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SENATE BILL 5095

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State of Washington

58th Legislature

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By Senators Spanel, Jacobsen, Carlson, B. Sheldon and Rasmussen; by request of Joint Committee on Pension Policy

Read first time 01/15/2003. Referred to Committee on Ways & Means.

1 AN ACT Relating to allowing a member holding state elective office  
2 the option during each term of office of membership or retirement and  
3 beginning their retirement allowance in the law enforcement officers'  
4 and fire fighters' retirement system, the teachers' retirement system,  
5 the school employees' retirement system, and the public employees'  
6 retirement system; and amending RCW 41.26.030, 41.32.010, 41.32.263,  
7 41.35.030, and 41.40.023.

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

9 **Sec. 1.** RCW 41.26.030 and 2002 c 128 s 3 are each amended to read  
10 as follows:

11 As used in this chapter, unless a different meaning is plainly  
12 required by the context:

13 (1) "Retirement system" means the "Washington law enforcement  
14 officers' and fire fighters' retirement system" provided herein.

15 (2)(a) "Employer" for plan 1 members, means the legislative  
16 authority of any city, town, county, or district or the elected  
17 officials of any municipal corporation that employs any law enforcement  
18 officer and/or fire fighter, any authorized association of such

1 municipalities, and, except for the purposes of RCW 41.26.150, any  
2 labor guild, association, or organization, which represents the fire  
3 fighters or law enforcement officers of at least seven cities of over  
4 20,000 population and the membership of each local lodge or division of  
5 which is composed of at least sixty percent law enforcement officers or  
6 fire fighters as defined in this chapter.

7 (b) "Employer" for plan 2 members, means the following entities to  
8 the extent that the entity employs any law enforcement officer and/or  
9 fire fighter:

10 (i) The legislative authority of any city, town, county, or  
11 district;

12 (ii) The elected officials of any municipal corporation;

13 (iii) The governing body of any other general authority law  
14 enforcement agency; or

15 (iv) A four-year institution of higher education having a fully  
16 operational fire department as of January 1, 1996.

17 (3) "Law enforcement officer" beginning January 1, 1994, means any  
18 person who is commissioned and employed by an employer on a full time,  
19 fully compensated basis to enforce the criminal laws of the state of  
20 Washington generally, with the following qualifications:

21 (a) No person who is serving in a position that is basically  
22 clerical or secretarial in nature, and who is not commissioned shall be  
23 considered a law enforcement officer;

24 (b) Only those deputy sheriffs, including those serving under a  
25 different title pursuant to county charter, who have successfully  
26 completed a civil service examination for deputy sheriff or the  
27 equivalent position, where a different title is used, and those persons  
28 serving in unclassified positions authorized by RCW 41.14.070 except a  
29 private secretary will be considered law enforcement officers;

30 (c) Only such full time commissioned law enforcement personnel as  
31 have been appointed to offices, positions, or ranks in the police  
32 department which have been specifically created or otherwise expressly  
33 provided for and designated by city charter provision or by ordinance  
34 enacted by the legislative body of the city shall be considered city  
35 police officers;

36 (d) The term "law enforcement officer" also includes the executive  
37 secretary of a labor guild, association or organization (which is an  
38 employer under RCW 41.26.030(2)) if that individual has five years

1 previous membership in the retirement system established in chapter  
2 41.20 RCW. The provisions of this subsection (3)(d) shall not apply to  
3 plan 2 members; and

4 (e) The term "law enforcement officer" also includes a person  
5 employed on or after January 1, 1993, as a public safety officer or  
6 director of public safety, so long as the job duties substantially  
7 involve only either police or fire duties, or both, and no other duties  
8 in a city or town with a population of less than ten thousand. The  
9 provisions of this subsection (3)(e) shall not apply to any public  
10 safety officer or director of public safety who is receiving a  
11 retirement allowance under this chapter as of May 12, 1993.

12 (4) "Fire fighter" means:

13 (a) Any person who is serving on a full time, fully compensated  
14 basis as a member of a fire department of an employer and who is  
15 serving in a position which requires passing a civil service  
16 examination for fire fighter, and who is actively employed as such;

17 (b) Anyone who is actively employed as a full time fire fighter  
18 where the fire department does not have a civil service examination;

19 (c) Supervisory fire fighter personnel;

20 (d) Any full time executive secretary of an association of fire  
21 protection districts authorized under RCW 52.12.031. The provisions of  
22 this subsection (4)(d) shall not apply to plan 2 members;

23 (e) The executive secretary of a labor guild, association or  
24 organization (which is an employer under RCW 41.26.030(2) as now or  
25 hereafter amended), if such individual has five years previous  
26 membership in a retirement system established in chapter 41.16 or 41.18  
27 RCW. The provisions of this subsection (4)(e) shall not apply to plan  
28 2 members;

29 (f) Any person who is serving on a full time, fully compensated  
30 basis for an employer, as a fire dispatcher, in a department in which,  
31 on March 1, 1970, a dispatcher was required to have passed a civil  
32 service examination for fire fighter; and

33 (g) Any person who on March 1, 1970, was employed on a full time,  
34 fully compensated basis by an employer, and who on May 21, 1971, was  
35 making retirement contributions under the provisions of chapter 41.16  
36 or 41.18 RCW.

37 (5) "Department" means the department of retirement systems created  
38 in chapter 41.50 RCW.

1 (6) "Surviving spouse" means the surviving widow or widower of a  
2 member. "Surviving spouse" shall not include the divorced spouse of a  
3 member except as provided in RCW 41.26.162.

4 (7)(a) "Child" or "children" means an unmarried person who is under  
5 the age of eighteen or mentally or physically handicapped as determined  
6 by the department, except a handicapped person in the full time care of  
7 a state institution, who is:

8 (i) A natural born child;

9 (ii) A stepchild where that relationship was in existence prior to  
10 the date benefits are payable under this chapter;

11 (iii) A posthumous child;

12 (iv) A child legally adopted or made a legal ward of a member prior  
13 to the date benefits are payable under this chapter; or

14 (v) An illegitimate child legitimized prior to the date any  
15 benefits are payable under this chapter.

16 (b) A person shall also be deemed to be a child up to and including  
17 the age of twenty years and eleven months while attending any high  
18 school, college, or vocational or other educational institution  
19 accredited, licensed, or approved by the state, in which it is located,  
20 including the summer vacation months and all other normal and regular  
21 vacation periods at the particular educational institution after which  
22 the child returns to school.

