

---

**SUBSTITUTE SENATE BILL 5659**

---

**State of Washington**

**65th Legislature**

**2017 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Bailey, Hawkins, Schoesler, and Warnick)

READ FIRST TIME 02/24/17.

1       AN ACT Relating to the eligibility of emergency medical  
2 technicians employed by public hospital districts for membership in  
3 the law enforcement officers' and firefighters' retirement system;  
4 amending RCW 41.26.030; and creating new sections.

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

6       NEW SECTION.       **Sec. 1.**       (1) In amending the definition of  
7 firefighter in RCW 41.26.030 in chapter 459, Laws of 2005, to include  
8 emergency medical technicians, the legislature intended to limit  
9 membership to persons who provided emergency medical services as  
10 defined in RCW 18.73.030(10).

11       (2) The purpose of this act is to clarify that only emergency  
12 medical technicians who provide such services qualify as firefighters  
13 under the 2005 act. This act is curative and remedial and is  
14 retroactive to July 24, 2005.

15       **Sec. 2.**       RCW 41.26.030 and 2012 c 236 s 2 are each amended to  
16 read as follows:

17       As used in this chapter, unless a different meaning is plainly  
18 required by the context:

1 (1) "Accumulated contributions" means the employee's  
2 contributions made by a member, including any amount paid under RCW  
3 41.50.165(2), plus accrued interest credited thereon.

4 (2) "Actuarial reserve" means a method of financing a pension or  
5 retirement plan wherein reserves are accumulated as the liabilities  
6 for benefit payments are incurred in order that sufficient funds will  
7 be available on the date of retirement of each member to pay the  
8 member's future benefits during the period of retirement.

9 (3) "Actuarial valuation" means a mathematical determination of  
10 the financial condition of a retirement plan. It includes the  
11 computation of the present monetary value of benefits payable to  
12 present members, and the present monetary value of future employer  
13 and employee contributions, giving effect to mortality among active  
14 and retired members and also to the rates of disability, retirement,  
15 withdrawal from service, salary and interest earned on investments.

16 (4)(a) "Basic salary" for plan 1 members, means the basic monthly  
17 rate of salary or wages, including longevity pay but not including  
18 overtime earnings or special salary or wages, upon which pension or  
19 retirement benefits will be computed and upon which employer  
20 contributions and salary deductions will be based.

21 (b) "Basic salary" for plan 2 members, means salaries or wages  
22 earned by a member during a payroll period for personal services,  
23 including overtime payments, and shall include wages and salaries  
24 deferred under provisions established pursuant to sections 403(b),  
25 414(h), and 457 of the United States Internal Revenue Code, but shall  
26 exclude lump sum payments for deferred annual sick leave, unused  
27 accumulated vacation, unused accumulated annual leave, or any form of  
28 severance pay. In any year in which a member serves in the  
29 legislature the member shall have the option of having such member's  
30 basic salary be the greater of:

31 (i) The basic salary the member would have received had such  
32 member not served in the legislature; or

33 (ii) Such member's actual basic salary received for  
34 nonlegislative public employment and legislative service combined.  
35 Any additional contributions to the retirement system required  
36 because basic salary under (b)(i) of this subsection is greater than  
37 basic salary under (b)(ii) of this subsection shall be paid by the  
38 member for both member and employer contributions.

1 (5)(a) "Beneficiary" for plan 1 members, means any person in  
2 receipt of a retirement allowance, disability allowance, death  
3 benefit, or any other benefit described herein.

4 (b) "Beneficiary" for plan 2 members, means any person in receipt  
5 of a retirement allowance or other benefit provided by this chapter  
6 resulting from service rendered to an employer by another person.

