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SUBSTITUTE HOUSE BILL 1260

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**State of Washington                      60th Legislature                      2007 Regular Session**

**By** House Committee on Transportation (originally sponsored by Representatives Conway, Crouse, Fromhold, Kenney, Ericks, Ormsby, Simpson and Moeller; by request of Select Committee on Pension Policy)

READ FIRST TIME 03/05/07.

1            AN ACT Relating to contribution rates in the Washington state  
2 patrol retirement system; amending RCW 41.45.0631; creating a new  
3 section; providing an effective date; and declaring an emergency.

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

5            **Sec. 1.** RCW 41.45.0631 and 2006 c 94 s 2 are each amended to read  
6 as follows:

7            (1) The allocation of costs between the employer and members of the  
8 Washington state patrol retirement system shall be made only after the  
9 application of any minimum total contribution rate that may be in  
10 effect for the system under subsection (4) of this section. For  
11 benefit improvements effective on or after July 1, 2007, costs shall be  
12 shared equally by members and the employer, and any cap on member  
13 contributions shall be adjusted accordingly. The member contribution  
14 rate shall be based on the adjusted total contribution rate described  
15 in subsection (2) of this section. Beginning July 1, ((2001)) 2007,  
16 the required member contribution rate for members of the Washington  
17 state patrol retirement system shall be ((two percent or equal to the  
18 employer rate adopted under RCW 41.45.060 and 41.45.070 for the  
19 Washington state patrol retirement system, whichever is greater. The

1 ~~employee contribution rate shall not, however, include any increase as~~  
2 ~~a result of))~~ the lesser of the following: (a) One-half of the  
3 adjusted total contribution rate for the system; or (b) seven percent,  
4 plus fifty percent of the contribution rate increase caused by any  
5 benefit improvements effective on or after July 1, 2007.

6 (2) The employer shall continue to pay for all costs attributable  
7 to distributions under RCW 43.43.270(2) for survivors of members who  
8 became disabled under RCW 43.43.040(2) prior to July 1, 2006, until  
9 such costs are fully paid. In order to avoid charging members for  
10 these costs, the total required contribution rate shall be adjusted to  
11 exclude these costs. The result of the adjustment shall be the  
12 adjusted total contribution rate that is to be used to calculate the  
13 required member contribution rate.

14 (3) The employer rate shall be the contribution rate required to  
15 cover all total system costs that are not covered by the member  
16 contribution rate.

17 (4) Beginning July 1, 2009, a minimum total contribution rate is  
18 established for the Washington state patrol retirement system. The  
19 total Washington state patrol retirement system contribution rate as  
20 recommended by the pension funding council and adopted by the  
21 legislature may exceed, but may not drop below, the established minimum  
22 total contribution rate. The minimum total contribution rate shall  
23 equal the total contribution rate required to fund seventy percent of  
24 the Washington state patrol retirement system's normal cost as  
25 calculated under the entry age normal cost method. Upon completion of  
26 each biennial actuarial valuation, the state actuary shall review the  
27 appropriateness of this minimum total contribution rate and recommend  
28 to the legislature any adjustments as may be needed.

29 NEW SECTION. Sec. 2. If both Senate Bill No. 6129 and Substitute  
30 Senate Bill No. 5937 are not enacted by June 30, 2007, this act is null  
31 and void.

32 NEW SECTION. Sec. 3. This act is necessary for the immediate  
33 preservation of the public peace, health, or safety, or support of the  
34 state government and its existing public institutions, and takes effect

1 July 1, 2007.

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