
SUBSTITUTE SENATE BILL 5032 - CC

State of Washington

56th Legislature

1999 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Fraser, Winsley, Long, Jacobsen, Bauer, Franklin, Roach, Kline and Rasmussen; by request of Joint Committee on Pension Policy)

Read first time 02/25/1999.

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. The level of interest credited to member
15 contributions is not provided as a matter of contractual right and may
16 be changed by the legislature.

17 (2) Upon retirement, the member's benefit shall be calculated using
18 only the earnable compensation credited prior to the effective date of
19 the member's election. Calculation of the member's average earnable

1 compensation shall include eligible cash-outs of annual leave based on
2 the member's salary and leave accumulations at the time of retirement,
3 except that the amount of a member's average earnable compensation
4 cannot be higher than if the member had not taken advantage of the
5 election offered under this section.

6 (3) Members who have already earned thirty years of service credit
7 prior to the effective date of this act may participate in the election
8 by notifying the department in writing of their intention by December
9 31, 1999.

10 The department shall continue to collect employer contributions as
11 required in RCW 41.45.060.

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

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

18 (1) The sum of future member contributions plus seven and one-half
19 percent interest shall be paid to the member at retirement without a
20 reduction in the member's monthly retirement benefit as determined
21 under RCW 41.40.185. The level of interest credited to member
22 contributions is not provided as a matter of contractual right and may
23 be changed by the legislature.

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

32 (3) Members who have already earned thirty years of service credit
33 prior to the effective date of this act may participate in the election
34 by notifying the department in writing of their intention by December
35 31, 1999.

1 The department shall continue to collect employer contributions as
2 required in RCW 41.45.060.

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