7 (6)(a) "Child" or "children" means an unmarried person who is  
8 under the age of eighteen or mentally or physically disabled as  
9 determined by the department, except a person who is disabled and in  
10 the full time care of a state institution, who is:

11 (i) A natural born child;

12 (ii) A stepchild where that relationship was in existence prior  
13 to the date benefits are payable under this chapter;

14 (iii) A posthumous child;

15 (iv) A child legally adopted or made a legal ward of a member  
16 prior to the date benefits are payable under this chapter; or

17 (v) An illegitimate child legitimized prior to the date any  
18 benefits are payable under this chapter.

19 (b) A person shall also be deemed to be a child up to and  
20 including the age of twenty years and eleven months while attending  
21 any high school, college, or vocational or other educational  
22 institution accredited, licensed, or approved by the state, in which  
23 it is located, including the summer vacation months and all other  
24 normal and regular vacation periods at the particular educational  
25 institution after which the child returns to school.

26 (7) "Department" means the department of retirement systems  
27 created in chapter 41.50 RCW.

28 (8) "Director" means the director of the department.

29 (9) "Disability board" for plan 1 members means either the county  
30 disability board or the city disability board established in RCW  
31 41.26.110.

32 (10) "Disability leave" means the period of six months or any  
33 portion thereof during which a member is on leave at an allowance  
34 equal to the member's full salary prior to the commencement of  
35 disability retirement. The definition contained in this subsection  
36 shall apply only to plan 1 members.

37 (11) "Disability retirement" for plan 1 members, means the period  
38 following termination of a member's disability leave, during which  
39 the member is in receipt of a disability retirement allowance.

1 (12) "Domestic partners" means two adults who have registered as  
2 domestic partners under RCW 26.60.020.

3 (13) "Employee" means any law enforcement officer or firefighter  
4 as defined in subsections (16) and (18) of this section.

5 (14)(a) "Employer" for plan 1 members, means the legislative  
6 authority of any city, town, county, or district or the elected  
7 officials of any municipal corporation that employs any law  
8 enforcement officer and/or firefighter, any authorized association of  
9 such municipalities, and, except for the purposes of RCW 41.26.150,  
10 any labor guild, association, or organization, which represents the  
11 firefighters or law enforcement officers of at least seven cities of  
12 over 20,000 population and the membership of each local lodge or  
13 division of which is composed of at least sixty percent law  
14 enforcement officers or firefighters as defined in this chapter.

15 (b) "Employer" for plan 2 members, means the following entities  
16 to the extent that the entity employs any law enforcement officer  
17 and/or firefighter:

18 (i) The legislative authority of any city, town, county, (~~(or)~~)  
19 district, or public corporation established under RCW 35.21.730 to  
20 provide emergency medical services as defined in RCW 18.73.030(10);

21 (ii) The elected officials of any municipal corporation;

22 (iii) The governing body of any other general authority law  
23 enforcement agency; or

24 (iv) A four-year institution of higher education having a fully  
25 operational fire department as of January 1, 1996.

26 (c) Except as otherwise specifically provided in this chapter,  
27 "employer" does not include a government contractor. For purposes of  
28 this subsection, a "government contractor" is any entity, including a  
29 partnership, limited liability company, for-profit or nonprofit  
30 corporation, or person, that provides services pursuant to a contract  
31 with an "employer." The determination whether an employer-employee  
32 relationship has been established is not based on the relationship  
33 between a government contractor and an "employer," but is based  
34 solely on the relationship between a government contractor's employee  
35 and an "employer" under this chapter.

36 (15)(a) "Final average salary" for plan 1 members, means (i) for  
37 a member holding the same position or rank for a minimum of twelve  
38 months preceding the date of retirement, the basic salary attached to  
39 such same position or rank at time of retirement; (ii) for any other  
40 member, including a civil service member who has not served a minimum

1 of twelve months in the same position or rank preceding the date of  
2 retirement, the average of the greatest basic salaries payable to  
3 such member during any consecutive twenty-four month period within  
4 such member's last ten years of service for which service credit is  
5 allowed, computed by dividing the total basic salaries payable to  
6 such member during the selected twenty-four month period by twenty-  
7 four; (iii) in the case of disability of any member, the basic salary  
8 payable to such member at the time of disability retirement; (iv) in  
9 the case of a member who hereafter vests pursuant to RCW 41.26.090,  
10 the basic salary payable to such member at the time of vesting.

