
ENGROSSED SENATE BILL 6537

State of Washington

56th Legislature

2000 Regular Session

By Senators Fraser, Winsley, Bauer, Franklin, Jacobsen, Patterson, Kohl-Welles, Snyder, Costa and Gardner; by request of Governor Locke

Read first time 01/18/2000. Referred to Committee on Ways & Means.

1 AN ACT Relating to early retirement under the public employees'
2 retirement system for affected employees of specific state agencies
3 specifically designated for a reduction in staffing; adding a new
4 chapter to Title 41 RCW; and declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** The legislature declares that if it becomes
7 necessary for significant downsizing in a state facility, whether for
8 fiscal reasons, obsolescence, or other extraordinary reasons, the state
9 has a responsibility to provide certain benefits to affected employees.
10 It is the purpose of this chapter to establish an economic impact
11 act for the state of Washington to meet the emergency situation in
12 existence for state employees affected by the significant downsizing of
13 state facilities.

14 NEW SECTION. **Sec. 2.** The definitions in this section apply
15 throughout this chapter unless the context clearly requires otherwise.
16 (1) "Significant downsizing of a state facility" means those state
17 agencies, or divisions or programs within an agency, specifically

1 designated by the legislature for a reduction in staffing under section
2 3 of this act.

3 (2) "Affected employees" includes those persons who are members of
4 the public employees' retirement system performing services for the
5 state on a salaried or hourly basis including, but not limited to,
6 persons in classified service as defined in RCW 41.06.020(3) and those
7 persons defined as exempt from the state civil service laws under RCW
8 41.06.070 employed by the agencies, or divisions of agencies, under
9 section 3 of this act on the effective date of this act.

10 NEW SECTION. **Sec. 3.** For the period ending June 30, 2001, those
11 agencies designated for a reduction in staffing include:

12 (1) The department of transportation, limited to affected employees
13 working in programs I, P, Q, W, and X; and

14 (2) The department of social and health services, limited to
15 affected employees working within the economic services administration,
16 the developmental disabilities division of the health and
17 rehabilitative services administration, and the juvenile rehabilitation
18 administration.

19 NEW SECTION. **Sec. 4.** In order to carry out the purposes of this
20 chapter, the state shall take every reasonable step at its disposal to
21 provide alternative employment and to minimize the economic loss of
22 state employees affected by the significant downsizing of a state
23 facility. Affected state employees shall be provided benefits as
24 specified in this section.

25 As an option for leaving state employment an affected employee may
26 elect early retirement under the following conditions:

27 (1) Notwithstanding the age requirements of RCW 41.40.180, any
28 affected employee under this chapter who is a member of the public
29 employees' retirement system, plan 1 and has: (a) Attained the age of
30 fifty-five years, and completed five service credit years of service;
31 (b) completed twenty-five service credit years; or (c) attained the age
32 of fifty years and completed twenty service credit years of service is
33 immediately eligible to retire, with no actuarial reduction in the
34 amount of the member's pension benefit.

35 (2) Notwithstanding the age requirements of RCW 41.40.630, any
36 affected employee under this chapter who is a member of the public
37 employees' retirement system, plan 2 and has attained the age of fifty-

1 five years, with at least fifteen years creditable service, is
2 immediately eligible to retire with an actuarial reduction in the
3 amount of the member's pension benefit of two percent for each complete
4 year that the employee is under sixty-five years of age.

5 NEW SECTION. **Sec. 5.** For the period ending December 31, 2000,
6 members of the public employees retirement system who are employed by
7 a transit district, and were employed by the district on November 1,
8 1999, shall be eligible for the early retirement options provided by
9 section 4 of this act. A member wishing to retire pursuant to this
10 section must provide written notification to the member's employer, and
11 submit the required application form to the department of retirement
12 systems, no later than August 31, 2000, setting forth that the member
13 shall be retired no later than December 31, 2000.

14 NEW SECTION. **Sec. 6.** In order to assure that the state derives
15 the expected benefits from the early retirement provisions of this
16 chapter, no state agency may engage through personal service contracts
17 persons who retire from state service under the provisions of this
18 chapter. Exceptions to this section may be granted by written approval
19 from the director of financial management, if the director finds that
20 the temporary or project employment of a retiree is necessary to
21 protect the public safety, protect against the loss of federal
22 certification or loss of critical federal funds, or carry out functions
23 so essential to the agency that even temporary suspension or delay of
24 services would have a significant impact on the public. At the end of
25 each three-month period in which exceptions are approved, the director
26 shall forward a copy of any approvals, together with justification for
27 the exceptions, to the fiscal committees of the legislature. Each
28 forwarded approval shall include the name of the temporary or project
29 employee, the agency and division or department requesting the
30 employment, duration and cost of the proposed employment, and specific
31 functions and duties to be carried out during the employment.

32 NEW SECTION. **Sec. 7.** In order to assure that the state derives
33 the expected benefits from the early retirement provisions of this
34 chapter, no state agency may hire persons who retire from state service
35 under the provisions of this chapter as temporary or project employees,
36 as defined by the state personnel board for employees covered under

1 chapter 41.06 RCW. Exceptions to this section may be granted by
2 written approval from the director of financial management, if the
3 director finds that the temporary or project employment of a retiree is
4 necessary to protect the public safety, protect against the loss of
5 federal certification or loss of critical federal funds, or carry out
6 functions so essential to the agency that even temporary suspension or
7 delay of services would have a significant impact on the public. At
8 the end of each three-month period in which exceptions are approved,
9 the director shall forward a copy of any approvals, together with
10 justification for the exceptions, to the fiscal committees of the
11 legislature. Each forwarded approval shall include the name of the
12 temporary or project employee, the agency and division or department
13 requesting the employment, duration and cost of the proposed
14 employment, and specific functions and duties to be carried out during
15 the employment.

16 NEW SECTION. **Sec. 8.** This act is necessary for the immediate
17 preservation of the public peace, health, or safety, or support of the
18 state government and its existing public institutions, and takes effect
19 immediately.

20 NEW SECTION. **Sec. 9.** Sections 1 through 8 of this act constitute
21 a new chapter in Title 41 RCW.

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