

---

HOUSE BILL 1362

---

State of Washington

66th Legislature

2019 Regular Session

By Representative Klippert

Read first time 01/21/19. Referred to Committee on Appropriations.

1 AN ACT Relating to benefits eligibility during postretirement  
2 employment for members of the public employees', teachers', and  
3 school employees' retirement systems, plans 2 and 3; amending RCW  
4 41.32.765, 41.32.875, 41.35.420, 41.35.680, 41.40.630, and 41.40.820;  
5 and repealing RCW 41.32.068.

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

7 **Sec. 1.** RCW 41.32.765 and 2012 1st sp.s. c 7 s 1 are each  
8 amended to read as follows:

9 (1) NORMAL RETIREMENT. Any member with at least five service  
10 credit years of service who has attained at least age sixty-five  
11 shall be eligible to retire and to receive a retirement allowance  
12 computed according to the provisions of RCW 41.32.760.

13 (2) EARLY RETIREMENT. Any member who has completed at least  
14 twenty service credit years of service who has attained at least age  
15 fifty-five shall be eligible to retire and to receive a retirement  
16 allowance computed according to the provisions of RCW 41.32.760,  
17 except that a member retiring pursuant to this subsection shall have  
18 the retirement allowance actuarially reduced to reflect the  
19 difference in the number of years between age at retirement and the  
20 attainment of age sixty-five.

21 (3) ALTERNATE EARLY RETIREMENT.

1 (a) Any member who has completed at least thirty service credit  
2 years and has attained age fifty-five shall be eligible to retire and  
3 to receive a retirement allowance computed according to the  
4 provisions of RCW 41.32.760, except that a member retiring pursuant  
5 to this subsection shall have the retirement allowance reduced (~~by~~  
6 ~~three percent per year to reflect the difference in the number of~~  
7 ~~years between age at retirement and the attainment of age sixty-five.~~

8 ~~(b) On or after September 1, 2008, any member who has completed~~  
9 ~~at least thirty service credit years and has attained age fifty-five~~  
10 ~~shall be eligible to retire and to receive a retirement allowance~~  
11 ~~computed according to the provisions of RCW 41.32.760, except that a~~  
12 ~~member retiring pursuant to this subsection shall have the retirement~~  
13 ~~allowance reduced)) as follows:~~

Retirement Age	Percent Reduction
55	20%
56	17%
57	14%
58	11%
59	8%
60	5%
61	2%
62	0%
63	0%
64	0%

14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26 ~~((Any member who retires under the provisions of this subsection~~  
27 ~~is ineligible for the postretirement employment provisions of RCW~~  
28 ~~41.32.802(2) until the retired member has reached sixty-five years of~~  
29 ~~age. For purposes of this subsection, employment with an employer~~  
30 ~~also includes any personal service contract, service by an employer~~  
31 ~~as a temporary or project employee, or any other similar compensated~~  
32 ~~relationship with any employer included under the provisions of RCW~~  
33 ~~41.32.800(1)).~~

34 ~~The subsidized reductions for alternate early retirement in this~~  
35 ~~subsection as set forth in section 2, chapter 491, Laws of 2007 were~~  
36 ~~intended by the legislature as replacement benefits for gain-sharing.~~

1 ~~Until there is legal certainty with respect to the repeal of chapter~~  
2 ~~41.31A RCW, the right to retire under this subsection is~~  
3 ~~noncontractual, and the legislature reserves the right to amend or~~  
4 ~~repeal this subsection. Legal certainty includes, but is not limited~~  
5 ~~to, the expiration of any: Applicable limitations on actions; and~~  
6 ~~periods of time for seeking appellate review, up to and including~~  
7 ~~reconsideration by the Washington supreme court and the supreme court~~  
8 ~~of the United States. Until that time, eligible members may still~~  
9 ~~retire under this subsection, and upon receipt of the first~~  
10 ~~installment of a retirement allowance computed under this subsection,~~  
11 ~~the resulting benefit becomes contractual for the recipient. If the~~  
12 ~~repeal of chapter 41.31A RCW is held to be invalid in a final~~  
13 ~~determination of a court of law, and the court orders reinstatement~~  
14 ~~of gain-sharing or other alternate benefits as a remedy, then~~  
15 ~~retirement benefits for any member who has completed at least thirty~~  
16 ~~service credit years and has attained age fifty-five but has not yet~~  
17 ~~received the first installment of a retirement allowance under this~~  
18 ~~subsection shall be computed using the reductions in (a) of this~~  
19 ~~subsection.~~

