

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 1023**

Chapter 223, Laws of 1999

56th Legislature  
1999 Regular Session

TEACHERS' RETIREMENT SYSTEM--EXTRAORDINARY INVESTMENT GAINS

EFFECTIVE DATE: 5/10/99

Passed by the House April 19, 1999  
Yeas 97 Nays 0

CLYDE BALLARD  
**Speaker of the House of Representatives**

FRANK CHOPP  
**Speaker of the House of Representatives**

Passed by the Senate April 7, 1999  
Yeas 43 Nays 0

BRAD OWEN  
**President of the Senate**

Approved May 10, 1999

GARY LOCKE  
**Governor of the State of Washington**

CERTIFICATE

We, Dean R. Foster and Timothy A. Martin, Co-Chief Clerks of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1023** as passed by the House of Representatives and the Senate on the dates hereon set forth.

DEAN R. FOSTER  
**Chief Clerk**

TIMOTHY A. MARTIN  
**Chief Clerk**

FILED

May 10, 1999 - 4:06 p.m.

**Secretary of State  
State of Washington**

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HOUSE BILL 1023

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AS AMENDED BY THE SENATE

Passed Legislature - 1999 Regular Session

State of Washington                      56th Legislature                      1999 Regular Session

By Representatives H. Sommers, Lambert, Carlson, Ogden, Conway, D. Sommers, Alexander, Wolfe, Romero, Bush, Thomas, Keiser, Stensen, G. Chandler, DeBolt, Parlette, Talcott, K. Schmidt, D. Schmidt, Murray, Schoesler, Sump and Hurst; by request of Joint Committee on Pension Policy

Prefiled 12/31/98. Read first time 01/11/1999. Referred to Committee on Appropriations.

1            AN ACT Relating to the sharing of extraordinary investment gains in  
2 the teachers' retirement system plan 3; amending RCW 41.50.145;  
3 creating new sections; and declaring an emergency.

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

5            NEW SECTION.    **Sec. 1.**    (1) On or before July 1, 1999, the member  
6 account of a person meeting the requirements of this section shall be  
7 credited by the 1999 retroactive extraordinary investment gain amount.

8            (2) The following persons are eligible for the benefit provided in  
9 subsection (1) of this section:

10            (a) Any member of the teachers' retirement system plan 3 who  
11 transferred to plan 3 pursuant to RCW 41.32.817 on or after September  
12 1, 1997, and before February 1, 1998; and

13            (b) Had a balance of at least one thousand dollars in contributions  
14 and interest credited to their member's individual account pursuant to  
15 chapter 41.32 RCW by August 31, 1997; and

16            (i) Who earned service credit during the twelve-month period from  
17 September 1, 1996, to August 31, 1997; or

18            (ii) Who:

19            (A) Completed ten service credit years; or

1 (B) Completed five service credit years, including twelve service  
2 months after attaining age fifty-four; or

3 (C) Completed five service credit years by July 1, 1996, under plan  
4 2.

5 (3) The 1999 retroactive extraordinary investment gain amount shall  
6 be calculated as follows:

7 (a) An amount equal to the average benefit per year of service paid  
8 to members of the teachers' retirement system plan 3 in 1998, pursuant  
9 to section 309, chapter 341, Laws of 1998.

10 (b) Distributed to persons eligible for the benefit provided in  
11 subsection (1) of this section on the basis of their service credit  
12 total on August 31, 1997.

13 **Sec. 2.** RCW 41.50.145 and 1998 c 341 s 515 are each amended to  
14 read as follows:

15 (1) If the department determines that due to employer error a  
16 member of plan 3 has suffered a loss of investment return, the employer  
17 shall pay the department for credit to the member's account the amount  
18 determined by the department as necessary to correct the error.

19 (2) If the department determines that due to departmental error a  
20 member of plan 3 has suffered a loss of investment return, the  
21 department shall credit to the member's account from the ((~~school~~  
22 ~~employees~~)) appropriate retirement system combined plan 2 and 3 fund  
23 the amount determined by the department as necessary to correct the  
24 error.

25 NEW SECTION. **Sec. 3.** Section 1 of this act is added to chapter  
26 41.34 RCW, but because of its temporary nature, shall not be codified.

27 NEW SECTION. **Sec. 4.** This act is necessary for the immediate  
28 preservation of the public peace, health, or safety, or support of the  
29 state government and its existing public institutions, and takes effect  
30 immediately.

Passed the House April 19, 1999.

Passed the Senate April 7, 1999.

Approved by the Governor May 10, 1999.

Filed in Office of Secretary of State May 10, 1999.