23 (8) "Member" means any fire fighter, law enforcement officer, or  
24 other person as would apply under subsections (3) or (4) of this  
25 section whose membership is transferred to the Washington law  
26 enforcement officers' and fire fighters' retirement system on or after  
27 March 1, 1970, and every law enforcement officer and fire fighter who  
28 is employed in that capacity on or after such date.

29 (9) "Retirement fund" means the "Washington law enforcement  
30 officers' and fire fighters' retirement system fund" as provided for  
31 herein.

32 (10) "Employee" means any law enforcement officer or fire fighter  
33 as defined in subsections (3) and (4) of this section.

34 (11)(a) "Beneficiary" for plan 1 members, means any person in  
35 receipt of a retirement allowance, disability allowance, death benefit,  
36 or any other benefit described herein.

37 (b) "Beneficiary" for plan 2 members, means any person in receipt

1 of a retirement allowance or other benefit provided by this chapter  
2 resulting from service rendered to an employer by another person.

3 (12)(a) "Final average salary" for plan 1 members, means (i) for a  
4 member holding the same position or rank for a minimum of twelve months  
5 preceding the date of retirement, the basic salary attached to such  
6 same position or rank at time of retirement; (ii) for any other member,  
7 including a civil service member who has not served a minimum of twelve  
8 months in the same position or rank preceding the date of retirement,  
9 the average of the greatest basic salaries payable to such member  
10 during any consecutive twenty-four month period within such member's  
11 last ten years of service for which service credit is allowed, computed  
12 by dividing the total basic salaries payable to such member during the  
13 selected twenty-four month period by twenty-four; (iii) in the case of  
14 disability of any member, the basic salary payable to such member at  
15 the time of disability retirement; (iv) in the case of a member who  
16 hereafter vests pursuant to RCW 41.26.090, the basic salary payable to  
17 such member at the time of vesting.

18 (b) "Final average salary" for plan 2 members, means the monthly  
19 average of the member's basic salary for the highest consecutive sixty  
20 service credit months of service prior to such member's retirement,  
21 termination, or death. Periods constituting authorized unpaid leaves  
22 of absence may not be used in the calculation of final average salary.

23 (13)(a) "Basic salary" for plan 1 members, means the basic monthly  
24 rate of salary or wages, including longevity pay but not including  
25 overtime earnings or special salary or wages, upon which pension or  
26 retirement benefits will be computed and upon which employer  
27 contributions and salary deductions will be based.

28 (b) "Basic salary" for plan 2 members, means salaries or wages  
29 earned by a member during a payroll period for personal services,  
30 including overtime payments, and shall include wages and salaries  
31 deferred under provisions established pursuant to sections 403(b),  
32 414(h), and 457 of the United States Internal Revenue Code, but shall  
33 exclude lump sum payments for deferred annual sick leave, unused  
34 accumulated vacation, unused accumulated annual leave, or any form of  
35 severance pay. In any year in which a member serves in the legislature  
36 the member shall have the option of having such member's basic salary  
37 be the greater of:

1 (i) The basic salary the member would have received had such member  
2 not served in the legislature; or

3 (ii) Such member's actual basic salary received for nonlegislative  
4 public employment and legislative service combined. Any additional  
5 contributions to the retirement system required because basic salary  
6 under (b)(i) of this subsection is greater than basic salary under  
7 (b)(ii) of this subsection shall be paid by the member for both member  
8 and employer contributions.

9 (14)(a) "Service" for plan 1 members, means all periods of  
10 employment for an employer as a fire fighter or law enforcement  
11 officer, for which compensation is paid, together with periods of  
12 suspension not exceeding thirty days in duration. For the purposes of  
13 this chapter service shall also include service in the armed forces of  
14 the United States as provided in RCW 41.26.190. Credit shall be  
15 allowed for all service credit months of service rendered by a member  
16 from and after the member's initial commencement of employment as a  
17 fire fighter or law enforcement officer, during which the member worked  
18 for seventy or more hours, or was on disability leave or disability  
19 retirement. Only service credit months of service shall be counted in  
20 the computation of any retirement allowance or other benefit provided  
21 for in this chapter.

22 (i) For members retiring after May 21, 1971 who were employed under  
23 the coverage of a prior pension act before March 1, 1970, "service"  
24 shall also include (A) such military service not exceeding five years  
25 as was creditable to the member as of March 1, 1970, under the member's  
26 particular prior pension act, and (B) such other periods of service as  
27 were then creditable to a particular member under the provisions of RCW  
28 41.18.165, 41.20.160 or 41.20.170. However, in no event shall credit  
29 be allowed for any service rendered prior to March 1, 1970, where the  
30 member at the time of rendition of such service was employed in a  
31 position covered by a prior pension act, unless such service, at the  
32 time credit is claimed therefor, is also creditable under the  
33 provisions of such prior act.

34 (ii) A member who is employed by two employers at the same time  
35 shall only be credited with service to one such employer for any month  
36 during which the member rendered such dual service.

37 (b) "Service" for plan 2 members, means periods of employment by a  
38 member for one or more employers for which basic salary is earned for

1 ninety or more hours per calendar month which shall constitute a  
2 service credit month. Periods of employment by a member for one or  
3 more employers for which basic salary is earned for at least seventy  
4 hours but less than ninety hours per calendar month shall constitute  
5 one-half service credit month. Periods of employment by a member for  
6 one or more employers for which basic salary is earned for less than  
7 seventy hours shall constitute a one-quarter service credit month.

8 Members of the retirement system who are elected or appointed to a  
9 state elective position may elect during a ninety-day period at the  
10 beginning of each term of office to continue (~~to be members of this~~  
11 ~~retirement system~~), resume, or to end membership in the retirement  
12 system and if otherwise eligible begin their retirement allowance. A  
13 state elected official who chooses to end membership at the beginning  
14 of a term of office and begin their retirement allowance shall neither  
15 make contributions nor earn service credit for the duration of that  
16 term.

17 Service credit years of service shall be determined by dividing the  
18 total number of service credit months of service by twelve. Any  
19 fraction of a service credit year of service as so determined shall be  
20 taken into account in the computation of such retirement allowance or  
21 benefits.

22 If a member receives basic salary from two or more employers during  
23 any calendar month, the individual shall receive one service credit  
24 month's service credit during any calendar month in which multiple  
25 service for ninety or more hours is rendered; or one-half service  
26 credit month's service credit during any calendar month in which  
27 multiple service for at least seventy hours but less than ninety hours  
28 is rendered; or one-quarter service credit month during any calendar  
29 month in which multiple service for less than seventy hours is  
30 rendered.

