
HOUSE BILL 1269

State of Washington

59th Legislature

2005 Regular Session

By Representatives Conway, Curtis, Simpson, Hinkle, Upthegrove, Moeller, Morrell, Green, O'Brien, P. Sullivan, Kenney, McDonald, Campbell, Chase, B. Sullivan, Ormsby, Kilmer, McCoy, Jarrett, Wallace, Serben and Strow; by request of LEOFF Plan 2 Retirement Board

Read first time 01/19/2005. Referred to Committee on Appropriations.

1 AN ACT Relating to permitting members of the law enforcement
2 officers' and fire fighters' retirement system plan 2 to make a
3 one-time purchase of additional service credit; adding a new section to
4 chapter 41.26 RCW; and providing an effective date.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 41.26 RCW
7 under the subchapter heading "plan 2" to read as follows:

8 (1) A member eligible to retire under RCW 41.26.430 may, at the
9 time of filing a written application for retirement with the
10 department, apply to the department to make a one-time purchase of up
11 to five years of additional service credit.

12 (2) To purchase additional service credit under this section, a
13 member shall pay the actuarial equivalent value of the resulting
14 increase in the member's benefit.

15 (3) Subject to rules adopted by the department, a member purchasing
16 additional service credit under this section may pay all or part of the
17 cost with a lump sum payment, eligible rollover, direct rollover, or
18 trustee-to-trustee transfer from an eligible retirement plan. The
19 department shall adopt rules to ensure that all lump sum payments,

1 rollovers, and transfers comply with the requirements of the internal
2 revenue code and regulations adopted by the internal revenue service.
3 The rules adopted by the department may condition the acceptance of a
4 rollover or transfer from another plan on the receipt of information
5 necessary to enable the department to determine the eligibility of any
6 transferred funds for tax-free rollover treatment or other treatment
7 under federal income tax law.

8 NEW SECTION. **Sec. 2.** This act takes effect July 1, 2006.

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