

1 5985 AMS COST S3091.1

2 **SB 5985** - S AMD - 529

3 By Senators Costa, Benton, Patterson, Heavey, Kohl-Welles, Gardner,  
4 Rasmussen, Roach, Eide, Goings, Zarelli and Kline

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6 Strike everything after the enacting clause and insert the  
7 following:

8 "Sec. 1. RCW 41.26.430 and 1993 c 517 s 3 are each amended to read  
9 as follows:

10 (1) NORMAL RETIREMENT. Any member with at least five service  
11 credit years of service who has attained at least age fifty-five shall  
12 be eligible to retire and to receive a retirement allowance computed  
13 according to the provisions of RCW 41.26.420.

14 (2) EARLY RETIREMENT. Any member who has completed at least  
15 (~~twenty~~) fifteen service credit years of service and has attained age  
16 fifty shall be eligible to retire and to receive a retirement allowance  
17 computed according to the provisions of RCW 41.26.420, except that a  
18 member retiring pursuant to this subsection shall have the retirement  
19 allowance (~~actuarially~~) reduced by two percent per year to reflect  
20 the difference in the number of years between age at retirement and the  
21 attainment of age fifty-five.

22 **Sec. 2.** RCW 41.26.470 and 1999 c 135 s 1 are each amended to read  
23 as follows:

24 (1) A member of the retirement system who becomes totally  
25 incapacitated for continued employment by an employer as determined by  
26 the director shall be eligible to receive an allowance under the  
27 provisions of RCW 41.26.410 through 41.26.550. Such member shall  
28 receive a monthly disability allowance computed as provided for in RCW  
29 41.26.420 and shall have such allowance (~~actuarially~~) reduced by two  
30 percent per year to reflect the difference in the number of years  
31 between age at disability and the attainment of age fifty-five.

32 (2) Any member who receives an allowance under the provisions of  
33 this section shall be subject to such comprehensive medical  
34 examinations as required by the department. If such medical  
35 examinations reveal that such a member has recovered from the

1 incapacitating disability and the member is no longer entitled to  
2 benefits under Title 51 RCW, the retirement allowance shall be canceled  
3 and the member shall be restored to duty in the same civil service  
4 rank, if any, held by the member at the time of retirement or, if  
5 unable to perform the duties of the rank, then, at the member's  
6 request, in such other like or lesser rank as may be or become open and  
7 available, the duties of which the member is then able to perform. In  
8 no event shall a member previously drawing a disability allowance be  
9 returned or be restored to duty at a salary or rate of pay less than  
10 the current salary attached to the rank or position held by the member  
11 at the date of the retirement for disability. If the department  
12 determines that the member is able to return to service, the member is  
13 entitled to notice and a hearing. Both the notice and the hearing  
14 shall comply with the requirements of chapter 34.05 RCW, the  
15 Administrative Procedure Act.

16 (3) Those members subject to this chapter who became disabled in  
17 the line of duty on or after July 23, 1989, and who receive benefits  
18 under RCW 41.04.500 through 41.04.530 or similar benefits under RCW  
19 41.04.535 shall receive or continue to receive service credit subject  
20 to the following:

21 (a) No member may receive more than one month's service credit in  
22 a calendar month.

23 (b) No service credit under this section may be allowed after a  
24 member separates or is separated without leave of absence.

25 (c) Employer contributions shall be paid by the employer at the  
26 rate in effect for the period of the service credited.

27 (d) Employee contributions shall be collected by the employer and  
28 paid to the department at the rate in effect for the period of service  
29 credited.

30 (e) State contributions shall be as provided in RCW 41.26.450.

31 (f) Contributions shall be based on the regular compensation which  
32 the member would have received had the disability not occurred.

33 (g) The service and compensation credit under this section shall be  
34 granted for a period not to exceed six consecutive months.

35 (h) Should the legislature revoke the service credit authorized  
36 under this section or repeal this section, no affected employee is  
37 entitled to receive the credit as a matter of contractual right.

38 (4)(a) If the recipient of a monthly retirement allowance under  
39 this section dies before the total of the retirement allowance paid to

1 the recipient equals the amount of the accumulated contributions at the  
2 date of retirement, then the balance shall be paid to the member's  
3 estate, or such person or persons, trust, or organization as the  
4 recipient has nominated by written designation duly executed and filed  
5 with the director, or, if there is no such designated person or persons  
6 still living at the time of the recipient's death, then to the  
7 surviving spouse, or, if there is neither such designated person or  
8 persons still living at the time of his or her death nor a surviving  
9 spouse, then to his or her legal representative.

10 (b) If a recipient of a monthly retirement allowance under this  
11 section died before April 27, 1989, and before the total of the  
12 retirement allowance paid to the recipient equaled the amount of his or  
13 her accumulated contributions at the date of retirement, then the  
14 department shall pay the balance of the accumulated contributions to  
15 the member's surviving spouse or, if there is no surviving spouse, then  
16 in equal shares to the member's children. If there is no surviving  
17 spouse or children, the department shall retain the contributions.

18 (5) Should the disability retirement allowance of any disability  
19 beneficiary be canceled for any cause other than reentrance into  
20 service or retirement for service, he or she shall be paid the excess,  
21 if any, of the accumulated contributions at the time of retirement over  
22 all payments made on his or her behalf under this chapter."

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27 On page 1, line 2 of the title, after "system;" strike the  
28 remainder of the title and insert "and amending RCW 41.26.430 and  
29 41.26.470."

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