31 (15) "Accumulated contributions" means the employee's contributions  
32 made by a member, including any amount paid under RCW 41.50.165(2),  
33 plus accrued interest credited thereon.

34 (16) "Actuarial reserve" means a method of financing a pension or  
35 retirement plan wherein reserves are accumulated as the liabilities for  
36 benefit payments are incurred in order that sufficient funds will be  
37 available on the date of retirement of each member to pay the member's  
38 future benefits during the period of retirement.

1 (17) "Actuarial valuation" means a mathematical determination of  
2 the financial condition of a retirement plan. It includes the  
3 computation of the present monetary value of benefits payable to  
4 present members, and the present monetary value of future employer and  
5 employee contributions, giving effect to mortality among active and  
6 retired members and also to the rates of disability, retirement,  
7 withdrawal from service, salary and interest earned on investments.

8 (18) "Disability board" for plan 1 members means either the county  
9 disability board or the city disability board established in RCW  
10 41.26.110.

11 (19) "Disability leave" means the period of six months or any  
12 portion thereof during which a member is on leave at an allowance equal  
13 to the member's full salary prior to the commencement of disability  
14 retirement. The definition contained in this subsection shall apply  
15 only to plan 1 members.

16 (20) "Disability retirement" for plan 1 members, means the period  
17 following termination of a member's disability leave, during which the  
18 member is in receipt of a disability retirement allowance.

19 (21) "Position" means the employment held at any particular time,  
20 which may or may not be the same as civil service rank.

21 (22) "Medical services" for plan 1 members, shall include the  
22 following as minimum services to be provided. Reasonable charges for  
23 these services shall be paid in accordance with RCW 41.26.150.

24 (a) Hospital expenses: These are the charges made by a hospital,  
25 in its own behalf, for

26 (i) Board and room not to exceed semiprivate room rate unless  
27 private room is required by the attending physician due to the  
28 condition of the patient.

29 (ii) Necessary hospital services, other than board and room,  
30 furnished by the hospital.

31 (b) Other medical expenses: The following charges are considered  
32 "other medical expenses", provided that they have not been considered  
33 as "hospital expenses".

34 (i) The fees of the following:

35 (A) A physician or surgeon licensed under the provisions of chapter  
36 18.71 RCW;

37 (B) An osteopathic physician and surgeon licensed under the  
38 provisions of chapter 18.57 RCW;



1 (C) A chiropractor licensed under the provisions of chapter 18.25  
2 RCW.

3 (ii) The charges of a registered graduate nurse other than a nurse  
4 who ordinarily resides in the member's home, or is a member of the  
5 family of either the member or the member's spouse.

6 (iii) The charges for the following medical services and supplies:  
7 (A) Drugs and medicines upon a physician's prescription;  
8 (B) Diagnostic x-ray and laboratory examinations;  
9 (C) X-ray, radium, and radioactive isotopes therapy;  
10 (D) Anesthesia and oxygen;  
11 (E) Rental of iron lung and other durable medical and surgical  
12 equipment;  
13 (F) Artificial limbs and eyes, and casts, splints, and trusses;  
14 (G) Professional ambulance service when used to transport the  
15 member to or from a hospital when injured by an accident or stricken by  
16 a disease;  
17 (H) Dental charges incurred by a member who sustains an accidental  
18 injury to his or her teeth and who commences treatment by a legally  
19 licensed dentist within ninety days after the accident;  
20 (I) Nursing home confinement or hospital extended care facility;  
21 (J) Physical therapy by a registered physical therapist;  
22 (K) Blood transfusions, including the cost of blood and blood  
23 plasma not replaced by voluntary donors;  
24 (L) An optometrist licensed under the provisions of chapter 18.53  
25 RCW.

26 (23) "Regular interest" means such rate as the director may  
27 determine.

28 (24) "Retiree" for persons who establish membership in the  
29 retirement system on or after October 1, 1977, means any member in  
30 receipt of a retirement allowance or other benefit provided by this  
31 chapter resulting from service rendered to an employer by such member.

32 (25) "Director" means the director of the department.

33 (26) "State actuary" or "actuary" means the person appointed  
34 pursuant to RCW 44.44.010(2).

35 (27) "State elective position" means any position held by any  
36 person elected or appointed to statewide office or elected or appointed  
37 as a member of the legislature.

1 (28) "Plan 1" means the law enforcement officers' and fire  
2 fighters' retirement system, plan 1 providing the benefits and funding  
3 provisions covering persons who first became members of the system  
4 prior to October 1, 1977.

5 (29) "Plan 2" means the law enforcement officers' and fire  
6 fighters' retirement system, plan 2 providing the benefits and funding  
7 provisions covering persons who first became members of the system on  
8 and after October 1, 1977.

9 (30) "Service credit year" means an accumulation of months of  
10 service credit which is equal to one when divided by twelve.

11 (31) "Service credit month" means a full service credit month or an  
12 accumulation of partial service credit months that are equal to one.

13 (32) "General authority law enforcement agency" means any agency,  
14 department, or division of a municipal corporation, political  
15 subdivision, or other unit of local government of this state, and any  
16 agency, department, or division of state government, having as its  
17 primary function the detection and apprehension of persons committing  
18 infractions or violating the traffic or criminal laws in general, but  
19 not including the Washington state patrol or the department of fish and  
20 wildlife. Such an agency, department, or division is distinguished  
21 from a limited authority law enforcement agency having as one of its  
22 functions the apprehension or detection of persons committing  
23 infractions or violating the traffic or criminal laws relating to  
24 limited subject areas, including but not limited to, the state  
25 departments of natural resources and social and health services, the  
26 state gambling commission, the state lottery commission, the state  
27 parks and recreation commission, the state utilities and transportation  
28 commission, the state liquor control board, and the state department of  
29 corrections.

30 **Sec. 2.** RCW 41.32.010 and 1997 c 254 s 3 are each amended to read  
31 as follows:

32 As used in this chapter, unless a different meaning is plainly  
33 required by the context:

34 (1)(a) "Accumulated contributions" for plan 1 members, means the  
35 sum of all regular annuity contributions and, except for the purpose of  
36 withdrawal at the time of retirement, any amount paid under RCW  
37 41.50.165(2) with regular interest thereon.

1 (b) "Accumulated contributions" for plan 2 members, means the sum  
2 of all contributions standing to the credit of a member in the member's  
3 individual account, including any amount paid under RCW 41.50.165(2),  
4 together with the regular interest thereon.