20 ~~(e))~~ (b) Members who first become employed by an employer in an  
21 eligible position on or after May 1, 2013, are not eligible for the  
22 alternate early retirement provisions of (a) ~~((or (b)))~~ of this  
23 subsection. Any member who first becomes employed by an employer in  
24 an eligible position on or after May 1, 2013, and has completed at  
25 least thirty service credit years and has attained age fifty-five  
26 shall be eligible to retire and to receive a retirement allowance  
27 computed according to the provisions of RCW 41.32.760, except that a  
28 member retiring pursuant to this subsection shall have the retirement  
29 allowance reduced by five percent per year to reflect the difference  
30 in the number of years between age at retirement and the attainment  
31 of age sixty-five.

32 **Sec. 2.** RCW 41.32.875 and 2012 1st sp.s. c 7 s 2 are each  
33 amended to read as follows:

34 (1) NORMAL RETIREMENT. Any member who is at least age sixty-five  
35 and who has:

36 (a) Completed ten service credit years; or

37 (b) Completed five service credit years, including twelve service  
38 credit months after attaining age forty-four; or

1 (c) Completed five service credit years by July 1, 1996, under  
2 plan 2 and who transferred to plan 3 under RCW 41.32.817;  
3 shall be eligible to retire and to receive a retirement allowance  
4 computed according to the provisions of RCW 41.32.840.

5 (2) EARLY RETIREMENT. Any member who has attained at least age  
6 fifty-five and has completed at least ten years of service shall be  
7 eligible to retire and to receive a retirement allowance computed  
8 according to the provisions of RCW 41.32.840, except that a member  
9 retiring pursuant to this subsection shall have the retirement  
10 allowance actuarially reduced to reflect the difference in the number  
11 of years between age at retirement and the attainment of age sixty-  
12 five.

13 (3) ALTERNATE EARLY RETIREMENT.

14 (a) Any member who has completed at least thirty service credit  
15 years and has attained age fifty-five shall be eligible to retire and  
16 to receive a retirement allowance computed according to the  
17 provisions of RCW 41.32.840, except that a member retiring pursuant  
18 to this subsection shall have the retirement allowance reduced (~~by~~  
19 ~~three percent per year to reflect the difference in the number of~~  
20 ~~years between age at retirement and the attainment of age sixty-five.~~

21 ~~(b) On or after September 1, 2008, any member who has completed~~  
22 ~~at least thirty service credit years and has attained age fifty-five~~  
23 ~~shall be eligible to retire and to receive a retirement allowance~~  
24 ~~computed according to the provisions of RCW 41.32.840, except that a~~  
25 ~~member retiring pursuant to this subsection shall have the retirement~~  
26 ~~allowance reduced)) as follows:~~

Retirement	Percent
Age	Reduction
55	20%
56	17%
57	14%
58	11%
59	8%
60	5%
61	2%
62	0%
63	0%

2       ~~((Any member who retires under the provisions of this subsection~~  
3 ~~is ineligible for the postretirement employment provisions of RCW~~  
4 ~~41.32.862(2) until the retired member has reached sixty-five years of~~  
5 ~~age. For purposes of this subsection, employment with an employer~~  
6 ~~also includes any personal service contract, service by an employer~~  
7 ~~as a temporary or project employee, or any other similar compensated~~  
8 ~~relationship with any employer included under the provisions of RCW~~  
9 ~~41.32.860(1)).~~

