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HOUSE BILL 3053

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State of Washington

55th Legislature

1998 Regular Session

By Representatives Clements and Skinner

Read first time 01/28/98. Referred to Committee on Appropriations.

1 AN ACT Relating to distribution options for members of teachers'  
2 retirement system, plan III; amending RCW 41.34.070; and declaring an  
3 emergency.

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

5 **Sec. 1.** RCW 41.34.070 and 1995 c 239 s 207 are each amended to  
6 read as follows:

7 (1) If the member retires, becomes disabled, or otherwise  
8 terminates employment, the balance in the member's account may be  
9 distributed in accordance with an option selected by the member either  
10 as a lump sum or pursuant to other options authorized by the board.

11 (2) If the member dies while in service, the balance of the  
12 member's account may be distributed in accordance with an option  
13 selected by the member either as a lump sum or pursuant to other  
14 options authorized by the board. The distribution shall be made to  
15 such person or persons as the member shall have nominated by written  
16 designation duly executed and filed with the department. If there be  
17 no such designated person or persons still living at the time of the  
18 member's death, the balance of the member's account in the retirement  
19 system, less any amount identified as owing to an obligee upon

1 withdrawal of such account balance pursuant to a court order filed  
2 under RCW 41.50.670, shall be paid to the member's surviving spouse as  
3 if in fact such spouse had been nominated by written designation, or if  
4 there is no surviving spouse, then to such person or persons, trust, or  
5 organization as the member shall have nominated by written designation  
6 duly executed and filed with the department.

7 (3) If a member has a terminal illness and terminates from  
8 employment, the member may choose to have the balance in the member's  
9 account distributed as a lump sum payment based on the most recent  
10 valuation in order to expedite the distribution. The department shall  
11 make this payment within ten working days after receipt of notice of  
12 termination of employment, documentation verifying the terminal  
13 illness, and an application for payment.

14 (4) The distribution under subsections (1) (~~(e)~~), (2), or (3) of  
15 this section shall be less any amount identified as owing to an obligee  
16 upon withdrawal pursuant to a court order filed under RCW 41.50.670.

17 NEW SECTION. Sec. 2. This act is necessary for the immediate  
18 preservation of the public peace, health, or safety, or support of the  
19 state government and its existing public institutions, and takes effect  
20 immediately.

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