11 (b) "Final average salary" for plan 2 members, means the monthly  
12 average of the member's basic salary for the highest consecutive  
13 sixty service credit months of service prior to such member's  
14 retirement, termination, or death. Periods constituting authorized  
15 unpaid leaves of absence may not be used in the calculation of final  
16 average salary.

17 (c) In calculating final average salary under (a) or (b) of this  
18 subsection, the department of retirement systems shall include:

19 (i) Any compensation forgone by a member employed by a state  
20 agency or institution during the 2009-2011 fiscal biennium as a  
21 result of reduced work hours, mandatory or voluntary leave without  
22 pay, temporary reduction in pay implemented prior to December 11,  
23 2010, or temporary layoffs if the reduced compensation is an integral  
24 part of the employer's expenditure reduction efforts, as certified by  
25 the employer; and

26 (ii) Any compensation forgone by a member employed by the state  
27 or a local government employer during the 2011-2013 fiscal biennium  
28 as a result of reduced work hours, mandatory leave without pay,  
29 temporary layoffs, or reductions to current pay if the reduced  
30 compensation is an integral part of the employer's expenditure  
31 reduction efforts, as certified by the employer. Reductions to  
32 current pay shall not include elimination of previously agreed upon  
33 future salary increases.

34 (16) "Firefighter" means:

35 (a) Any person who is serving on a full time, fully compensated  
36 basis as a member of a fire department of an employer and who is  
37 serving in a position which requires passing a civil service  
38 examination for firefighter, and who is actively employed as such;

39 (b) Anyone who is actively employed as a full time firefighter  
40 where the fire department does not have a civil service examination;

1 (c) Supervisory firefighter personnel;

2 (d) Any full time executive secretary of an association of fire  
3 protection districts authorized under RCW 52.12.031. The provisions  
4 of this subsection (16)(d) shall not apply to plan 2 members;

5 (e) The executive secretary of a labor guild, association or  
6 organization (which is an employer under subsection (14) of this  
7 section), if such individual has five years previous membership in a  
8 retirement system established in chapter 41.16 or 41.18 RCW. The  
9 provisions of this subsection (16)(e) shall not apply to plan 2  
10 members;

11 (f) Any person who is serving on a full time, fully compensated  
12 basis for an employer, as a fire dispatcher, in a department in  
13 which, on March 1, 1970, a dispatcher was required to have passed a  
14 civil service examination for firefighter;

15 (g) Any person who on March 1, 1970, was employed on a full time,  
16 fully compensated basis by an employer, and who on May 21, 1971, was  
17 making retirement contributions under the provisions of chapter 41.16  
18 or 41.18 RCW; and

19 (h) Any person who is employed on a full-time, fully compensated  
20 basis by an employer as an emergency medical technician whose duties  
21 include providing emergency medical services as defined in RCW  
22 18.73.030(10).

23 (17) "General authority law enforcement agency" means any agency,  
24 department, or division of a municipal corporation, political  
25 subdivision, or other unit of local government of this state, and any  
26 agency, department, or division of state government, having as its  
27 primary function the detection and apprehension of persons committing  
28 infractions or violating the traffic or criminal laws in general, but  
29 not including the Washington state patrol. Such an agency,  
30 department, or division is distinguished from a limited authority law  
31 enforcement agency having as one of its functions the apprehension or  
32 detection of persons committing infractions or violating the traffic  
33 or criminal laws relating to limited subject areas, including but not  
34 limited to, the state departments of natural resources and social and  
35 health services, the state gambling commission, the state lottery  
36 commission, the state parks and recreation commission, the state  
37 utilities and transportation commission, the state liquor ~~((control))~~  
38 and cannabis board, and the state department of corrections. A  
39 general authority law enforcement agency under this chapter does not  
40 include a government contractor.