10       ~~The subsidized reductions for alternate early retirement in this~~  
11 ~~subsection as set forth in section 4, chapter 491, Laws of 2007 were~~  
12 ~~intended by the legislature as replacement benefits for gain-sharing.~~  
13 ~~Until there is legal certainty with respect to the repeal of chapter~~  
14 ~~41.31A RCW, the right to retire under this subsection is~~  
15 ~~noncontractual, and the legislature reserves the right to amend or~~  
16 ~~repeal this subsection. Legal certainty includes, but is not limited~~  
17 ~~to, the expiration of any: Applicable limitations on actions; and~~  
18 ~~periods of time for seeking appellate review, up to and including~~  
19 ~~reconsideration by the Washington supreme court and the supreme court~~  
20 ~~of the United States. Until that time, eligible members may still~~  
21 ~~retire under this subsection, and upon receipt of the first~~  
22 ~~installment of a retirement allowance computed under this subsection,~~  
23 ~~the resulting benefit becomes contractual for the recipient. If the~~  
24 ~~repeal of chapter 41.31A RCW is held to be invalid in a final~~  
25 ~~determination of a court of law, and the court orders reinstatement~~  
26 ~~of gain-sharing or other alternate benefits as a remedy, then~~  
27 ~~retirement benefits for any member who has completed at least thirty~~  
28 ~~service credit years and has attained age fifty-five but has not yet~~  
29 ~~received the first installment of a retirement allowance under this~~  
30 ~~subsection shall be computed using the reductions in (a) of this~~  
31 ~~subsection.~~

32       ~~(e))~~ (b) Members who first become employed by an employer in an  
33 eligible position on or after May 1, 2013, are not eligible for the  
34 alternate early retirement provisions of (a) ~~((or (b)))~~ of this  
35 subsection. Any member who first becomes employed by an employer in  
36 an eligible position on or after May 1, 2013, and has completed at  
37 least thirty service credit years and has attained age fifty-five  
38 shall be eligible to retire and to receive a retirement allowance  
39 computed according to the provisions of RCW 41.32.840, except that a

1 member retiring pursuant to this subsection shall have the retirement  
2 allowance reduced by five percent per year to reflect the difference  
3 in the number of years between age at retirement and the attainment  
4 of age sixty-five.

5 **Sec. 3.** RCW 41.35.420 and 2012 1st sp.s. c 7 s 3 are each  
6 amended to read as follows:

7 (1) NORMAL RETIREMENT. Any member with at least five service  
8 credit years who has attained at least age sixty-five shall be  
9 eligible to retire and to receive a retirement allowance computed  
10 according to the provisions of RCW 41.35.400.

11 (2) EARLY RETIREMENT. Any member who has completed at least  
12 twenty service credit years and has attained age fifty-five shall be  
13 eligible to retire and to receive a retirement allowance computed  
14 according to the provisions of RCW 41.35.400, except that a member  
15 retiring pursuant to this subsection shall have the retirement  
16 allowance actuarially reduced to reflect the difference in the number  
17 of years between age at retirement and the attainment of age sixty-  
18 five.

19 (3) ALTERNATE EARLY RETIREMENT.

20 (a) Any member who has completed at least thirty service credit  
21 years and has attained age fifty-five shall be eligible to retire and  
22 to receive a retirement allowance computed according to the  
23 provisions of RCW 41.35.400, except that a member retiring pursuant  
24 to this subsection shall have the retirement allowance reduced (~~by~~  
25 ~~three percent per year to reflect the difference in the number of~~  
26 ~~years between age at retirement and the attainment of age sixty-five.~~

27 ~~(b) On or after September 1, 2008, any member who has completed~~  
28 ~~at least thirty service credit years and has attained age fifty-five~~  
29 ~~shall be eligible to retire and to receive a retirement allowance~~  
30 ~~computed according to the provisions of RCW 41.35.400, except that a~~  
31 ~~member retiring pursuant to this subsection shall have the retirement~~  
32 ~~allowance reduced)) as follows:~~

33	Retirement	Percent
34	Age	Reduction
35	55	20%
36	56	17%
37	57	14%

1	58	11%
2	59	8%
3	60	5%
4	61	2%
5	62	0%
6	63	0%
7	64	0%

8       ~~((Any member who retires under the provisions of this subsection~~  
9 ~~is ineligible for the postretirement employment provisions of RCW~~  
10 ~~41.35.060(2) until the retired member has reached sixty-five years of~~  
11 ~~age. For purposes of this subsection, employment with an employer~~  
12 ~~also includes any personal service contract, service by an employer~~  
13 ~~as a temporary or project employee, or any other similar compensated~~  
14 ~~relationship with any employer included under the provisions of RCW~~  
15 ~~41.35.230(1)).~~

