

---

**SUBSTITUTE HOUSE BILL 2934**

---

**State of Washington**

**59th Legislature**

**2006 Regular Session**

**By** House Committee on Appropriations (originally sponsored by Representatives Simpson, Priest, Conway, Hinkle, Williams, Ericks, Sells, Rodne, McDonald, Kilmer and Green; by request of LEOFF Plan 2 Retirement Board)

READ FIRST TIME 02/03/06.

1 AN ACT Relating to the retirement allowance of a member who is  
2 killed in the course of employment; amending RCW 41.26.510; amending  
3 2001 c 165 s 6 (uncodified); and creating a new section.

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

5 **Sec. 1.** RCW 41.26.510 and 2004 c 5 s 1 are each amended to read as  
6 follows:

7 (1) Except as provided in RCW 11.07.010, if a member or a vested  
8 member who has not completed at least ten years of service dies, the  
9 amount of the accumulated contributions standing to such member's  
10 credit in the retirement system at the time of such member's death,  
11 less any amount identified as owing to an obligee upon withdrawal of  
12 accumulated contributions pursuant to a court order filed under RCW  
13 41.50.670, shall be paid to the member's estate, or such person or  
14 persons, trust, or organization as the member shall have nominated by  
15 written designation duly executed and filed with the department. If  
16 there be no such designated person or persons still living at the time  
17 of the member's death, such member's accumulated contributions standing  
18 to such member's credit in the retirement system, less any amount  
19 identified as owing to an obligee upon withdrawal of accumulated

1 contributions pursuant to a court order filed under RCW 41.50.670,  
2 shall be paid to the member's surviving spouse as if in fact such  
3 spouse had been nominated by written designation, or if there be no  
4 such surviving spouse, then to such member's legal representatives.

5 (2) If a member who is eligible for retirement or a member who has  
6 completed at least ten years of service dies, the surviving spouse or  
7 eligible child or children shall elect to receive either:

8 (a) A retirement allowance computed as provided for in RCW  
9 41.26.430, actuarially reduced by the amount of any lump sum benefit  
10 identified as owing to an obligee upon withdrawal of accumulated  
11 contributions pursuant to a court order filed under RCW 41.50.670 and  
12 actuarially adjusted to reflect a joint and one hundred percent  
13 survivor option under RCW 41.26.460 and if the member was not eligible  
14 for normal retirement at the date of death a further reduction as  
15 described in RCW 41.26.430; if a surviving spouse who is receiving a  
16 retirement allowance dies leaving a child or children of the member  
17 under the age of majority, then such child or children shall continue  
18 to receive an allowance in an amount equal to that which was being  
19 received by the surviving spouse, share and share alike, until such  
20 child or children reach the age of majority; if there is no surviving  
21 spouse eligible to receive an allowance at the time of the member's  
22 death, such member's child or children under the age of majority shall  
23 receive an allowance share and share alike calculated as herein  
24 provided making the assumption that the ages of the spouse and member  
25 were equal at the time of the member's death; or

26 (b)(i) The member's accumulated contributions, less any amount  
27 identified as owing to an obligee upon withdrawal of accumulated  
28 contributions pursuant to a court order filed under RCW 41.50.670; or

29 (ii) If the member dies on or after July 25, 1993, one hundred  
30 fifty percent of the member's accumulated contributions, less any  
31 amount identified as owing to an obligee upon withdrawal of accumulated  
32 contributions pursuant to a court order filed under RCW 41.50.670. Any  
33 accumulated contributions attributable to restorations made under RCW  
34 41.50.165(2) shall be refunded at one hundred percent.

35 (3) If a member who is eligible for retirement or a member who has  
36 completed at least ten years of service dies after October 1, 1977, and  
37 is not survived by a spouse or an eligible child, then the accumulated  
38 contributions standing to the member's credit, less any amount

1 identified as owing to an obligee upon withdrawal of accumulated  
2 contributions pursuant to a court order filed under RCW 41.50.670,  
3 shall be paid:

4 (a) To an estate, a person or persons, trust, or organization as  
5 the member shall have nominated by written designation duly executed  
6 and filed with the department; or

7 (b) If there is no such designated person or persons still living  
8 at the time of the member's death, then to the member's legal  
9 representatives.

10 (4) The retirement allowance of a member who is killed in the  
11 course of employment, as determined by the director of the department  
12 of labor and industries, is not subject to an actuarial reduction. The  
13 member's retirement allowance is computed under RCW 41.26.420.

14 (5) The retirement allowance paid to the spouse and dependent  
15 children of a member who is killed in the course of employment, as set  
16 forth in RCW 41.05.011(14), shall include reimbursement for any  
17 payments of premium rates to the Washington state health care authority  
18 pursuant to RCW 41.05.080. Eligibility for coverage shall be as  
19 determined in rules governing benefits offered by the public employees'  
20 benefits board.

21 **Sec. 2.** 2001 c 165 s 6 (uncodified) is amended to read as follows:

22 This act is necessary for the immediate preservation of the public  
23 peace, health, or safety, or support of the state government and its  
24 existing public institutions, and except for section 2 of this act  
25 takes effect immediately [May 7, 2001]. This act applies to all  
26 surviving spouses and dependent children of (1) emergency service  
27 personnel and (2) members of the law enforcement officers' and fire  
28 fighters' retirement system plan 2, killed in the line of duty ((~~on or~~  
29 after January 1, 1998)).

30 NEW SECTION. **Sec. 3.** The legislature reserves the right to amend  
31 or repeal this act in the future and no member or beneficiary has a  
32 contractual right to receive any distribution not granted prior to that  
33 time.

--- END ---