SUBSTITUTE HOUSE BILL 1444

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State of Washington

62nd Legislature

2011 Regular Session

By House Labor & Workforce Development (originally sponsored by Representatives Kirby, Hope, Upthegrove, Liias, Maxwell, Stanford, Reykdal, Orwall, Sullivan, Sells, Hurst, Fitzgibbon, Kelley, and Ormsby; by request of Law Enforcement Officers and Fire Fighters' Plan 2 Retirement Board)

READ FIRST TIME 02/04/11.

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- AN ACT Relating to the benefits of a surviving spouse of a member
- of the law enforcement officers' and firefighters' retirement system or
- 3 Washington state patrol retirement system; and amending RCW 51.32.050.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 Sec. 1. RCW 51.32.050 and 2010 c 261 s 3 are each amended to read 6 as follows:
- 7 (1) Where death results from the injury the expenses of burial not 8 to exceed two hundred percent of the average monthly wage in the state 9 as defined in RCW 51.08.018 shall be paid.
 - (2)(a) Where death results from the injury, a surviving spouse of a deceased worker eligible for benefits under this title shall receive monthly for life or until remarriage payments according to the following schedule:
- 14 (i) If there are no children of the deceased worker, sixty percent 15 of the wages of the deceased worker;
- (ii) If there is one child of the deceased worker and in the legal custody of such spouse, sixty-two percent of the wages of the deceased worker;

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1 (iii) If there are two children of the deceased worker and in the 2 legal custody of such spouse, sixty-four percent of the wages of the 3 deceased worker;

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- (iv) If there are three children of the deceased worker and in the legal custody of such spouse, sixty-six percent of the wages of the deceased worker;
- $\left(v\right)$ If there are four children of the deceased worker and in the legal custody of such spouse, sixty-eight percent of the wages of the deceased worker; or
- (vi) If there are five or more children of the deceased worker and in the legal custody of such spouse, seventy percent of the wages of the deceased worker.
- (b) A surviving spouse of a member of the law enforcement officers' and firefighters' retirement system under chapter 41.26 RCW, or the state patrol retirement system under chapter 43.43 RCW, who is entitled to benefits under this section must continue to receive benefits under this section monthly for life. Such a surviving spouse is not eligible to receive a lump sum payment under (g) of this subsection.
- (c) Where the surviving spouse does not have legal custody of any child or children of the deceased worker or where after the death of the worker legal custody of such child or children passes from such surviving spouse to another, any payment on account of such child or children not in the legal custody of the surviving spouse shall be made to the person or persons having legal custody of such child or children. The amount of such payments shall be five percent of the monthly benefits payable as a result of the worker's death for each such child but such payments shall not exceed twenty-five percent. Such payments on account of such child or children shall be subtracted from the amount to which such surviving spouse would have been entitled had such surviving spouse had legal custody of all of the children and the surviving spouse shall receive the remainder after such payments on account of such child or children have been subtracted. Such payments on account of a child or children not in the legal custody of such surviving spouse shall be apportioned equally among such children.
- $((\frac{c}{c}))$ (d) Except as provided in (b) of this subsection, payments to the surviving spouse of the deceased worker shall cease at the end of the month in which remarriage occurs: PROVIDED, That a monthly payment shall be made to the child or children of the deceased worker

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from the month following such remarriage in a sum equal to five percent 1 2 of the wages of the deceased worker for one child and a sum equal to five percent for each additional child up to a maximum of five such 3 4 Payments to such child or children shall be apportioned equally among such children. Such sum shall be in place of any 5 payments theretofore made for the benefit of or on account of any such 6 child or children. If the surviving spouse does not have legal custody 7 8 of any child or children of the deceased worker, or if after the death of the worker, legal custody of such child or children passes from such 9 10 surviving spouse to another, any payment on account of such child or children not in the legal custody of the surviving spouse shall be made 11 12 to the person or persons having legal custody of such child or 13 children.

