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HOUSE BILL 2679

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State of Washington

59th Legislature

2006 Regular Session

By Representatives Conway, Fromhold, Lovick, Appleton, Green, Sells, Kenney, Quall, Simpson, Moeller and Morrell; by request of Select Committee on Pension Policy

Read first time 01/12/2006. Referred to Committee on Appropriations.

1 AN ACT Relating to providing unreduced retirement benefits in the  
2 plans 2 and 3 of the public employees' retirement system, the teachers'  
3 retirement system, and the school employees' retirement system;  
4 amending RCW 41.40.630, 41.40.820, 41.32.765, 41.32.875, 41.35.420, and  
5 41.35.680; and providing an effective date.

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

7 **Sec. 1.** RCW 41.40.630 and 2000 c 247 s 901 are each amended to  
8 read as follows:

9 (1) NORMAL RETIREMENT. Any member with at least five service  
10 credit years who has attained at least age sixty-five shall be eligible  
11 to retire and to receive a retirement allowance computed according to  
12 the provisions of RCW 41.40.620.

13 (2) UNREDUCED RETIREMENT. Any member who has completed at least  
14 five service credit years and for whom the sum of the number of years  
15 of the member's age and the number of years of the member's service  
16 credit equals ninety or more shall be eligible to retire and receive a  
17 retirement allowance computed according to the provisions of RCW  
18 41.40.620.

1        (3) EARLY RETIREMENT. Any member who has completed at least twenty  
2 service credit years and has attained age fifty-five shall be eligible  
3 to retire and to receive a retirement allowance computed according to  
4 the provisions of RCW 41.40.620, except that a member retiring pursuant  
5 to this subsection shall have the retirement allowance actuarially  
6 reduced to reflect the difference in the number of years between age at  
7 retirement and the attainment of age sixty-five.

8        ~~((+3))~~ (4) ALTERNATE EARLY RETIREMENT. Any member who has  
9 completed at least thirty service credit years and has attained age  
10 fifty-five shall be eligible to retire and to receive a retirement  
11 allowance computed according to the provisions of RCW 41.40.620, except  
12 that a member retiring pursuant to this subsection shall have the  
13 retirement allowance reduced by three percent per year to reflect the  
14 difference in the number of years between age at retirement and the  
15 attainment of age sixty-five.

16        **Sec. 2.** RCW 41.40.820 and 2000 c 247 s 309 are each amended to  
17 read as follows:

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

20        (a) Completed ten service credit years; or

21        (b) Completed five service credit years, including twelve service  
22 credit months after attaining age fifty-four; or

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

28        (2) UNREDUCED RETIREMENT. Any member who has completed the number  
29 of service credit years required in subsection (1) of this section and  
30 for whom the sum of the number of years of the member's age and the  
31 number of years of the member's service credit equals ninety or more  
32 shall be eligible to retire and receive a retirement allowance computed  
33 according to the provisions of RCW 41.40.790.

34        (3) EARLY RETIREMENT. Any member who has attained at least age  
35 fifty-five and has completed at least ten years of service shall be  
36 eligible to retire and to receive a retirement allowance computed  
37 according to the provisions of RCW 41.40.790, except that a member

1 retiring pursuant to this subsection shall have the retirement  
2 allowance actuarially reduced to reflect the difference in the number  
3 of years between age at retirement and the attainment of age sixty-  
4 five.

5 ~~((+3))~~ (4) ALTERNATE EARLY RETIREMENT. Any member who has  
6 completed at least thirty service credit years and has attained age  
7 fifty-five shall be eligible to retire and to receive a retirement  
8 allowance computed according to the provisions of RCW 41.40.790, except  
9 that a member retiring pursuant to this subsection shall have the  
10 retirement allowance reduced by three percent per year to reflect the  
11 difference in the number of years between age at retirement and the  
12 attainment of age sixty-five.

13 **Sec. 3.** RCW 41.32.765 and 2000 c 247 s 902 are each amended to  
14 read as follows:

15 (1) NORMAL RETIREMENT. Any member with at least five service  
16 credit years of service who has attained at least age sixty-five shall  
17 be eligible to retire and to receive a retirement allowance computed  
18 according to the provisions of RCW 41.32.760.

19 (2) UNREDUCED RETIREMENT. Any member who has completed at least  
20 five service credit years and for whom the sum of the number of years  
21 of the member's age and the number of years of the member's service  
22 credit equals ninety or more shall be eligible to retire and receive a  
23 retirement allowance computed according to the provisions of RCW  
24 41.32.760.

25 (3) EARLY RETIREMENT. Any member who has completed at least twenty  
26 service credit years of service who has attained at least age fifty-  
27 five shall be eligible to retire and to receive a retirement allowance  
28 computed according to the provisions of RCW 41.32.760, except that a  
29 member retiring pursuant to this subsection shall have the retirement  
30 allowance actuarially reduced to reflect the difference in the number  
31 of years between age at retirement and the attainment of age sixty-  
32 five.

33 ~~((+3))~~ (4) ALTERNATE EARLY RETIREMENT. Any member who has  
34 completed at least thirty service credit years and has attained age  
35 fifty-five shall be eligible to retire and to receive a retirement  
36 allowance computed according to the provisions of RCW 41.32.760, except  
37 that a member retiring pursuant to this subsection shall have the

1 retirement allowance reduced by three percent per year to reflect the  
2 difference in the number of years between age at retirement and the  
3 attainment of age sixty-five.

