

SB 5523 - S AMD 26

By Senator Brown

ADOPTED 2/10/2010

1 Strike everything after the enacting clause and insert the
2 following:

3
4 "NEW SECTION. **Sec. 1.** A new section is added to chapter 41.40
5 RCW under the subchapter heading "plan 1" to read as follows:

6 (1) Any member, employed as a court commissioner on September 1,
7 2010, in the supreme court, court of appeals, or superior, district,
8 or municipal court, may make a one-time irrevocable election, filed in
9 writing with the member's employer, the department, and the
10 administrative office of the courts, to accrue an additional benefit
11 equal to one and one-half percent of average final compensation for
12 each year of future service credit as a court commissioner from the
13 date of the election. The court commissioner shall have from
14 September 1, 2010, through January 31, 2011, to make this election.
15 Any court commissioner who has not previously elected to accrue an
16 additional benefit under this section may make this election during
17 any subsequent month of January until the irrevocable election is
18 made.

19 (2) Any member hired after September 1, 2010, as a court
20 commissioner in the supreme court, court of appeals, or superior,
21 district, or municipal court, who has not previously elected to accrue
22 an additional benefit under the provisions of this section, shall have
23 ninety days from the date of hire to make a one-time irrevocable
24 election, filed in writing with the member's employer, the department,
25 and the administrative office of the courts, to accrue an additional
26 benefit equal to one and one-half percent of average final
27 compensation for each year of future service credit as a court

1 commissioner from the date of the election. A court commissioner who
2 does not elect to accrue an additional benefit under this section may
3 make this election during any subsequent month of January until the
4 irrevocable election is made.

5 (3)(a) A member who made the election under subsection (1) or (2)
6 of this section may apply to the department to increase the member's
7 benefit multiplier by an additional one and one-half percent per year
8 of service for the period in which the member served as a court
9 commissioner prior to the election. The member shall pay, for the
10 applicable period of service, the actuarially equivalent value of the
11 increase in the member's benefit resulting from the increase in the
12 benefit multiplier as determined by the director. This payment must
13 be made prior to retirement.

14 (b) Subject to rules adopted by the department, a member applying
15 to increase the member's benefit multiplier under this section may pay
16 all or part of the cost with a lump sum payment, eligible rollover,
17 direct rollover, or trustee-to-trustee transfer from an eligible
18 retirement plan. The department shall adopt rules to ensure that all
19 lump sum payments, rollovers, and transfers comply with the
20 requirements of the internal revenue code and regulations adopted by
21 the internal revenue service. The rules adopted by the department may
22 condition the acceptance of a rollover or transfer from another plan
23 on the receipt of information necessary to enable the department to
24 determine the eligibility of any transferred funds for tax-free
25 rollover treatment or other treatment under federal income tax law.

26 (4) In lieu of the retirement allowance provided under RCW
27 41.40.185, the retirement allowance payable for service as a court
28 commissioner in the supreme court, court of appeals, or superior,
29 district, or municipal court, for those members who elected to accrue
30 an additional benefit under this section, shall be equal to three and
31 one-half percent of average final compensation for each year of
32 service after the election. The total retirement allowance under this
33 system for members who elected to accrue an additional benefit while a
34

1 court commissioner shall not exceed seventy-five percent of average
2 final compensation.

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4 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.40 RCW
5 under the subchapter heading "plan 2" to read as follows:

6 (1) Any member, employed as a court commissioner on September 1,
7 2010, in the supreme court, court of appeals, or superior, district,
8 or municipal court, may make a one-time irrevocable election, filed in
9 writing with the member's employer, the department, and the
10 administrative office of the courts, to accrue an additional benefit
11 equal to one and one-half percent of average final compensation for
12 each year of future service credit as a court commissioner from the
13 date of the election. The court commissioner shall have from
14 September 1, 2010, through January 31, 2011, to make this election.
15 Any court commissioner who has not previously elected to accrue an
16 additional benefit under this section may make this election during
17 any subsequent month of January until the irrevocable election is
18 made.

19 (2) Any member hired after September 1, 2010, as a court
20 commissioner in the supreme court, court of appeals, or superior,
21 district, or municipal court, who has not previously elected to accrue
22 an additional benefit under the provisions of this section, shall have
23 ninety days from the date of hire to make a one-time irrevocable
24 election, filed in writing with the member's employer, the department,
25 and the administrative office of the courts, to accrue an additional
26 benefit equal to one and one-half percent of average final
27 compensation for each year of future service credit as a court
28 commissioner from the date of the election. A court commissioner who
29 does not elect to accrue an additional benefit under this section may
30 make this election during any subsequent month of January until the
31 irrevocable election is made.