5 (2) "Actuarial equivalent" means a benefit of equal value when  
6 computed upon the basis of such mortality tables and regulations as  
7 shall be adopted by the director and regular interest.

8 (3) "Annuity" means the moneys payable per year during life by  
9 reason of accumulated contributions of a member.

10 (4) "Member reserve" means the fund in which all of the accumulated  
11 contributions of members are held.

12 (5)(a) "Beneficiary" for plan 1 members, means any person in  
13 receipt of a retirement allowance or other benefit provided by this  
14 chapter.

15 (b) "Beneficiary" for plan 2 and plan 3 members, means any person  
16 in receipt of a retirement allowance or other benefit provided by this  
17 chapter resulting from service rendered to an employer by another  
18 person.

19 (6) "Contract" means any agreement for service and compensation  
20 between a member and an employer.

21 (7) "Creditable service" means membership service plus prior  
22 service for which credit is allowable. This subsection shall apply  
23 only to plan 1 members.

24 (8) "Dependent" means receiving one-half or more of support from a  
25 member.

26 (9) "Disability allowance" means monthly payments during  
27 disability. This subsection shall apply only to plan 1 members.

28 (10)(a) "Earnable compensation" for plan 1 members, means:

29 (i) All salaries and wages paid by an employer to an employee  
30 member of the retirement system for personal services rendered during  
31 a fiscal year. In all cases where compensation includes maintenance  
32 the employer shall fix the value of that part of the compensation not  
33 paid in money.

34 (ii) "Earnable compensation" for plan 1 members also includes the  
35 following actual or imputed payments, which are not paid for personal  
36 services:

37 (A) Retroactive payments to an individual by an employer on  
38 reinstatement of the employee in a position, or payments by an employer

1 to an individual in lieu of reinstatement in a position which are  
2 awarded or granted as the equivalent of the salary or wages which the  
3 individual would have earned during a payroll period shall be  
4 considered earnable compensation and the individual shall receive the  
5 equivalent service credit.

6 (B) If a leave of absence, without pay, is taken by a member for  
7 the purpose of serving as a member of the state legislature, and such  
8 member has served in the legislature five or more years, the salary  
9 which would have been received for the position from which the leave of  
10 absence was taken shall be considered as compensation earnable if the  
11 employee's contribution thereon is paid by the employee. In addition,  
12 where a member has been a member of the state legislature for five or  
13 more years, earnable compensation for the member's two highest  
14 compensated consecutive years of service shall include a sum not to  
15 exceed thirty-six hundred dollars for each of such two consecutive  
16 years, regardless of whether or not legislative service was rendered  
17 during those two years.

18 (iii) For members employed less than full time under written  
19 contract with a school district, or community college district, in an  
20 instructional position, for which the member receives service credit of  
21 less than one year in all of the years used to determine the earnable  
22 compensation used for computing benefits due under RCW 41.32.497,  
23 41.32.498, and 41.32.520, the member may elect to have earnable  
24 compensation defined as provided in RCW 41.32.345. For the purposes of  
25 this subsection, the term "instructional position" means a position in  
26 which more than seventy-five percent of the member's time is spent as  
27 a classroom instructor (including office hours), a librarian, or a  
28 counselor. Earnable compensation shall be so defined only for the  
29 purpose of the calculation of retirement benefits and only as necessary  
30 to insure that members who receive fractional service credit under RCW  
31 41.32.270 receive benefits proportional to those received by members  
32 who have received full-time service credit.

33 (iv) "Earnable compensation" does not include:

34 (A) Remuneration for unused sick leave authorized under RCW  
35 41.04.340, 28A.400.210, or 28A.310.490;

36 (B) Remuneration for unused annual leave in excess of thirty days  
37 as authorized by RCW 43.01.044 and 43.01.041.

1 (b) "Earnable compensation" for plan 2 and plan 3 members, means  
2 salaries or wages earned by a member during a payroll period for  
3 personal services, including overtime payments, and shall include wages  
4 and salaries deferred under provisions established pursuant to sections  
5 403(b), 414(h), and 457 of the United States Internal Revenue Code, but  
6 shall exclude lump sum payments for deferred annual sick leave, unused  
7 accumulated vacation, unused accumulated annual leave, or any form of  
8 severance pay.

9 "Earnable compensation" for plan 2 and plan 3 members also includes  
10 the following actual or imputed payments which, except in the case of  
11 (b)(ii)(B) of this subsection, are not paid for personal services:

12 (i) Retroactive payments to an individual by an employer on  
13 reinstatement of the employee in a position or payments by an employer  
14 to an individual in lieu of reinstatement in a position which are  
15 awarded or granted as the equivalent of the salary or wages which the  
16 individual would have earned during a payroll period shall be  
17 considered earnable compensation, to the extent provided above, and the  
18 individual shall receive the equivalent service credit.

19 (ii) In any year in which a member serves in the legislature the  
20 member shall have the option of having such member's earnable  
21 compensation be the greater of:

22 (A) The earnable compensation the member would have received had  
23 such member not served in the legislature; or

24 (B) Such member's actual earnable compensation received for  
25 teaching and legislative service combined. Any additional  
26 contributions to the retirement system required because compensation  
27 earnable under (b)(ii)(A) of this subsection is greater than  
28 compensation earnable under (b)(ii)(B) of this subsection shall be paid  
29 by the member for both member and employer contributions.

30 (11) "Employer" means the state of Washington, the school district,  
31 or any agency of the state of Washington by which the member is paid.

32 (12) "Fiscal year" means a year which begins July 1st and ends June  
33 30th of the following year.

34 (13) "Former state fund" means the state retirement fund in  
35 operation for teachers under chapter 187, Laws of 1923, as amended.

36 (14) "Local fund" means any of the local retirement funds for  
37 teachers operated in any school district in accordance with the  
38 provisions of chapter 163, Laws of 1917 as amended.

1 (15) "Member" means any teacher included in the membership of the  
2 retirement system. Also, any other employee of the public schools who,  
3 on July 1, 1947, had not elected to be exempt from membership and who,  
4 prior to that date, had by an authorized payroll deduction, contributed  
5 to the member reserve.

6 (16) "Membership service" means service rendered subsequent to the  
7 first day of eligibility of a person to membership in the retirement  
8 system: PROVIDED, That where a member is employed by two or more  
9 employers the individual shall receive no more than one service credit  
10 month during any calendar month in which multiple service is rendered.  
11 The provisions of this subsection shall apply only to plan 1 members.

12 (17) "Pension" means the moneys payable per year during life from  
13 the pension reserve.