4 **Sec. 4.** RCW 41.32.875 and 2000 c 247 s 903 are each amended to  
5 read as follows:

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

8 (a) Completed ten service credit years; or

9 (b) Completed five service credit years, including twelve service  
10 credit months after attaining age fifty-four; or

11 (c) Completed five service credit years by July 1, 1996, under plan  
12 2 and who transferred to plan 3 under RCW 41.32.817;

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

15 (2) UNREDUCED RETIREMENT. Any member who has completed the number  
16 of service credit years required in subsection (1) of this section and  
17 for whom the sum of the number of years of the member's age and the  
18 number of years of the member's service credit equals ninety or more  
19 shall be eligible to retire and receive a retirement allowance computed  
20 according to the provisions of RCW 41.32.840.

21 (3) EARLY RETIREMENT. Any member who has attained at least age  
22 fifty-five and has completed at least ten years of service shall be  
23 eligible to retire and to receive a retirement allowance computed  
24 according to the provisions of RCW 41.32.840, except that a member  
25 retiring pursuant to this subsection shall have the retirement  
26 allowance actuarially reduced to reflect the difference in the number  
27 of years between age at retirement and the attainment of age sixty-  
28 five.

29 ((+3)) (4) ALTERNATE EARLY RETIREMENT. Any member who has  
30 completed at least thirty service credit years and has attained age  
31 fifty-five shall be eligible to retire and to receive a retirement  
32 allowance computed according to the provisions of RCW 41.32.840, except  
33 that a member retiring pursuant to this subsection shall have the  
34 retirement allowance reduced by three percent per year to reflect the  
35 difference in the number of years between age at retirement and the  
36 attainment of age sixty-five.

1       **Sec. 5.** RCW 41.35.420 and 2000 c 247 s 905 are each amended to  
2 read as follows:

3       (1) NORMAL RETIREMENT. Any member with at least five service  
4 credit years who has attained at least age sixty-five shall be eligible  
5 to retire and to receive a retirement allowance computed according to  
6 the provisions of RCW 41.35.400.

7       (2) UNREDUCED RETIREMENT. Any member who has completed at least  
8 five service credit years and for whom the sum of the number of years  
9 of the member's age and the number of years of the member's service  
10 credit equals ninety or more shall be eligible to retire and receive a  
11 retirement allowance computed according to the provisions of RCW  
12 41.35.400.

13       (3) EARLY RETIREMENT. Any member who has completed at least twenty  
14 service credit years and has attained age fifty-five shall be eligible  
15 to retire and to receive a retirement allowance computed according to  
16 the provisions of RCW 41.35.400, except that a member retiring pursuant  
17 to this subsection shall have the retirement allowance actuarially  
18 reduced to reflect the difference in the number of years between age at  
19 retirement and the attainment of age sixty-five.

20       (~~(3)~~) (4) ALTERNATE EARLY RETIREMENT. Any member who has  
21 completed at least thirty service credit years and has attained age  
22 fifty-five shall be eligible to retire and to receive a retirement  
23 allowance computed according to the provisions of RCW 41.35.400, except  
24 that a member retiring pursuant to this subsection shall have the  
25 retirement allowance reduced by three percent per year to reflect the  
26 difference in the number of years between age at retirement and the  
27 attainment of age sixty-five.

28       **Sec. 6.** RCW 41.35.680 and 2000 c 247 s 906 are each amended to  
29 read as follows:

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

32       (a) Completed ten service credit years; or

33       (b) Completed five service credit years, including twelve service  
34 credit months after attaining age fifty-four; or

35       (c) Completed five service credit years by September 1, 2000, under  
36 the public employees' retirement system plan 2 and who transferred to  
37 plan 3 under RCW 41.35.510;

1 shall be eligible to retire and to receive a retirement allowance  
2 computed according to the provisions of RCW 41.35.620.

3 (2) UNREDUCED RETIREMENT. Any member who has completed the number  
4 of service credit years required in subsection (1) of this section and  
5 for whom the sum of the number of years of the member's age and the  
6 number of years of the member's service credit equals ninety or more  
7 shall be eligible to retire and receive a retirement allowance computed  
8 according to the provisions of RCW 41.35.620.

9 (3) EARLY RETIREMENT. Any member who has attained at least age  
10 fifty-five and has completed at least ten years of service shall be  
11 eligible to retire and to receive a retirement allowance computed  
12 according to the provisions of RCW 41.35.620, except that a member  
13 retiring pursuant to this subsection shall have the retirement  
14 allowance actuarially reduced to reflect the difference in the number  
15 of years between age at retirement and the attainment of age sixty-  
16 five.

17 ~~((+3))~~ (4) ALTERNATE EARLY RETIREMENT. Any member who has  
18 completed at least thirty service credit years and has attained age  
19 fifty-five shall be eligible to retire and to receive a retirement  
20 allowance computed according to the provisions of RCW 41.35.620, except  
21 that a member retiring pursuant to this subsection shall have the  
22 retirement allowance reduced by three percent per year to reflect the  
23 difference in the number of years between age at retirement and the  
24 attainment of age sixty-five.

25 NEW SECTION. **Sec. 7.** This act takes effect July 1, 2006.

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