16       ~~The subsidized reductions for alternate early retirement in this~~  
17 ~~subsection as set forth in section 6, chapter 491, Laws of 2007 were~~  
18 ~~intended by the legislature as replacement benefits for gain-sharing.~~  
19 ~~Until there is legal certainty with respect to the repeal of chapter~~  
20 ~~41.31A RCW, the right to retire under this subsection is~~  
21 ~~noncontractual, and the legislature reserves the right to amend or~~  
22 ~~repeal this subsection. Legal certainty includes, but is not limited~~  
23 ~~to, the expiration of any: Applicable limitations on actions; and~~  
24 ~~periods of time for seeking appellate review, up to and including~~  
25 ~~reconsideration by the Washington supreme court and the supreme court~~  
26 ~~of the United States. Until that time, eligible members may still~~  
27 ~~retire under this subsection, and upon receipt of the first~~  
28 ~~installment of a retirement allowance computed under this subsection,~~  
29 ~~the resulting benefit becomes contractual for the recipient. If the~~  
30 ~~repeal of chapter 41.31A RCW is held to be invalid in a final~~  
31 ~~determination of a court of law, and the court orders reinstatement~~  
32 ~~of gain-sharing or other alternate benefits as a remedy, then~~  
33 ~~retirement benefits for any member who has completed at least thirty~~  
34 ~~service credit years and has attained age fifty-five but has not yet~~  
35 ~~received the first installment of a retirement allowance under this~~  
36 ~~subsection shall be computed using the reductions in (a) of this~~  
37 ~~subsection.~~

1       ~~(e))~~ (b) Members who first become employed by an employer in an  
2 eligible position on or after May 1, 2013, are not eligible for the  
3 alternate early retirement provisions of (a) (~~(or (b))~~) of this  
4 subsection. Any member who first becomes employed by an employer in  
5 an eligible position on or after May 1, 2013, and has completed at  
6 least thirty service credit years and has attained age fifty-five  
7 shall be eligible to retire and to receive a retirement allowance  
8 computed according to the provisions of RCW 41.35.400, except that a  
9 member retiring pursuant to this subsection shall have the retirement  
10 allowance reduced by five percent per year to reflect the difference  
11 in the number of years between age at retirement and the attainment  
12 of age sixty-five.

13       **Sec. 4.** RCW 41.35.680 and 2012 1st sp.s. c 7 s 4 are each  
14 amended to read as follows:

15       (1) NORMAL RETIREMENT. Any member who is at least age sixty-five  
16 and who has:

17       (a) Completed ten service credit years; or

18       (b) Completed five service credit years, including twelve service  
19 credit months after attaining age forty-four; or

20       (c) Completed five service credit years by September 1, 2000,  
21 under the public employees' retirement system plan 2 and who  
22 transferred to plan 3 under RCW 41.35.510;

23 shall be eligible to retire and to receive a retirement allowance  
24 computed according to the provisions of RCW 41.35.620.

25       (2) EARLY RETIREMENT. Any member who has attained at least age  
26 fifty-five and has completed at least ten years of service shall be  
27 eligible to retire and to receive a retirement allowance computed  
28 according to the provisions of RCW 41.35.620, except that a member  
29 retiring pursuant to this subsection shall have the retirement  
30 allowance actuarially reduced to reflect the difference in the number  
31 of years between age at retirement and the attainment of age sixty-  
32 five.

33       (3) ALTERNATE EARLY RETIREMENT.

34       (a) Any member who has completed at least thirty service credit  
35 years and has attained age fifty-five shall be eligible to retire and  
36 to receive a retirement allowance computed according to the  
37 provisions of RCW 41.35.620, except that a member retiring pursuant  
38 to this subsection shall have the retirement allowance reduced (~~by~~



~~three percent per year to reflect the difference in the number of years between age at retirement and the attainment of age sixty-five.~~

~~(b) On or after September 1, 2008, any member who has completed at least thirty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.35.620, except that a member retiring pursuant to this subsection shall have the retirement allowance reduced) as follows:~~