- 14 $((\frac{d}{d}))$ (e) In no event shall the monthly payments provided in this subsection (2) $(\frac{d}{d})$:
- 16 (i) Exceed the applicable percentage of the average monthly wage in 17 the state as computed under RCW 51.08.018 as follows:

18	AFTER	PERCENTAGE
19	June 30, 1993	105%
20	June 30, 1994	110%
21	June 30, 1995	115%
22	June 30, 1996	120%

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(ii) For dates of injury or disease manifestation after July 1, 2008, be less than fifteen percent of the average monthly wage in the state as computed under RCW 51.08.018 plus an additional ten dollars per month for a surviving spouse and an additional ten dollars per month for each child of the worker up to a maximum of five children. However, if the monthly payment computed under this subsection $(2)((\frac{d}{d}))$ (e)(ii) is greater than one hundred percent of the wages of the deceased worker as determined under RCW 51.08.178, the monthly payment due to the surviving spouse shall be equal to the greater of the monthly wages of the deceased worker or the minimum benefit set forth in this section on June 30, 2008.

 $((\frac{e}{e}))$ (f) In addition to the monthly payments provided for in $(\frac{e}{e})$)(a) through $(\frac{e}{e})$) (d) of this <u>sub</u>section, a

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surviving spouse or child or children of such worker if there is no surviving spouse, or dependent parent or parents, if there is no surviving spouse or child or children of any such deceased worker shall be forthwith paid a sum equal to one hundred percent of the average monthly wage in the state as defined in RCW 51.08.018, any such children, or parents to share and share alike in said sum.

((f)) (g) Upon remarriage of a surviving spouse the monthly payments for the child or children shall continue as provided in this section, but the monthly payments to such surviving spouse, other than a surviving spouse described in (b) of this subsection, shall cease at the end of the month during which remarriage occurs. However, after September 8, 1975, an otherwise eligible surviving spouse of a worker who died at any time prior to or after September 8, 1975, shall have an option of:

(i)(A) Receiving, once and for all, a lump sum of twenty-four times the monthly compensation rate in effect on the date of remarriage allocable to the spouse for himself or herself pursuant to ((subsection (2)))(a)(i) of this subsection and subject to any modifications specified under ((subsection (2)(d))) (e) of this subsection and RCW 51.32.075(3) or fifty percent of the then remaining annuity value of his or her pension, whichever is the lesser: PROVIDED, That if the injury occurred prior to July 28, 1991, the remarriage benefit lump sum available shall be as provided in the remarriage benefit schedules then in effect;

(B) If a surviving spouse is the surviving spouse of a member of the law enforcement officers' and firefighters' retirement system under chapter 41.26 RCW or the state patrol retirement system under chapter 43.43 RCW, the surviving spouse may receive a lump sum of thirty-six times the monthly compensation rate in effect on the date of remarriage allocable to the spouse for himself or herself pursuant to ((subsection (2)))(a)(i) of this subsection and RCW 51.32.075(3) or fifty percent of the remaining annuity value of his or her pension provided under this chapter, whichever is the lesser: PROVIDED, That if the injury occurred prior to July 28, 1991, the lump sum benefit shall be as provided in the remarriage benefit schedules then in effect; or

(ii) If a surviving spouse does not choose the option specified in $((subsection\ (2)(f)))\ (g)(i)$ of this <u>sub</u>section to accept the lump sum payment, the remarriage of the surviving spouse of a worker shall not

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bar him or her from claiming the lump sum payment authorized in $((subsection\ (2)(f)))\ (g)(i)$ of this <u>sub</u>section during the life of the remarriage, or shall not prevent subsequent monthly payments to him or to her if the remarriage has been terminated by death or has been dissolved or annulled by valid court decree provided he or she has not previously accepted the lump sum payment.