14 (18) "Pension reserve" is a fund in which shall be accumulated an  
15 actuarial reserve adequate to meet present and future pension  
16 liabilities of the system and from which all pension obligations are to  
17 be paid.

18 (19) "Prior service" means service rendered prior to the first date  
19 of eligibility to membership in the retirement system for which credit  
20 is allowable. The provisions of this subsection shall apply only to  
21 plan 1 members.

22 (20) "Prior service contributions" means contributions made by a  
23 member to secure credit for prior service. The provisions of this  
24 subsection shall apply only to plan 1 members.

25 (21) "Public school" means any institution or activity operated by  
26 the state of Washington or any instrumentality or political subdivision  
27 thereof employing teachers, except the University of Washington and  
28 Washington State University.

29 (22) "Regular contributions" means the amounts required to be  
30 deducted from the compensation of a member and credited to the member's  
31 individual account in the member reserve. This subsection shall apply  
32 only to plan 1 members.

33 (23) "Regular interest" means such rate as the director may  
34 determine.

35 (24)(a) "Retirement allowance" for plan 1 members, means monthly  
36 payments based on the sum of annuity and pension, or any optional  
37 benefits payable in lieu thereof.

1 (b) "Retirement allowance" for plan 2 and plan 3 members, means  
2 monthly payments to a retiree or beneficiary as provided in this  
3 chapter.

4 (25) "Retirement system" means the Washington state teachers'  
5 retirement system.

6 (26)(a) "Service" for plan 1 members means the time during which a  
7 member has been employed by an employer for compensation.

8 (i) If a member is employed by two or more employers the individual  
9 shall receive no more than one service credit month during any calendar  
10 month in which multiple service is rendered.

11 (ii) As authorized by RCW 28A.400.300, up to forty-five days of  
12 sick leave may be creditable as service solely for the purpose of  
13 determining eligibility to retire under RCW 41.32.470.

14 (iii) As authorized in RCW 41.32.065, service earned in an out-of-  
15 state retirement system that covers teachers in public schools may be  
16 applied solely for the purpose of determining eligibility to retire  
17 under RCW 41.32.470.

18 (b) "Service" for plan 2 and plan 3 members, means periods of  
19 employment by a member for one or more employers for which earnable  
20 compensation is earned subject to the following conditions:

21 (i) A member employed in an eligible position or as a substitute  
22 shall receive one service credit month for each month of September  
23 through August of the following year if he or she earns earnable  
24 compensation for eight hundred ten or more hours during that period and  
25 is employed during nine of those months, except that a member may not  
26 receive credit for any period prior to the member's employment in an  
27 eligible position except as provided in RCW 41.32.812 and 41.50.132;

28 (ii) If a member is employed either in an eligible position or as  
29 a substitute teacher for nine months of the twelve month period between  
30 September through August of the following year but earns earnable  
31 compensation for less than eight hundred ten hours but for at least six  
32 hundred thirty hours, he or she will receive one-half of a service  
33 credit month for each month of the twelve month period;

34 (iii) All other members in an eligible position or as a substitute  
35 teacher shall receive service credit as follows:

36 (A) A service credit month is earned in those calendar months where  
37 earnable compensation is earned for ninety or more hours;

1 (B) A half-service credit month is earned in those calendar months  
2 where earnable compensation is earned for at least seventy hours but  
3 less than ninety hours; and

4 (C) A quarter-service credit month is earned in those calendar  
5 months where earnable compensation is earned for less than seventy  
6 hours((~~-~~));

7 (iv) Any person who is a member of the teachers' retirement system  
8 and who is elected or appointed to a state elective position may  
9 continue to be a member of the retirement system and continue to  
10 receive a service credit month for each of the months in a state  
11 elective position by making the required member contributions((~~-~~));

12 (v) Any person who is a member of the teachers' retirement system  
13 plan 2 or plan 3 and who is elected or appointed to a state elective  
14 position has the option during a ninety-day period at the beginning of  
15 each term of office either to resume membership or to end membership in  
16 the retirement system and if otherwise eligible begin their retirement  
17 allowance. A state elected official who chooses to end membership at  
18 the beginning of a term of office and begin their retirement allowance  
19 shall neither make contributions nor earn service credit for the  
20 duration of that term;

21 (vi) When an individual is employed by two or more employers the  
22 individual shall only receive one month's service credit during any  
23 calendar month in which multiple service for ninety or more hours is  
24 rendered((~~-~~));

25 ((~~(vi)~~)) (vii) As authorized by RCW 28A.400.300, up to forty-five  
26 days of sick leave may be creditable as service solely for the purpose  
27 of determining eligibility to retire under RCW 41.32.470. For purposes  
28 of plan 2 and plan 3 "forty-five days" as used in RCW 28A.400.300 is  
29 equal to two service credit months. Use of less than forty-five days  
30 of sick leave is creditable as allowed under this subsection as  
31 follows:

32 (A) Less than eleven days equals one-quarter service credit month;

33 (B) Eleven or more days but less than twenty-two days equals one-  
34 half service credit month;

35 (C) Twenty-two days equals one service credit month;

36 (D) More than twenty-two days but less than thirty-three days  
37 equals one and one-quarter service credit month; and



1 (E) Thirty-three or more days but less than forty-five days equals  
2 one and one-half service credit month(~~(-)~~);

3 (~~(vii)~~) (viii) As authorized in RCW 41.32.065, service earned in  
4 an out-of-state retirement system that covers teachers in public  
5 schools may be applied solely for the purpose of determining  
6 eligibility to retire under RCW 41.32.470(~~(-)~~);

7 (~~(viii)~~) (ix) The department shall adopt rules implementing this  
8 subsection.

9 (27) "Service credit year" means an accumulation of months of  
10 service credit which is equal to one when divided by twelve.

11 (28) "Service credit month" means a full service credit month or an  
12 accumulation of partial service credit months that are equal to one.

13 (29) "Teacher" means any person qualified to teach who is engaged  
14 by a public school in an instructional, administrative, or supervisory  
15 capacity. The term includes state, educational service district, and  
16 school district superintendents and their assistants and all employees  
17 certificated by the superintendent of public instruction; and in  
18 addition thereto any full time school doctor who is employed by a  
19 public school and renders service of an instructional or educational  
20 nature.

21 (30) "Average final compensation" for plan 2 and plan 3 members,  
22 means the member's average earnable compensation of the highest  
23 consecutive sixty service credit months prior to such member's  
24 retirement, termination, or death. Periods constituting authorized  
25 leaves of absence may not be used in the calculation of average final  
26 compensation except under RCW 41.32.810(2).

