
SUBSTITUTE HOUSE BILL 1024

State of Washington

56th Legislature

1999 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Carlson, H. Sommers, Alexander, D. Sommers, Lambert, Ogden, Conway, Wolfe, Bush, Kastama, G. Chandler, DeBolt, Carrell, Parlette, Talcott, K. Schmidt and Sump; by request of Joint Committee on Pension Policy)

Read first time 02/18/1999.

1 AN ACT Relating to certain retirement system members with more than
2 thirty years of service; adding a new section to chapter 41.32 RCW; and
3 adding a new section to chapter 41.40 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 41.32 RCW
6 under the subchapter heading "Plan 1" to read as follows:

7 A member may make the irrevocable election under this section no
8 later than six months after attaining thirty years of service. The
9 election shall become effective at the beginning of the calendar month
10 following department receipt of employee notification.

11 (1) The sum of future member contributions plus seven and one-half
12 percent interest shall be paid to the member at retirement without a
13 reduction in the member's monthly retirement benefit as determined
14 under RCW 41.32.498.

15 (2) Upon retirement, the member's benefit shall be calculated using
16 only the earnable compensation credited prior to the effective date of
17 the member's election. Calculation of the member's average earnable
18 compensation shall include eligible cash-outs of sick and annual leave
19 based on the member's salary and leave accumulations at the time of

1 retirement, except that the amount of a member's average earnable
2 compensation cannot be higher than if the member had not taken
3 advantage of the election offered under this section.

4 (3) Members who have already earned thirty years of service credit
5 prior to the effective date of this act may participate in the election
6 by notifying the department in writing of their intention by December
7 31, 1999.

8 The department shall continue to collect employer contributions as
9 required in RCW 41.45.060.

10 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.40 RCW
11 under the subchapter heading "Plan 1" to read as follows:

12 A member may make the irrevocable election under this section no
13 later than six months after attaining thirty years of service. The
14 election shall become effective at the beginning of the calendar month
15 following department receipt of employee notification.

16 (1) The sum of future member contributions plus seven and one-half
17 percent interest shall be paid to the member at retirement without a
18 reduction in the member's monthly retirement benefit as determined
19 under RCW 41.40.185.

20 (2) Upon retirement, the member's benefit shall be calculated using
21 only the earnable compensation credited prior to the effective date of
22 the member's election. Calculation of the member's average final
23 compensation shall include eligible cash-outs of sick and annual leave
24 based on the member's salary and leave accumulations at the time of
25 retirement, except that the amount of a member's average final
26 compensation cannot be higher than if the member had not taken
27 advantage of the election offered under this section.

28 (3) Members who have already earned thirty years of service credit
29 prior to the effective date of this act may participate in the election
30 by notifying the department in writing of their intention by December
31 31, 1999.

32 The department shall continue to collect employer contributions as
33 required in RCW 41.45.060.

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