1 (18) "Law enforcement officer" beginning January 1, 1994, means  
2 any person who is commissioned and employed by an employer on a full  
3 time, fully compensated basis to enforce the criminal laws of the  
4 state of Washington generally, with the following qualifications:

5 (a) No person who is serving in a position that is basically  
6 clerical or secretarial in nature, and who is not commissioned shall  
7 be considered a law enforcement officer;

8 (b) Only those deputy sheriffs, including those serving under a  
9 different title pursuant to county charter, who have successfully  
10 completed a civil service examination for deputy sheriff or the  
11 equivalent position, where a different title is used, and those  
12 persons serving in unclassified positions authorized by RCW 41.14.070  
13 except a private secretary will be considered law enforcement  
14 officers;

15 (c) Only such full time commissioned law enforcement personnel as  
16 have been appointed to offices, positions, or ranks in the police  
17 department which have been specifically created or otherwise  
18 expressly provided for and designated by city charter provision or by  
19 ordinance enacted by the legislative body of the city shall be  
20 considered city police officers;

21 (d) The term "law enforcement officer" also includes the  
22 executive secretary of a labor guild, association or organization  
23 (which is an employer under subsection (14) of this section) if that  
24 individual has five years previous membership in the retirement  
25 system established in chapter 41.20 RCW. The provisions of this  
26 subsection (18)(d) shall not apply to plan 2 members; and

27 (e) The term "law enforcement officer" also includes a person  
28 employed on or after January 1, 1993, as a public safety officer or  
29 director of public safety, so long as the job duties substantially  
30 involve only either police or fire duties, or both, and no other  
31 duties in a city or town with a population of less than ten thousand.  
32 The provisions of this subsection (18)(e) shall not apply to any  
33 public safety officer or director of public safety who is receiving a  
34 retirement allowance under this chapter as of May 12, 1993.

35 (19) "Medical services" for plan 1 members, shall include the  
36 following as minimum services to be provided. Reasonable charges for  
37 these services shall be paid in accordance with RCW 41.26.150.

38 (a) Hospital expenses: These are the charges made by a hospital,  
39 in its own behalf, for

1 (i) Board and room not to exceed semiprivate room rate unless  
2 private room is required by the attending physician due to the  
3 condition of the patient.

4 (ii) Necessary hospital services, other than board and room,  
5 furnished by the hospital.

6 (b) Other medical expenses: The following charges are considered  
7 "other medical expenses", provided that they have not been considered  
8 as "hospital expenses".

9 (i) The fees of the following:

10 (A) A physician or surgeon licensed under the provisions of  
11 chapter 18.71 RCW;

12 (B) An osteopathic physician and surgeon licensed under the  
13 provisions of chapter 18.57 RCW;

14 (C) A chiropractor licensed under the provisions of chapter 18.25  
15 RCW.

16 (ii) The charges of a registered graduate nurse other than a  
17 nurse who ordinarily resides in the member's home, or is a member of  
18 the family of either the member or the member's spouse.

19 (iii) The charges for the following medical services and  
20 supplies:

21 (A) Drugs and medicines upon a physician's prescription;

22 (B) Diagnostic X-ray and laboratory examinations;

23 (C) X-ray, radium, and radioactive isotopes therapy;

24 (D) Anesthesia and oxygen;

25 (E) Rental of iron lung and other durable medical and surgical  
26 equipment;

27 (F) Artificial limbs and eyes, and casts, splints, and trusses;

28 (G) Professional ambulance service when used to transport the  
29 member to or from a hospital when injured by an accident or stricken  
30 by a disease;

31 (H) Dental charges incurred by a member who sustains an  
32 accidental injury to his or her teeth and who commences treatment by  
33 a legally licensed dentist within ninety days after the accident;

34 (I) Nursing home confinement or hospital extended care facility;

35 (J) Physical therapy by a registered physical therapist;

36 (K) Blood transfusions, including the cost of blood and blood  
37 plasma not replaced by voluntary donors;

38 (L) An optometrist licensed under the provisions of chapter 18.53  
39 RCW.



