
SENATE BILL 5617

State of Washington

59th Legislature

2005 Regular Session

By Senators Parlette, Kohl-Welles, Delvin, Doumit, Franklin, Schmidt, McAuliffe and Schoesler; by request of LEOFF Plan 2 Retirement Board

Read first time 01/31/2005. Referred to Committee on Ways & Means.

1 AN ACT Relating to suspending a retirement allowance upon
2 reemployment; amending RCW 41.26.500 and 41.26.500; providing an
3 effective date; providing an expiration date; and declaring an
4 emergency.

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

6 **Sec. 1.** RCW 41.26.500 and 1998 c 341 s 604 are each amended to
7 read as follows:

8 (1) ~~((No))~~ Except under subsection (3) of this section, a retiree
9 under the provisions of plan 2 shall not be eligible to receive such
10 retiree's monthly retirement allowance if he or she is employed in an
11 eligible position as defined in RCW 41.40.010, 41.32.010, or 41.35.010,
12 or as a law enforcement officer or fire fighter as defined in RCW
13 41.26.030. If a retiree's benefits have been suspended under this
14 section, his or her benefits shall be reinstated when the retiree
15 terminates the employment that caused his or her benefits to be
16 suspended. Upon reinstatement, the retiree's benefits shall be
17 actuarially recomputed pursuant to the rules adopted by the department.

18 (2) The department shall adopt rules implementing this section.

1 (3) A member or retiree who becomes employed in an eligible
2 position as defined in RCW 41.40.010, 41.32.010, or 41.35.010 shall
3 have the option to enter into membership in the corresponding
4 retirement system for that position notwithstanding any provision of
5 RCW 41.04.270. A retiree who elects to enter into plan membership
6 shall have his or her benefits suspended as provided in subsection (1)
7 of this section. A retiree who does not elect to enter into plan
8 membership shall continue to receive his or her benefits without
9 interruption.

10 **Sec. 2.** RCW 41.26.500 and 2004 c 242 s 54 are each amended to read
11 as follows:

12 (1) (~~No~~) Except under subsection (3) of this section, a retiree
13 under the provisions of plan 2 shall not be eligible to receive such
14 retiree's monthly retirement allowance if he or she is employed in an
15 eligible position as defined in RCW 41.40.010, 41.32.010, 41.37.010, or
16 41.35.010, or as a law enforcement officer or fire fighter as defined
17 in RCW 41.26.030. If a retiree's benefits have been suspended under
18 this section, his or her benefits shall be reinstated when the retiree
19 terminates the employment that caused his or her benefits to be
20 suspended. Upon reinstatement, the retiree's benefits shall be
21 actuarially recomputed pursuant to the rules adopted by the department.

22 (2) The department shall adopt rules implementing this section.

23 (3) A member or retiree who becomes employed in an eligible
24 position as defined in RCW 41.40.010, 41.32.010, 41.35.010, or
25 41.37.010 shall have the option to enter into membership in the
26 corresponding retirement system for that position notwithstanding any
27 provision of RCW 41.04.270. A retiree who elects to enter into plan
28 membership shall have his or her benefits suspended as provided in
29 subsection (1) of this section. A retiree who does not elect to enter
30 into plan membership shall continue to receive his or her benefits
31 without interruption.

32 NEW SECTION. **Sec. 3.** Section 1 of this act expires July 1, 2006.

33 NEW SECTION. **Sec. 4.** Section 1 of this act is necessary for the
34 immediate preservation of the public peace, health, or safety, or

1 support of the state government and its existing public institutions,
2 and takes effect immediately.

3 NEW SECTION. **Sec. 5.** Section 2 of this act takes effect July 1,
4 2006.

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