27 (31) "Retiree" means any person who has begun accruing a retirement  
28 allowance or other benefit provided by this chapter resulting from  
29 service rendered to an employer while a member.

30 (32) "Department" means the department of retirement systems  
31 created in chapter 41.50 RCW.

32 (33) "Director" means the director of the department.

33 (34) "State elective position" means any position held by any  
34 person elected or appointed to statewide office or elected or appointed  
35 as a member of the legislature.

36 (35) "State actuary" or "actuary" means the person appointed  
37 pursuant to RCW 44.44.010(2).

38 (36) "Substitute teacher" means:

1 (a) A teacher who is hired by an employer to work as a temporary  
2 teacher, except for teachers who are annual contract employees of an  
3 employer and are guaranteed a minimum number of hours; or

4 (b) Teachers who either (i) work in ineligible positions for more  
5 than one employer or (ii) work in an ineligible position or positions  
6 together with an eligible position.

7 (37)(a) "Eligible position" for plan 2 members from June 7, 1990,  
8 through September 1, 1991, means a position which normally requires two  
9 or more uninterrupted months of creditable service during September  
10 through August of the following year.

11 (b) "Eligible position" for plan 2 and plan 3 on and after  
12 September 1, 1991, means a position that, as defined by the employer,  
13 normally requires five or more months of at least seventy hours of  
14 earnable compensation during September through August of the following  
15 year.

16 (c) For purposes of this chapter an employer shall not define  
17 "position" in such a manner that an employee's monthly work for that  
18 employer is divided into more than one position.

19 (d) The elected position of the superintendent of public  
20 instruction is an eligible position.

21 (38) "Plan 1" means the teachers' retirement system, plan 1  
22 providing the benefits and funding provisions covering persons who  
23 first became members of the system prior to October 1, 1977.

24 (39) "Plan 2" means the teachers' retirement system, plan 2  
25 providing the benefits and funding provisions covering persons who  
26 first became members of the system on and after October 1, 1977, and  
27 prior to July 1, 1996.

28 (40) "Plan 3" means the teachers' retirement system, plan 3  
29 providing the benefits and funding provisions covering persons who  
30 first become members of the system on and after July 1, 1996, or who  
31 transfer under RCW 41.32.817.

32 (41) "Index" means, for any calendar year, that year's annual  
33 average consumer price index, Seattle, Washington area, for urban wage  
34 earners and clerical workers, all items compiled by the bureau of labor  
35 statistics, United States department of labor.

36 (42) "Index A" means the index for the year prior to the  
37 determination of a postretirement adjustment.

38 (43) "Index B" means the index for the year prior to index A.

1 (44) "Index year" means the earliest calendar year in which the  
2 index is more than sixty percent of index A.

3 (45) "Adjustment ratio" means the value of index A divided by index  
4 B.

5 (46) "Annual increase" means, initially, fifty-nine cents per month  
6 per year of service which amount shall be increased each July 1st by  
7 three percent, rounded to the nearest cent.

8 (47) "Member account" or "member's account" for purposes of plan 3  
9 means the sum of the contributions and earnings on behalf of the member  
10 in the defined contribution portion of plan 3.

11 (48) "Separation from service or employment" occurs when a person  
12 has terminated all employment with an employer.

13 (49) "Employed" or "employee" means a person who is providing  
14 services for compensation to an employer, unless the person is free  
15 from the employer's direction and control over the performance of work.  
16 The department shall adopt rules and interpret this subsection  
17 consistent with common law.

18 **Sec. 3.** RCW 41.32.263 and 1991 c 35 s 41 are each amended to read  
19 as follows:

20 A member of the retirement system who is a member of the state  
21 legislature or a state official eligible for the combined pension and  
22 annuity provided by RCW 41.32.497, or 41.32.498, as now or hereafter  
23 amended shall have deductions taken from his or her salary in the  
24 amount of seven and one-half percent of earnable compensation and that  
25 service credit shall be established with the retirement system while  
26 such deductions are reported to the retirement system, unless he or she  
27 has by reason of his or her employment become a contributing member of  
28 another public retirement system in the state of Washington. Such  
29 elected official who has retired or otherwise terminated his or her  
30 public school service may then elect to terminate his or her membership  
31 in the retirement system and receive retirement benefits while  
32 continuing to serve as an elected official. A member of the retirement  
33 system who had previous service as an elected or appointed official,  
34 for which he or she did not contribute to the retirement system, may  
35 receive credit for such legislative service unless he or she has  
36 received credit for that service in another state retirement system,

1 upon making contributions in such amounts as shall be determined by the  
2 (~~board of trustees~~) director.

3 **Sec. 4.** RCW 41.35.030 and 1998 c 341 s 4 are each amended to read  
4 as follows:

5 Membership in the retirement system shall consist of all regularly  
6 compensated classified employees and appointive and elective officials  
7 of employers, as defined in this chapter, with the following  
8 exceptions:

9 (1) Persons in ineligible positions;

10 (2)(a) Persons holding elective offices or persons appointed  
11 directly by the governor: PROVIDED, That such persons shall have the  
12 option of applying for membership during such periods of employment:  
13 AND PROVIDED FURTHER, That any persons holding or who have held  
14 elective offices or persons appointed by the governor who are members  
15 in the retirement system and who have, prior to becoming such members,  
16 previously held an elective office, and did not at the start of such  
17 initial or successive terms of office exercise their option to become  
18 members, may apply for membership to be effective during such term or  
19 terms of office, and shall be allowed to establish the service credit  
20 applicable to such term or terms of office upon payment of the employee  
21 contributions therefor by the employee with interest as determined by  
22 the director and employer contributions therefor by the employer or  
23 employee with interest as determined by the director: AND PROVIDED  
24 FURTHER, That all contributions with interest submitted by the employee  
25 under this subsection shall be placed in the employee's individual  
26 account in the employee's savings fund and be treated as any other  
27 contribution made by the employee, with the exception that any  
28 contributions submitted by the employee in payment of the employer's  
29 obligation, together with the interest the director may apply to the  
30 employer's contribution, shall not be considered part of the member's  
31 annuity for any purpose except withdrawal of contributions;

32 (b) A member holding elective office who has elected to apply for  
33 membership pursuant to (a) of this subsection and who later wishes to  
34 be eligible for a retirement allowance shall have the option of ending  
35 his or her membership in the retirement system. A member wishing to  
36 end his or her membership under this subsection must file on a form  
37 supplied by the department a statement indicating that the member