1 (20) "Member" means any firefighter, law enforcement officer, or  
2 other person as would apply under subsections (16) or (18) of this  
3 section whose membership is transferred to the Washington law  
4 enforcement officers' and firefighters' retirement system on or after  
5 March 1, 1970, and every law enforcement officer and firefighter who  
6 is employed in that capacity on or after such date.

7 (21) "Plan 1" means the law enforcement officers' and  
8 firefighters' retirement system, plan 1 providing the benefits and  
9 funding provisions covering persons who first became members of the  
10 system prior to October 1, 1977.

11 (22) "Plan 2" means the law enforcement officers' and  
12 firefighters' retirement system, plan 2 providing the benefits and  
13 funding provisions covering persons who first became members of the  
14 system on and after October 1, 1977.

15 (23) "Position" means the employment held at any particular time,  
16 which may or may not be the same as civil service rank.

17 (24) "Regular interest" means such rate as the director may  
18 determine.

19 (25) "Retiree" for persons who establish membership in the  
20 retirement system on or after October 1, 1977, means any member in  
21 receipt of a retirement allowance or other benefit provided by this  
22 chapter resulting from service rendered to an employer by such  
23 member.

24 (26) "Retirement fund" means the "Washington law enforcement  
25 officers' and firefighters' retirement system fund" as provided for  
26 herein.

27 (27) "Retirement system" means the "Washington law enforcement  
28 officers' and firefighters' retirement system" provided herein.

29 (28)(a) "Service" for plan 1 members, means all periods of  
30 employment for an employer as a firefighter or law enforcement  
31 officer, for which compensation is paid, together with periods of  
32 suspension not exceeding thirty days in duration. For the purposes of  
33 this chapter service shall also include service in the armed forces  
34 of the United States as provided in RCW 41.26.190. Credit shall be  
35 allowed for all service credit months of service rendered by a member  
36 from and after the member's initial commencement of employment as a  
37 firefighter or law enforcement officer, during which the member  
38 worked for seventy or more hours, or was on disability leave or  
39 disability retirement. Only service credit months of service shall be

1 counted in the computation of any retirement allowance or other  
2 benefit provided for in this chapter.

3 (i) For members retiring after May 21, 1971 who were employed  
4 under the coverage of a prior pension act before March 1, 1970,  
5 "service" shall also include (A) such military service not exceeding  
6 five years as was creditable to the member as of March 1, 1970, under  
7 the member's particular prior pension act, and (B) such other periods  
8 of service as were then creditable to a particular member under the  
9 provisions of RCW 41.18.165, 41.20.160, or 41.20.170. However, in no  
10 event shall credit be allowed for any service rendered prior to March  
11 1, 1970, where the member at the time of rendition of such service  
12 was employed in a position covered by a prior pension act, unless  
13 such service, at the time credit is claimed therefor, is also  
14 creditable under the provisions of such prior act.

15 (ii) A member who is employed by two employers at the same time  
16 shall only be credited with service to one such employer for any  
17 month during which the member rendered such dual service.

18 (b) "Service" for plan 2 members, means periods of employment by  
19 a member for one or more employers for which basic salary is earned  
20 for ninety or more hours per calendar month which shall constitute a  
21 service credit month. Periods of employment by a member for one or  
22 more employers for which basic salary is earned for at least seventy  
23 hours but less than ninety hours per calendar month shall constitute  
24 one-half service credit month. Periods of employment by a member for  
25 one or more employers for which basic salary is earned for less than  
26 seventy hours shall constitute a one-quarter service credit month.

