
SENATE BILL 5223

State of Washington

55th Legislature

1997 Regular Session

By Senators Roach, Winsley, Long, Loveland, Bauer, Franklin, Fraser and McAuliffe; by request of Joint Committee on Pension Policy

Read first time 01/20/97. Referred to Committee on Ways & Means.

1 AN ACT Relating to the teachers' retirement system plan III
2 contribution rates; and amending RCW 41.32.8401 and 41.45.061.

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

4 **Sec. 1.** RCW 41.32.8401 and 1996 c 39 s 8 are each amended to read
5 as follows:

6 (1) Anyone who requests to transfer under RCW 41.32.817 before
7 January 1, 1998, and establishes service credit for January 1998, shall
8 have their member account increased by (~~twenty~~) forty percent of:

9 (a) Plan II accumulated contributions as of January 1, 1996, less
10 fifty percent of any payments made pursuant to RCW 41.50.165(2); or

11 (b) All amounts withdrawn after January 1, 1996, which are
12 completely restored before January 1, 1998.

13 (2) Substitute teachers shall receive the additional payment
14 provided in subsection (1) of this section if they:

15 (a) Establish service credit for January 1998; and

16 (b) Establish any service credit from July 1996 through December
17 1997; and

18 (c) Elect to transfer on or before March 1, 1999.

1 (3) If a member who requests to transfer dies before January 1,
2 1998, the additional payment provided by this section shall be paid to
3 the member's estate, or the person or persons, trust, or organization
4 the member nominated by written designation duly executed and filed
5 with the department.

6 (4) The legislature reserves the right to modify or discontinue the
7 right to an incentive payment under this section for any plan II
8 members who have not previously transferred to plan III.

9 **Sec. 2.** RCW 41.45.061 and 1995 c 239 s 311 are each amended to
10 read as follows:

11 (1) The required contribution rate for members of the plan II
12 teachers' retirement system shall be fixed at the rates in effect on
13 July 1, 1996, subject to the following:

14 (a) Beginning September 1, (~~(1998)~~) 1997, except as provided in (b)
15 of this subsection, the employee contribution rate shall not exceed the
16 employer plan II and III rates adopted under RCW 41.45.060 and
17 41.45.070 for the teachers' retirement system;

18 (b) In addition, the employee contribution rate for plan II shall
19 be increased by fifty percent of the contribution rate increase caused
20 by any plan II benefit increase passed after July 1, 1996.

21 (2) The required plan II and III contribution rates for employers
22 shall be adopted in the manner described in RCW 41.45.060.

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