<del>Retirement</del>	<del>Percent</del>
<del>Age</del>	<del>Reduction</del>
<del>55</del>	<del>20%</del>
<del>56</del>	<del>17%</del>
<del>57</del>	<del>14%</del>
<del>58</del>	<del>11%</del>
<del>59</del>	<del>8%</del>
<del>60</del>	<del>5%</del>
<del>61</del>	<del>2%</del>
<del>62</del>	<del>0%</del>
<del>63</del>	<del>0%</del>
<del>64</del>	<del>0%</del>

~~((Any member who retires under the provisions of this subsection is ineligible for the postretirement employment provisions of RCW 41.35.060(2) until the retired member has reached sixty-five years of age. For purposes of this subsection, employment with an employer also includes any personal service contract, service by an employer as a temporary or project employee, or any other similar compensated relationship with any employer included under the provisions of RCW 41.35.230(1)).~~

~~The subsidized reductions for alternate early retirement in this subsection as set forth in section 8, chapter 491, Laws of 2007 were intended by the legislature as replacement benefits for gain-sharing. Until there is legal certainty with respect to the repeal of chapter 41.31A RCW, the right to retire under this subsection is noncontractual, and the legislature reserves the right to amend or repeal this subsection. Legal certainty includes, but is not limited to, the expiration of any: Applicable limitations on actions; and~~

1 ~~periods of time for seeking appellate review, up to and including~~  
2 ~~reconsideration by the Washington supreme court and the supreme court~~  
3 ~~of the United States. Until that time, eligible members may still~~  
4 ~~retire under this subsection, and upon receipt of the first~~  
5 ~~installment of a retirement allowance computed under this subsection,~~  
6 ~~the resulting benefit becomes contractual for the recipient. If the~~  
7 ~~repeal of chapter 41.31A RCW is held to be invalid in a final~~  
8 ~~determination of a court of law, and the court orders reinstatement~~  
9 ~~of gain-sharing or other alternate benefits as a remedy, then~~  
10 ~~retirement benefits for any member who has completed at least thirty~~  
11 ~~service credit years and has attained age fifty-five but has not yet~~  
12 ~~received the first installment of a retirement allowance under this~~  
13 ~~subsection shall be computed using the reductions in (a) of this~~  
14 ~~subsection.~~

15 ~~(e))~~ (b) Members who first become employed by an employer in an  
16 eligible position on or after May 1, 2013, are not eligible for the  
17 alternate early retirement provisions of (a) ~~((or (b)))~~ of this  
18 subsection. Any member who first becomes employed by an employer in  
19 an eligible position on or after May 1, 2013, and has completed at  
20 least thirty service credit years and has attained age fifty-five  
21 shall be eligible to retire and to receive a retirement allowance  
22 computed according to the provisions of RCW 41.35.620, except that a  
23 member retiring pursuant to this subsection shall have the retirement  
24 allowance reduced by five percent per year to reflect the difference  
25 in the number of years between age at retirement and the attainment  
26 of age sixty-five.

27 **Sec. 5.** RCW 41.40.630 and 2012 1st sp.s. c 7 s 5 are each  
28 amended to read as follows:

29 (1) NORMAL RETIREMENT. Any member with at least five service  
30 credit years who has attained at least age sixty-five shall be  
31 eligible to retire and to receive a retirement allowance computed  
32 according to the provisions of RCW 41.40.620.

33 (2) EARLY RETIREMENT. Any member who has completed at least  
34 twenty service credit years and has attained age fifty-five shall be  
35 eligible to retire and to receive a retirement allowance computed  
36 according to the provisions of RCW 41.40.620, except that a member  
37 retiring pursuant to this subsection shall have the retirement  
38 allowance actuarially reduced to reflect the difference in the number

1 of years between age at retirement and the attainment of age sixty-  
2 five.

3 (3) ALTERNATE EARLY RETIREMENT.