27 Members of the retirement system who are elected or appointed to  
28 a state elective position may elect to continue to be members of this  
29 retirement system.

30 Service credit years of service shall be determined by dividing  
31 the total number of service credit months of service by twelve. Any  
32 fraction of a service credit year of service as so determined shall  
33 be taken into account in the computation of such retirement allowance  
34 or benefits.

35 If a member receives basic salary from two or more employers  
36 during any calendar month, the individual shall receive one service  
37 credit month's service credit during any calendar month in which  
38 multiple service for ninety or more hours is rendered; or one-half  
39 service credit month's service credit during any calendar month in  
40 which multiple service for at least seventy hours but less than

1 ninety hours is rendered; or one-quarter service credit month during  
2 any calendar month in which multiple service for less than seventy  
3 hours is rendered.

4 (29) "Service credit month" means a full service credit month or  
5 an accumulation of partial service credit months that are equal to  
6 one.

7 (30) "Service credit year" means an accumulation of months of  
8 service credit which is equal to one when divided by twelve.

9 (31) "State actuary" or "actuary" means the person appointed  
10 pursuant to RCW 44.44.010(2).

11 (32) "State elective position" means any position held by any  
12 person elected or appointed to statewide office or elected or  
13 appointed as a member of the legislature.

14 (33) "Surviving spouse" means the surviving widow or widower of a  
15 member. "Surviving spouse" shall not include the divorced spouse of a  
16 member except as provided in RCW 41.26.162.

17 NEW SECTION. **Sec. 3.** (1) A member who provided emergency  
18 medical services on behalf of a public hospital district or public  
19 corporation established under RCW 35.21.730 to provide emergency  
20 medical services as defined in RCW 18.73.030(10) may establish credit  
21 for such service rendered on or after July 24, 2005. Upon receipt of  
22 a written request the department of retirement systems must notify  
23 the member of the cost to establish credit for all or part of such  
24 service.

25 (a) Except as provided in subsection (4) of this section, a  
26 member has one year from July 1, 2017, to elect to establish credit  
27 in plan 2 under this section. Such election must be filed in writing  
28 with the department of retirement systems by June 30, 2018. The  
29 elected period must be in contiguous monthly increments beginning  
30 with the most recent service.

31 (i) To establish service under this section, the member must pay  
32 the employee contributions he or she would have paid if participating  
33 in the retirement system at the time of the service:

34 (A) No later than five years from the effective date of the  
35 election made under this section;

36 (B) Prior to retirement; and

37 (C) Except as provided in section 4 of this act.

38 (ii) Upon full payment of employee contributions for the elected  
39 period of service the department of retirement systems must:

1 (A) Credit the member with the service; and

2 (B) Bill the employer for the employer contributions it would  
3 have paid if participating in the retirement system at the time of  
4 such service. The employer shall pay the required amount within five  
5 years of the member completing payment.

6 (b)(i) A member of the public employees' retirement system who is  
7 eligible for membership in plan 2 under this act may:

8 (A) Make an election in writing to the department of retirement  
9 systems by July 1, 2017, to remain a member of the public employees'  
10 retirement system; or

11 (B) Leave any service credit earned as a member of the public  
12 employees' retirement system in the public employees' retirement  
13 system, and have service rendered on or after July 1, 2017, as an  
14 emergency medical technician in the law enforcement officers' and  
15 firefighters' retirement system plan 2, becoming a dual member under  
16 the provisions of chapter 41.54 RCW.

17 (ii) Except as provided in subsection (4) of this section, a  
18 member has one year from July 1, 2017, to elect to transfer service  
19 credit previously earned as an emergency medical technician for a  
20 public hospital district or public corporation established under RCW  
21 35.21.730 to provide emergency medical services as defined in RCW  
22 18.73.030(10) to the law enforcement officers' and firefighters'  
23 retirement system plan 2 as defined in RCW 41.26.030. Such election  
24 must be filed in writing with the department of retirement systems by  
25 June 30, 2018.