1 agrees to irrevocably abandon any claim for service for future periods  
2 served as an elected official. Except for members in state elective  
3 positions, a member who receives more than fifteen thousand dollars per  
4 year in compensation for his or her elective service, adjusted annually  
5 for inflation by the director, is not eligible for the option provided  
6 by this subsection (2)(b). A member in a state elective position may  
7 apply to end his or her membership and be eligible for a retirement  
8 allowance during a ninety-day period at the beginning of each term of  
9 office regardless of the compensation they receive for elective  
10 service;

11 (3) Retirement system retirees: PROVIDED, That following  
12 reemployment in an eligible position, a retiree may elect to  
13 prospectively become a member of the retirement system if otherwise  
14 eligible;

15 (4) Persons enrolled in state-approved apprenticeship programs,  
16 authorized under chapter 49.04 RCW, and who are employed by employers  
17 to earn hours to complete such apprenticeship programs, if the employee  
18 is a member of a union-sponsored retirement plan and is making  
19 contributions to such a retirement plan or if the employee is a member  
20 of a Taft-Hartley retirement plan;

21 (5) Persons rendering professional services to an employer on a  
22 fee, retainer, or contract basis or when the income from these services  
23 is less than fifty percent of the gross income received from the  
24 person's practice of a profession;

25 (6) Employees who (a) are not citizens of the United States, (b) do  
26 not reside in the United States, and (c) perform duties outside of the  
27 United States;

28 (7) Employees who (a) are not citizens of the United States, (b)  
29 are not covered by chapter 41.48 RCW, (c) are not excluded from  
30 membership under this chapter or chapter 41.04 RCW, (d) are residents  
31 of this state, and (e) make an irrevocable election to be excluded from  
32 membership, in writing, which is submitted to the director within  
33 thirty days after employment in an eligible position;

34 (8) Employees who are citizens of the United States and who reside  
35 and perform duties for an employer outside of the United States:  
36 PROVIDED, That unless otherwise excluded under this chapter or chapter  
37 41.04 RCW, the employee may apply for membership (a) within thirty days  
38 after employment in an eligible position and membership service credit

1 shall be granted from the first day of membership service, and (b)  
2 after this thirty-day period, but membership service credit shall be  
3 granted only if payment is made for the noncredited membership service  
4 under RCW 41.50.165(2), otherwise service shall be from the date of  
5 application.

6 **Sec. 5.** RCW 41.40.023 and 2001 c 37 s 1 are each amended to read  
7 as follows:

8 Membership in the retirement system shall consist of all regularly  
9 compensated employees and appointive and elective officials of  
10 employers, as defined in this chapter, with the following exceptions:

11 (1) Persons in ineligible positions;

12 (2) Employees of the legislature except the officers thereof  
13 elected by the members of the senate and the house and legislative  
14 committees, unless membership of such employees be authorized by the  
15 said committee;

16 (3)(a) Persons holding elective offices or persons appointed  
17 directly by the governor: PROVIDED, That such persons shall have the  
18 option of applying for membership during such periods of employment:  
19 AND PROVIDED FURTHER, That any persons holding or who have held  
20 elective offices or persons appointed by the governor who are members  
21 in the retirement system and who have, prior to becoming such members,  
22 previously held an elective office, and did not at the start of such  
23 initial or successive terms of office exercise their option to become  
24 members, may apply for membership to be effective during such term or  
25 terms of office, and shall be allowed to establish the service credit  
26 applicable to such term or terms of office upon payment of the employee  
27 contributions therefor by the employee with interest as determined by  
28 the director and employer contributions therefor by the employer or  
29 employee with interest as determined by the director: AND PROVIDED  
30 FURTHER, That all contributions with interest submitted by the employee  
31 under this subsection shall be placed in the employee's individual  
32 account in the employee's savings fund and be treated as any other  
33 contribution made by the employee, with the exception that any  
34 contributions submitted by the employee in payment of the employer's  
35 obligation, together with the interest the director may apply to the  
36 employer's contribution, shall not be considered part of the member's  
37 annuity for any purpose except withdrawal of contributions;

1 (b) A member holding elective office who has elected to apply for  
2 membership pursuant to (a) of this subsection and who later wishes to  
3 be eligible for a retirement allowance shall have the option of ending  
4 his or her membership in the retirement system. A member wishing to  
5 end his or her membership under this subsection must file, on a form  
6 supplied by the department, a statement indicating that the member  
7 agrees to irrevocably abandon any claim for service for future periods  
8 served as an elected official. Except for members in state elective  
9 positions, a member who receives more than fifteen thousand dollars per  
10 year in compensation for his or her elective service, adjusted annually  
11 for inflation by the director, is not eligible for the option provided  
12 by this subsection (3)(b). A member in a state elective position may  
13 apply to end his or her membership and be eligible for a retirement  
14 allowance during a ninety-day period at the beginning of each term of  
15 office regardless of the compensation they receive for elective  
16 service;

17 (4) Employees holding membership in, or receiving pension benefits  
18 under, any retirement plan operated wholly or in part by an agency of  
19 the state or political subdivision thereof, or who are by reason of  
20 their current employment contributing to or otherwise establishing the  
21 right to receive benefits from any such retirement plan except as  
22 follows:

23 (a) In any case where the retirement system has in existence an  
24 agreement with another retirement system in connection with exchange of  
25 service credit or an agreement whereby members can retain service  
26 credit in more than one system, such an employee shall be allowed  
27 membership rights should the agreement so provide;

28 (b) An employee shall be allowed membership if otherwise eligible  
29 while receiving survivor's benefits;

30 (c) An employee shall not either before or after June 7, 1984, be  
31 excluded from membership or denied service credit pursuant to this  
32 subsection solely on account of: (i) Membership in the plan created  
33 under chapter 2.14 RCW; or (ii) enrollment under the relief and  
34 compensation provisions or the pension provisions of the volunteer fire  
35 fighters' relief and pension fund under chapter 41.24 RCW;

36 (d) Except as provided in RCW 41.40.109, on or after July 25, 1999,  
37 an employee shall not be excluded from membership or denied service

1 credit pursuant to this subsection solely on account of participation  
2 in a defined contribution pension plan qualified under section 401 of  
3 the internal revenue code;

4 (e) Employees who have been reported in the retirement system prior  
5 to July 25, 1999, and who participated during the same period of time  
6 in a defined contribution pension plan qualified under section 401 of  
7 the internal revenue code and operated wholly or in part by the  
8 employer, shall not be excluded from previous retirement system  
9 membership and service credit on account of such participation;