4 (a) Any member who has completed at least thirty service credit  
5 years and has attained age fifty-five shall be eligible to retire and  
6 to receive a retirement allowance computed according to the  
7 provisions of RCW 41.40.620, except that a member retiring pursuant  
8 to this subsection shall have the retirement allowance reduced (~~by~~  
9 ~~three percent per year to reflect the difference in the number of~~  
10 ~~years between age at retirement and the attainment of age sixty-five.~~

11 ~~(b) On or after July 1, 2008, any member who has completed at~~  
12 ~~least thirty service credit years and has attained age fifty-five~~  
13 ~~shall be eligible to retire and to receive a retirement allowance~~  
14 ~~computed according to the provisions of RCW 41.40.620, except that a~~  
15 ~~member retiring pursuant to this subsection shall have the retirement~~  
16 ~~allowance reduced)) as follows:~~

17	Retirement	Percent
18	Age	Reduction
19	55	20%
20	56	17%
21	57	14%
22	58	11%
23	59	8%
24	60	5%
25	61	2%
26	62	0%
27	63	0%
28	64	0%

29 ~~((Any member who retires under the provisions of this subsection~~  
30 ~~is ineligible for the postretirement employment provisions of RCW~~  
31 ~~41.40.037(2)(d) until the retired member has reached sixty-five years~~  
32 ~~of age. For purposes of this subsection, employment with an employer~~  
33 ~~also includes any personal service contract, service by an employer~~  
34 ~~as a temporary or project employee, or any other similar compensated~~  
35 ~~relationship with any employer included under the provisions of RCW~~  
36 ~~41.40.690(1)).~~

1       ~~The subsidized reductions for alternate early retirement in this~~  
2 ~~subsection as set forth in section 9, chapter 491, Laws of 2007 were~~  
3 ~~intended by the legislature as replacement benefits for gain-sharing.~~  
4 ~~Until there is legal certainty with respect to the repeal of chapter~~  
5 ~~41.31A RCW, the right to retire under this subsection is~~  
6 ~~noncontractual, and the legislature reserves the right to amend or~~  
7 ~~repeal this subsection. Legal certainty includes, but is not limited~~  
8 ~~to, the expiration of any: Applicable limitations on actions; and~~  
9 ~~periods of time for seeking appellate review, up to and including~~  
10 ~~reconsideration by the Washington supreme court and the supreme court~~  
11 ~~of the United States. Until that time, eligible members may still~~  
12 ~~retire under this subsection, and upon receipt of the first~~  
13 ~~installment of a retirement allowance computed under this subsection,~~  
14 ~~the resulting benefit becomes contractual for the recipient. If the~~  
15 ~~repeal of chapter 41.31A RCW is held to be invalid in a final~~  
16 ~~determination of a court of law, and the court orders reinstatement~~  
17 ~~of gain-sharing or other alternate benefits as a remedy, then~~  
18 ~~retirement benefits for any member who has completed at least thirty~~  
19 ~~service credit years and has attained age fifty-five but has not yet~~  
20 ~~received the first installment of a retirement allowance under this~~  
21 ~~subsection shall be computed using the reductions in (a) of this~~  
22 ~~subsection.~~

23       ~~(e))~~ (b) Members who first become employed by an employer in an  
24 eligible position on or after May 1, 2013, are not eligible for the  
25 alternate early retirement provisions of (a) ~~((or (b)))~~ of this  
26 subsection. Any member who first becomes employed by an employer in  
27 an eligible position on or after May 1, 2013, and has completed at  
28 least thirty service credit years and has attained age fifty-five  
29 shall be eligible to retire and to receive a retirement allowance  
30 computed according to the provisions of RCW 41.40.620, except that a  
31 member retiring pursuant to this subsection shall have the retirement  
32 allowance reduced by five percent per year to reflect the difference  
33 in the number of years between age at retirement and the attainment  
34 of age sixty-five.

35       **Sec. 6.** RCW 41.40.820 and 2012 1st sp.s. c 7 s 6 are each  
36 amended to read as follows:

37       (1) NORMAL RETIREMENT. Any member who is at least age sixty-five  
38 and who has:

39       (a) Completed ten service credit years; or

1 (b) Completed five service credit years, including twelve service  
2 credit months after attaining age forty-four; or

3 (c) Completed five service credit years by the transfer payment  
4 date specified in RCW 41.40.795, under the public employees'  
5 retirement system plan 2 and who transferred to plan 3 under RCW  
6 41.40.795;

7 shall be eligible to retire and to receive a retirement allowance  
8 computed according to the provisions of RCW 41.40.790.