32 (3) Any employee hired after September 1, 2010, as a court
33 commissioner in the supreme court, court of appeals, or superior,
34 district, or municipal court, who has not previously established

1 membership in this system, and who establishes membership in plan 2
2 under the provisions of RCW 41.40.785, shall have ninety days from the
3 date of hire to make a one-time irrevocable election filed in writing
4 with the member's employer, the department, and the administrative
5 office of the courts, to accrue an additional benefit equal to one and
6 one-half percent of average final compensation for each year of future
7 service credit as a court commissioner from the date of the election.
8 Any employee hired after September 1, 2010, as a court commissioner,
9 who establishes membership in plan 2 under the provisions of RCW
10 41.40.785 and does not elect to accrue an additional benefit under
11 this section may make this election during any subsequent month of
12 January until the irrevocable election is made.

13 (4)(a) A member who made the election under subsection (1), (2),
14 or (3) of this section may apply to the department to increase the
15 member's benefit multiplier by an additional one and one-half percent
16 per year of service for the period in which the member served as a
17 court commissioner prior to the election. The member shall pay, for
18 the applicable period of service, the actuarially equivalent value of
19 the increase in the member's benefit resulting from the increase in
20 the benefit multiplier as determined by the director. This payment
21 must be made prior to retirement.

22 (b) Subject to rules adopted by the department, a member applying
23 to increase the member's benefit multiplier under this section may pay
24 all or part of the cost with a lump sum payment, eligible rollover,
25 direct rollover, or trustee-to-trustee transfer from an eligible
26 retirement plan. The department shall adopt rules to ensure that all
27 lump sum payments, rollovers, and transfers comply with the
28 requirements of the internal revenue code and regulations adopted by
29 the internal revenue service. The rules adopted by the department may
30 condition the acceptance of a rollover or transfer from another plan
31 on the receipt of information necessary to enable the department to
32 determine the eligibility of any transferred funds for tax-free
33 rollover treatment or other treatment under federal income tax law.

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1 (5) In lieu of the retirement allowance provided under RCW
2 41.40.620, the retirement allowance payable for service as a court
3 commissioner in the supreme court, court of appeals, or superior,
4 district, or municipal court, for those members who elected to accrue
5 an additional benefit under the provisions of this section shall be
6 equal to three and one-half percent of average final compensation for
7 each year of such service after the election. The total retirement
8 allowance under this system for those members who elected to accrue an
9 additional benefit as a court commissioner shall not exceed seventy-
10 five percent of average final compensation.

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12 NEW SECTION. **Sec. 3.** A new section is added to chapter 41.40 RCW
13 under the subchapter heading "plan 3" to read as follows:

14 (1) Any member, employed as a court commissioner on September 1,
15 2010, in the supreme court, court of appeals, or superior, district,
16 or municipal court, may make a one-time irrevocable election, filed in
17 writing with the member's employer, the department, and the
18 administrative office of the courts, to accrue an additional plan 3
19 defined benefit equal to six-tenths percent of average final
20 compensation for each year of future service credit as a court
21 commissioner from the date of the election. The court commissioner
22 shall have from September 1, 2010, through January 31, 2011, to make
23 this election. Any court commissioner who has not elected to accrue
24 an additional benefit under this section may make this election during
25 any subsequent month of January until the irrevocable election is
26 made.

27 (2) Any member hired after September 1, 2010, as a court
28 commissioner in the supreme court, court of appeals, or superior,
29 district, or municipal court, who has not previously elected to accrue
30 an additional benefit under the provisions of this section, shall have
31 ninety days from the date of hire to make a one-time irrevocable
32 election, filed in writing with the member's employer, the department,
33 and the administrative office of the courts, to accrue an additional
34 benefit equal to six-tenths percent of average final compensation for

1 each year of future service credit as a court commissioner from the
2 date of the election. A court commissioner who does not elect to
3 accrue an additional benefit under this section may make this election
4 during any subsequent month of January until the irrevocable election
5 is made.

6 (3) A court commissioner who made the election under subsection
7 (1) or (2) of this section shall contribute a minimum of seven and
8 one-half percent of pay to the member's defined contribution account.

9 (4)(a) A member who made the election under subsection (1) or (2)
10 of this section may apply to the department to increase the member's
11 benefit multiplier by an additional six-tenths percent per year of
12 service for the period in which the member served as a court
13 commissioner prior to the election. The member shall pay, for the
14 applicable period of service, the actuarially equivalent value of the
15 increase in the member's benefit resulting from the increase in the
16 benefit multiplier as determined by the director. This payment must
17 be made prior to retirement.