 $((\frac{g}{g}))$ (h) If the surviving spouse during the remarriage should die without having previously received the lump sum payment provided in $(\frac{subsection}{2)(f)})$ (g)(i) of this <u>sub</u>section, his or her estate shall be entitled to receive the sum specified under ((subsection $\frac{2}{2}(f)$)) (g)(i) of this <u>sub</u>section or fifty percent of the then remaining annuity value of his or her pension whichever is the lesser.

 $((\frac{h}{h}))$ (i) The effective date of resumption of payments under $(\frac{subsection}{2}(\frac{h}{h}))$ (g)(ii) of this <u>sub</u>section to a surviving spouse based upon termination of a remarriage by death, annulment, or dissolution shall be the date of the death or the date the judicial decree of annulment or dissolution becomes final and when application for the payments has been received.

 $((\frac{1}{1}))$ (j) If it should be necessary to increase the reserves in the reserve fund or to create a new pension reserve fund as a result of the amendments in chapter 45, Laws of 1975-'76 2nd ex. sess., the amount of such increase in pension reserve in any such case shall be transferred to the reserve fund from the supplemental pension fund.

(k) After the effective date of this section, the monthly payments to such surviving spouse of a member of the law enforcement officers' and firefighters' retirement system under chapter 41.26 RCW, or the state patrol retirement system under chapter 43.43 RCW, shall resume regardless of remarriage. However, the monthly payments to any spouse who received a lump sum payment under (g) of this subsection shall be actuarially reduced to reflect the amount of the lump sum payment.

(3) If there is a child or children and no surviving spouse of the deceased worker or the surviving spouse is not eligible for benefits under this title, a sum equal to thirty-five percent of the wages of the deceased worker shall be paid monthly for one child and a sum equivalent to fifteen percent of such wage shall be paid monthly for each additional child, the total of such sum to be divided among such children, share and share alike: PROVIDED, That benefits under this subsection or subsection (4) of this section shall not exceed the

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lesser of sixty-five percent of the wages of the deceased worker at the time of his or her death or the applicable percentage of the average monthly wage in the state as defined in RCW 51.08.018, as follows:

4	AFTER	PERCENTAGE
5	June 30, 1993	105%
6	June 30, 1994	110%
7	June 30, 1995	115%
8	June 30, 1996	120%

- (4) In the event a surviving spouse receiving monthly payments dies, the child or children of the deceased worker shall receive the same payment as provided in subsection (3) of this section.
- (5) If the worker leaves no surviving spouse or child, but leaves a dependent or dependents, a monthly payment shall be made to each dependent equal to fifty percent of the average monthly support actually received by such dependent from the worker during the twelve months next preceding the occurrence of the injury, but the total payment to all dependents in any case shall not exceed the lesser of sixty-five percent of the wages of the deceased worker at the time of his or her death or the applicable percentage of the average monthly wage in the state as defined in RCW 51.08.018 as follows:

21	AFTER	PERCENTAGE
22	June 30, 1993	105%
23	June 30, 1994	110%
24	June 30, 1995	115%
25	June 30, 1996	120%

If any dependent is under the age of eighteen years at the time of the occurrence of the injury, the payment to such dependent shall cease when such dependent reaches the age of eighteen years except such payments shall continue until the dependent reaches age twenty-three while permanently enrolled at a full time course in an accredited school. The payment to any dependent shall cease if and when, under

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the same circumstances, the necessity creating the dependency would have ceased if the injury had not happened.

- (6) For claims filed prior to July 1, 1986, if the injured worker dies during the period of permanent total disability, whatever the cause of death, leaving a surviving spouse, or child, or children, the surviving spouse or child or children shall receive benefits as if death resulted from the injury as provided in subsections (2) through (4) of this section. Upon remarriage or death of such surviving spouse, the payments to such child or children shall be made as provided in subsection (2) of this section when the surviving spouse of a deceased worker remarries.
- (7) For claims filed on or after July 1, 1986, every worker who becomes eligible for permanent total disability benefits shall elect an option as provided in RCW 51.32.067.

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