PROVIDED, That for the purpose of this subsection the contribution  
27 shall not include the contribution for the unfunded supplemental  
28 present value as required by RCW 41.32.775. The contributions required  
29 shall be based on the average of the member's earnable compensation at  
30 both the time the authorized leave of absence was granted and the time  
31 the member resumed employment.

32 (~~(3)~~) (4) A member who leaves the employ of an employer to enter  
33 the armed forces of the United States shall be entitled to retirement  
34 system service credit for up to four years of military service.

35 (a) The member qualifies for service credit under this subsection  
36 if:

37 (i) Within ninety days of the member's honorable discharge from the  
38 United States armed forces, the member applies for reemployment with

1 the employer who employed the member immediately prior to the member  
2 entering the United States armed forces; and

3 (ii) The member makes the employee contributions required under RCW  
4 41.32.775 plus interest as determined by the department within five  
5 years of resumption of service or prior to retirement, whichever comes  
6 sooner.

7 (b) Upon receipt of member contributions under (a)(ii) of this  
8 subsection, the department shall bill the employer for its contribution  
9 required under RCW 41.32.775 for the period of military service, plus  
10 interest as determined by the department.

11 (c) The contributions required shall be based on the average of the  
12 member's earnable compensation at both the time the member left the  
13 employ of the employer to enter the armed forces and the time the  
14 member resumed employment.

15 NEW SECTION. **Sec. 7.** Sections 1 through 4 of this act apply  
16 retroactively. Sections 5 and 6 of this act apply prospectively only  
17 and not retroactively.

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