10 (5) Patient and inmate help in state charitable, penal, and  
11 correctional institutions;

12 (6) "Members" of a state veterans' home or state soldiers' home;

13 (7) Persons employed by an institution of higher learning or  
14 community college, primarily as an incident to and in furtherance of  
15 their education or training, or the education or training of a spouse;

16 (8) Employees of an institution of higher learning or community  
17 college during the period of service necessary to establish eligibility  
18 for membership in the retirement plans operated by such institutions;

19 (9) Persons rendering professional services to an employer on a  
20 fee, retainer, or contract basis or when the income from these services  
21 is less than fifty percent of the gross income received from the  
22 person's practice of a profession;

23 (10) Persons appointed after April 1, 1963, by the liquor control  
24 board as agency vendors;

25 (11) Employees of a labor guild, association, or organization:  
26 PROVIDED, That elective officials and employees of a labor guild,  
27 association, or organization which qualifies as an employer within this  
28 chapter shall have the option of applying for membership;

29 (12) Retirement system retirees: PROVIDED, That following  
30 reemployment in an eligible position, a retiree may elect to  
31 prospectively become a member of the retirement system if otherwise  
32 eligible;

33 (13) Persons employed by or appointed or elected as an official of  
34 a first class city that has its own retirement system: PROVIDED, That  
35 any member elected or appointed to an elective office on or after April  
36 1, 1971, shall have the option of continuing as a member of this system  
37 in lieu of becoming a member of the city system. A member who elects  
38 to continue as a member of this system shall pay the appropriate member



1 contributions and the city shall pay the employer contributions at the  
2 rates prescribed by this chapter. The city shall also transfer to this  
3 system all of such member's accumulated contributions together with  
4 such further amounts as necessary to equal all employee and employer  
5 contributions which would have been paid into this system on account of  
6 such service with the city and thereupon the member shall be granted  
7 credit for all such service. Any city that becomes an employer as  
8 defined in RCW 41.40.010(4) as the result of an individual's election  
9 under this subsection shall not be required to have all employees  
10 covered for retirement under the provisions of this chapter. Nothing  
11 in this subsection shall prohibit a city of the first class with its  
12 own retirement system from: (a) Transferring all of its current  
13 employees to the retirement system established under this chapter, or  
14 (b) allowing newly hired employees the option of continuing coverage  
15 under the retirement system established by this chapter.

16 Notwithstanding any other provision of this chapter, persons  
17 transferring from employment with a first class city of over four  
18 hundred thousand population that has its own retirement system to  
19 employment with the state department of agriculture may elect to remain  
20 within the retirement system of such city and the state shall pay the  
21 employer contributions for such persons at like rates as prescribed for  
22 employers of other members of such system;

23 (14) Employees who (a) are not citizens of the United States, (b)  
24 do not reside in the United States, and (c) perform duties outside of  
25 the United States;

26 (15) Employees who (a) are not citizens of the United States, (b)  
27 are not covered by chapter 41.48 RCW, (c) are not excluded from  
28 membership under this chapter or chapter 41.04 RCW, (d) are residents  
29 of this state, and (e) make an irrevocable election to be excluded from  
30 membership, in writing, which is submitted to the director within  
31 thirty days after employment in an eligible position;

32 (16) Employees who are citizens of the United States and who reside  
33 and perform duties for an employer outside of the United States:  
34 PROVIDED, That unless otherwise excluded under this chapter or chapter  
35 41.04 RCW, the employee may apply for membership (a) within thirty days  
36 after employment in an eligible position and membership service credit  
37 shall be granted from the first day of membership service, and (b)  
38 after this thirty-day period, but membership service credit shall be

1 granted only if payment is made for the noncredited membership service  
2 under RCW 41.50.165(2), otherwise service shall be from the date of  
3 application;

4 (17) The city manager or chief administrative officer of a city or  
5 town, other than a retiree, who serves at the pleasure of an appointing  
6 authority: PROVIDED, That such persons shall have the option of  
7 applying for membership within thirty days from date of their  
8 appointment to such positions. Persons serving in such positions as of  
9 April 4, 1986, shall continue to be members in the retirement system  
10 unless they notify the director in writing prior to December 31, 1986,  
11 of their desire to withdraw from membership in the retirement system.  
12 A member who withdraws from membership in the system under this section  
13 shall receive a refund of the member's accumulated contributions.

14 Persons serving in such positions who have not opted for membership  
15 within the specified thirty days, may do so by paying the amount  
16 required under RCW 41.50.165(2) for the period from the date of their  
17 appointment to the date of acceptance into membership;

18 (18) Persons serving as: (a) The chief administrative officer of  
19 a public utility district as defined in RCW 54.16.100; (b) the chief  
20 administrative officer of a port district formed under chapter 53.04  
21 RCW; or (c) the chief administrative officer of a county who serves at  
22 the pleasure of an appointing authority: PROVIDED, That such persons  
23 shall have the option of applying for membership within thirty days  
24 from the date of their appointment to such positions. Persons serving  
25 in such positions as of July 25, 1999, shall continue to be members in  
26 the retirement system unless they notify the director in writing prior  
27 to December 31, 1999, of their desire to withdraw from membership in  
28 the retirement system. A member who withdraws from membership in the  
29 system under this section shall receive a refund of the member's  
30 accumulated contributions upon termination of employment or as  
31 otherwise consistent with the plan's tax qualification status as  
32 defined in internal revenue code section 401.

33 Persons serving in such positions who have not opted for membership  
34 within the specified thirty days, may do so at a later date by paying  
35 the amount required under RCW 41.50.165(2) for the period from the date  
36 of their appointment to the date of acceptance into membership;

37 (19) Persons enrolled in state-approved apprenticeship programs,  
38 authorized under chapter 49.04 RCW, and who are employed by local

1 governments to earn hours to complete such apprenticeship programs, if  
2 the employee is a member of a union-sponsored retirement plan and is  
3 making contributions to such a retirement plan or if the employee is a  
4 member of a Taft-Hartley retirement plan;

5 (20) Beginning on July 22, 2001, persons employed exclusively as  
6 trainers or trainees in resident apprentice training programs operated  
7 by housing authorities authorized under chapter 35.82 RCW, (a) if the  
8 trainer or trainee is a member of a union-sponsored retirement plan and  
9 is making contributions to such a retirement plan or (b) if the  
10 employee is a member of a Taft-Hartley retirement plan.

--- END ---