18 (b) Subject to rules adopted by the department, a member applying
19 to increase the member's benefit multiplier under this section may pay
20 all or part of the cost with a lump sum payment, eligible rollover,
21 direct rollover, or trustee-to-trustee transfer from an eligible
22 retirement plan. The department shall adopt rules to ensure that all
23 lump sum payments, rollovers, and transfers comply with the
24 requirements of the internal revenue code and regulations adopted by
25 the internal revenue service. The rules adopted by the department may
26 condition the acceptance of a rollover or transfer from another plan
27 on the receipt of information necessary to enable the department to
28 determine the eligibility of any transferred funds for tax-free
29 rollover treatment or other treatment under federal income tax law.

30 (5) In lieu of the retirement allowance provided under RCW
31 41.40.790, the retirement allowance payable for service as a court
32 commissioner in the supreme court, court of appeals, or superior,
33 district, or municipal court, for those members who elected to accrue
34 an additional benefit under the provisions of this section shall be

1 equal to one and six-tenths percent of average final compensation for
2 each year of such service after the election. The total retirement
3 allowance under this system for those members who elected to accrue an
4 additional benefit while a court commissioner shall not exceed thirty-
5 seven and one-half percent of average final compensation.

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7 NEW SECTION. **Sec. 4.** A new section is added to chapter 41.45 RCW
8 to read as follows:

9 (1) The required employer contribution rate in support of public
10 employees' retirement system plan 1 or plan 2 members employed as a
11 court commissioner in the supreme court, court of appeals, or
12 superior, district, or municipal court, who have elected to accrue an
13 additional benefit under the provisions of section 1 or 2 of this act,
14 shall equal the public employees' retirement system employer
15 contribution rate established under this chapter.

16 (2) The required employer contribution rate in support of public
17 employees' retirement system plan 3 members employed as a court
18 commissioner in the supreme court, court of appeals, or superior,
19 district, or municipal court, who have elected to accrue an additional
20 benefit under the provisions of section 3 of this act, shall equal the
21 public employees' retirement system employer contribution rate
22 established under this chapter plus two and one-half percent of pay.

23 (3) The required contribution rate for members of the public
24 employees' retirement system plan 2 employed as a court commissioner
25 in the supreme court, court of appeals, or superior, district, or
26 municipal court, who have elected to accrue an additional benefit
27 under the provisions of section 2 of this act, shall be two hundred
28 fifty percent of the member contribution rate for the public
29 employees' retirement system plan 2 established under this chapter.

30 (4) The required contribution rate for members of the public
31 employees' retirement system plan 1 employed as a court commissioner
32 in the supreme court, court of appeals, or superior, district, or
33 municipal court, who have elected to accrue an additional benefit
34 under the provisions of section 1 of this act, shall be the

1 contribution rate established under RCW 41.40.330 plus six and twenty-
2 six one-hundredths percent of pay.

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4 **Sec. 5.** RCW 41.45.207 and 2006 c 189 s 19 are each amended to
5 read as follows:

6 (1) The required employer contribution rate in support of public
7 employees' retirement system plan 1 or plan 2 members employed as
8 district court judges and municipal court judges who elect to
9 participate under RCW 41.40.127(1) (~~or 41.40.873(1)~~), or who are
10 newly elected or appointed after January 1, 2007, shall equal the
11 public employees' retirement system employer contribution rate
12 established under this chapter.

13 (2) The required employer contribution rate in support of public
14 employees' retirement system plan 3 members employed as district court
15 judges and municipal court judges who elect to participate under RCW
16 41.40.873(1), or who are newly elected or appointed after January 1,
17 2007, for service beginning September 1, 2010, shall equal the public
18 employees' retirement system employer contribution rate established
19 under this chapter plus two and one-half percent of pay.

20 (3) The required contribution rate for members of the public
21 employees' retirement system plan 2 employed as district court judges
22 or municipal court judges who elect to participate under RCW
23 41.40.127(1) or 41.40.873(1), or who are newly elected or appointed
24 after January 1, 2007, shall be two hundred fifty percent of the
25 member contribution rate for the public employees' retirement system
26 plan 2 established under this chapter.

27 (~~(3)~~) (4) The required contribution rate for members of the
28 public employees' retirement system plan 1 employed as district court
29 judges or municipal court judges who elect to participate under RCW
30 41.40.124(1), or who are newly elected or appointed after January 1,
31 2007, shall be the contribution rate established under RCW 41.40.330
32 plus six and twenty-six one-hundredths percent of pay.

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34 NEW SECTION. **Sec. 6.** This act takes effect September 1, 2010."

EFFECT: Changes the effective date of the act and the effective date of the retirement benefit enhancements for court commissioners from September 1, 2009 to September 1, 2010.

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