
SUBSTITUTE HOUSE BILL 1320

State of Washington 59th Legislature 2005 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Alexander, Conway, Crouse, Simpson, Upthegrove and Chase; by request of Select Committee on Pension Policy)

READ FIRST TIME 02/24/05.

1 AN ACT Relating to vesting after five years of service in the
2 defined benefit portion of the public employees' retirement system, the
3 school employees' retirement system, and the teachers' retirement
4 system plan 3; amending RCW 41.32.875, 41.35.680, and 41.40.820; and
5 creating a new section.

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

7 **Sec. 1.** RCW 41.32.875 and 2000 c 247 s 903 are each amended to
8 read as follows:

9 (1) NORMAL RETIREMENT. Any member who is at least age sixty-five
10 and who has:

11 (a) Completed ten service credit years; or

12 (b) Completed five service credit years, including twelve service
13 credit months after attaining age (~~fifty-four~~) forty-four; or

14 (c) Completed five service credit years by July 1, 1996, under plan
15 2 and who transferred to plan 3 under RCW 41.32.817;

16 shall be eligible to retire and to receive a retirement allowance
17 computed according to the provisions of RCW 41.32.840.

18 (2) EARLY RETIREMENT. Any member who has attained at least age
19 fifty-five and has completed at least ten years of service shall be

1 eligible to retire and to receive a retirement allowance computed
2 according to the provisions of RCW 41.32.840, except that a member
3 retiring pursuant to this subsection shall have the retirement
4 allowance actuarially reduced to reflect the difference in the number
5 of years between age at retirement and the attainment of age sixty-
6 five.

7 (3) ALTERNATE EARLY RETIREMENT. Any member who has completed at
8 least thirty service credit years and has attained age fifty-five shall
9 be eligible to retire and to receive a retirement allowance computed
10 according to the provisions of RCW 41.32.840, except that a member
11 retiring pursuant to this subsection shall have the retirement
12 allowance reduced by three percent per year to reflect the difference
13 in the number of years between age at retirement and the attainment of
14 age sixty-five.

15 **Sec. 2.** RCW 41.35.680 and 2000 c 247 s 906 are each amended to
16 read as follows:

17 (1) NORMAL RETIREMENT. Any member who is at least age sixty-five
18 and who has:

- 19 (a) Completed ten service credit years; or
- 20 (b) Completed five service credit years, including twelve service
21 credit months after attaining age (~~(fifty-four)~~) forty-four; or

22 (c) Completed five service credit years by September 1, 2000, under
23 the public employees' retirement system plan 2 and who transferred to
24 plan 3 under RCW 41.35.510;
25 shall be eligible to retire and to receive a retirement allowance
26 computed according to the provisions of RCW 41.35.620.

27 (2) EARLY RETIREMENT. Any member who has attained at least age
28 fifty-five and has completed at least ten years of service shall be
29 eligible to retire and to receive a retirement allowance computed
30 according to the provisions of RCW 41.35.620, except that a member
31 retiring pursuant to this subsection shall have the retirement
32 allowance actuarially reduced to reflect the difference in the number
33 of years between age at retirement and the attainment of age sixty-
34 five.

35 (3) ALTERNATE EARLY RETIREMENT. Any member who has completed at
36 least thirty service credit years and has attained age fifty-five shall
37 be eligible to retire and to receive a retirement allowance computed

1 according to the provisions of RCW 41.35.620, except that a member
2 retiring pursuant to this subsection shall have the retirement
3 allowance reduced by three percent per year to reflect the difference
4 in the number of years between age at retirement and the attainment of
5 age sixty-five.

6 **Sec. 3.** RCW 41.40.820 and 2000 c 247 s 309 are each amended to
7 read as follows:

8 (1) NORMAL RETIREMENT. Any member who is at least age sixty-five
9 and who has:

10 (a) Completed ten service credit years; or

11 (b) Completed five service credit years, including twelve service
12 credit months after attaining age (~~fifty-four~~) forty-four; or

13 (c) Completed five service credit years by the transfer payment
14 date specified in RCW 41.40.795, under the public employees' retirement
15 system plan 2 and who transferred to plan 3 under RCW 41.40.795;
16 shall be eligible to retire and to receive a retirement allowance
17 computed according to the provisions of RCW 41.40.790.

18 (2) EARLY RETIREMENT. Any member who has attained at least age
19 fifty-five and has completed at least ten years of service shall be
20 eligible to retire and to receive a retirement allowance computed
21 according to the provisions of RCW 41.40.790, except that a member
22 retiring pursuant to this subsection shall have the retirement
23 allowance actuarially reduced to reflect the difference in the number
24 of years between age at retirement and the attainment of age sixty-
25 five.

26 (3) ALTERNATE EARLY RETIREMENT. Any member who has completed at
27 least thirty service credit years and has attained age fifty-five shall
28 be eligible to retire and to receive a retirement allowance computed
29 according to the provisions of RCW 41.40.790, except that a member
30 retiring pursuant to this subsection shall have the retirement
31 allowance reduced by three percent per year to reflect the difference
32 in the number of years between age at retirement and the attainment of
33 age sixty-five.

34 NEW SECTION. **Sec. 4.** If specific funding for the purposes of this
35 act, referencing this act by bill or chapter number, is not provided by

1 June 30, 2005, in the omnibus appropriations act, this act is null and
2 void.

--- END ---