26 (A) A member who elects to transfer service credit under this  
27 subsection shall pay, for the applicable period of service, the  
28 difference between the contributions the employee paid to the public  
29 employees' retirement system plan and the contributions that would  
30 have been paid by the employee had the employee been a member of the  
31 law enforcement officers' and firefighters' retirement system plan 2,  
32 plus interest on this difference as determined by the director.

33 (B) The payment under (a) of this subsection must be made no  
34 later than five years from the effective date of the election and  
35 must be made prior to retirement, except as provided under section 4  
36 of this act.

37 (2) Upon transfer or establishment of service credit,  
38 contributions, and interest under this section, the employee is  
39 permanently excluded from membership in the public employees'  
40 retirement system for all service transfers related to their time

1 served as an emergency medical technician for a public hospital  
2 district or public corporation established under RCW 35.21.730 to  
3 provide emergency medical services as defined in RCW 18.73.030(10)  
4 under the public employees' retirement system.

5 (3) A public hospital district or public corporation established  
6 under RCW 35.21.730 to provide emergency medical services as defined  
7 in RCW 18.73.030(10) shall provide the department of retirement  
8 systems with a list of former employees who were employed as  
9 emergency medical technicians on or after July 24, 2005, and who are  
10 eligible to establish credit for service under this section. The list  
11 must include a former employee's name, last known address, and period  
12 of employment. The department of retirement systems must notify  
13 former employees of the process and cost to establish credit for  
14 service under this section.

15 (4)(a) To the extent permitted by applicable state and federal  
16 law, the payments required to establish or transfer service credit  
17 pursuant to this section shall be funded in whole or in part from  
18 money transferred by rollover or trust-to-trust transfer from the  
19 member's account in the retirement plan maintained by the employer.  
20 To the extent permitted by applicable state and federal law, if money  
21 is transferred from the retirement plan maintained by the employer,  
22 the portion of the money transferred attributable to contributions  
23 made by the employee to the retirement plan maintained by the  
24 employer shall be credited to the employee's payment obligation under  
25 this section and the portion of the money transferred attributable to  
26 contributions made by the employer to the retirement plan maintained  
27 by the employer shall be credited to the employer's payment  
28 obligation under this section.

29 (b) The department of retirement systems shall determine whether  
30 the requirements of (a) of this subsection are permissible under  
31 applicable state and federal law. The determination by the department  
32 shall be final and not subject to appeal.

33 (c) The one-year period for the member to elect to establish or  
34 transfer service credit pursuant to this section shall:

- 35 (i) Be determined by the department of retirement systems; and
- 36 (ii) Not begin until after the department of retirement systems  
37 has notified members of the determination and the dates of the new  
38 one-year election period.

1        NEW SECTION.    **Sec. 4.**    If a member who elected to transfer  
2 pursuant to section 3 of this act dies or retires for disability  
3 prior to five years from their election date, the member's benefit is  
4 calculated as follows:

5        (1) All of the applicable service credit, accumulated  
6 contributions, and interest is transferred to or established in the  
7 law enforcement officers' and firefighters' retirement system plan 2  
8 and used in the calculation of a benefit.

9        (2) If a member's obligation under section 3 of this act has not  
10 been paid in full at the time of death or disability retirement, the  
11 member, or in the case of death the surviving spouse or eligible  
12 minor children, have the following options:

13        (a) Pay the bill in full;

14        (b) If a continuing monthly benefit is chosen, have the benefit  
15 actuarially reduced to reflect the amount of the unpaid obligation  
16 under section 3 of this act; or

17        (c) Continue to make payment against the obligation under section  
18 3 of this act, provided that payment in full is made no later than  
19 five years from the member's original election date.

20        NEW SECTION.    **Sec. 5.**    This act is curative and remedial and is  
21 effective retroactively to July 24, 2005.

--- END ---