9 (2) EARLY RETIREMENT. Any member who has attained at least age  
10 fifty-five and has completed at least ten years of service shall be  
11 eligible to retire and to receive a retirement allowance computed  
12 according to the provisions of RCW 41.40.790, except that a member  
13 retiring pursuant to this subsection shall have the retirement  
14 allowance actuarially reduced to reflect the difference in the number  
15 of years between age at retirement and the attainment of age sixty-  
16 five.

17 (3) ALTERNATE EARLY RETIREMENT.

18 (a) Any member who has completed at least thirty service credit  
19 years and has attained age fifty-five shall be eligible to retire and  
20 to receive a retirement allowance computed according to the  
21 provisions of RCW 41.40.790, except that a member retiring pursuant  
22 to this subsection shall have the retirement allowance reduced (~~by~~  
23 ~~three percent per year to reflect the difference in the number of~~  
24 ~~years between age at retirement and the attainment of age sixty-five.~~

25 ~~(b) On or after July 1, 2008, any member who has completed at~~  
26 ~~least thirty service credit years and has attained age fifty-five~~  
27 ~~shall be eligible to retire and to receive a retirement allowance~~  
28 ~~computed according to the provisions of RCW 41.40.790, except that a~~  
29 ~~member retiring pursuant to this subsection shall have the retirement~~  
30 ~~allowance reduced)) as follows:~~

Retirement	Percent
Age	Reduction
55	20%
56	17%
57	14%
58	11%
59	8%
60	5%

1	61	2%
2	62	0%
3	63	0%
4	64	0%

5        (~~Any member who retires under the provisions of this subsection~~  
6 ~~is ineligible for the postretirement employment provisions of RCW~~  
7 ~~41.40.037(2) (d) until the retired member has reached sixty-five years~~  
8 ~~of age. For purposes of this subsection, employment with an employer~~  
9 ~~also includes any personal service contract, service by an employer~~  
10 ~~as a temporary or project employee, or any other similar compensated~~  
11 ~~relationship with any employer included under the provisions of RCW~~  
12 ~~41.40.850(1).~~

13        The subsidized reductions for alternate early retirement in this  
14 subsection as set forth in section 10, chapter 491, Laws of 2007 were  
15 intended by the legislature as replacement benefits for gain-sharing.  
16 Until there is legal certainty with respect to the repeal of chapter  
17 41.31A RCW, the right to retire under this subsection is  
18 noncontractual, and the legislature reserves the right to amend or  
19 repeal this subsection. Legal certainty includes, but is not limited  
20 to, the expiration of any: Applicable limitations on actions; and  
21 periods of time for seeking appellate review, up to and including  
22 reconsideration by the Washington supreme court and the supreme court  
23 of the United States. Until that time, eligible members may still  
24 retire under this subsection, and upon receipt of the first  
25 installment of a retirement allowance computed under this subsection,  
26 the resulting benefit becomes contractual for the recipient. If the  
27 repeal of chapter 41.31A RCW is held to be invalid in a final  
28 determination of a court of law, and the court orders reinstatement  
29 of gain-sharing or other alternate benefits as a remedy, then  
30 retirement benefits for any member who has completed at least thirty  
31 service credit years and has attained age fifty-five but has not yet  
32 received the first installment of a retirement allowance under this  
33 subsection shall be computed using the reductions in (a) of this  
34 subsection.

35        ~~(e))~~ (b) Members who first become employed by an employer in an  
36 eligible position on or after May 1, 2013, are not eligible for the  
37 alternate early retirement provisions of (a) (~~or (b))~~) of this  
38 subsection. Any member who first becomes employed by an employer in

1 an eligible position on or after May 1, 2013, and has completed at  
2 least thirty service credit years and has attained age fifty-five  
3 shall be eligible to retire and to receive a retirement allowance  
4 computed according to the provisions of RCW 41.40.790, except that a  
5 member retiring pursuant to this subsection shall have the retirement  
6 allowance reduced by five percent per year to reflect the difference  
7 in the number of years between age at retirement and the attainment  
8 of age sixty-five.

9 NEW SECTION. **Sec. 7.** RCW 41.32.068 (Postretirement employment  
10 options) and 2016 c 233 s 7 are each repealed.

--- END ---