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**SENATE BILL 5661**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Senators Conway, Bailey, and Van De Wege; by request of Select Committee on Pension Policy and LEOFF Plan 2 Retirement Board

Read first time 01/25/19. Referred to Committee on Ways & Means.

1 AN ACT Relating to clarifying the written consent requirement for  
2 survivorship benefit options; and amending RCW 41.26.460, 41.32.530,  
3 41.32.785, 41.32.851, 41.35.220, 41.37.170, 41.40.188, 41.40.660,  
4 41.40.845, and 43.43.271.

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

6 **Sec. 1.** RCW 41.26.460 and 2009 c 523 s 5 are each amended to  
7 read as follows:

8 (1) Upon retirement for service as prescribed in RCW 41.26.430 or  
9 disability retirement under RCW 41.26.470, a member shall elect to  
10 have the retirement allowance paid pursuant to the following options,  
11 calculated so as to be actuarially equivalent to each other.

12 (a) Standard allowance. A member electing this option shall  
13 receive a retirement allowance payable throughout such member's life.  
14 However, if the retiree dies before the total of the retirement  
15 allowance paid to such retiree equals the amount of such retiree's  
16 accumulated contributions at the time of retirement, then the balance  
17 shall be paid to the member's estate, or such person or persons,  
18 trust, or organization as the retiree shall have nominated by written  
19 designation duly executed and filed with the department; or if there  
20 be no such designated person or persons still living at the time of  
21 the retiree's death, then to the surviving spouse or domestic

1 partner; or if there be neither such designated person or persons  
2 still living at the time of death nor a surviving spouse or domestic  
3 partner, then to the retiree's legal representative.

4 (b) The department shall adopt rules that allow a member to  
5 select a retirement option that pays the member a reduced retirement  
6 allowance and upon death, such portion of the member's reduced  
7 retirement allowance as the department by rule designates shall be  
8 continued throughout the life of and paid to a designated person.  
9 Such person shall be nominated by the member by written designation  
10 duly executed and filed with the department at the time of  
11 retirement. The options adopted by the department shall include, but  
12 are not limited to, a joint and one hundred percent survivor option  
13 and a joint and fifty percent survivor option.

14 (2)(a) A member, if married or a domestic partner, must provide  
15 the written consent of his or her spouse or domestic partner to the  
16 option selected under this section, except as provided in (b) and (c)  
17 of this subsection. If a member is married or a domestic partner and  
18 both the member and member's spouse or domestic partner do not give  
19 written consent to an option under this section, the department will  
20 pay the member a joint and fifty percent survivor benefit and record  
21 the member's spouse or domestic partner as the beneficiary. Such  
22 benefit shall be calculated to be actuarially equivalent to the  
23 benefit options available under subsection (1) of this section unless  
24 spousal or domestic partner consent is not required as provided in  
25 (b) and (c) of this subsection.

26 (b) Written consent from a spouse or domestic partner is not  
27 required if a member who is married or a domestic partner selects a  
28 joint and survivor option under subsection (1)(b) of this section and  
29 names the member's spouse or domestic partner as the survivor  
30 beneficiary.

31 (c) If a copy of a dissolution order designating a survivor  
32 beneficiary under RCW 41.50.790 has been filed with the department at  
33 least thirty days prior to a member's retirement:

34 (i) The department shall honor the designation as if made by the  
35 member under subsection (1) of this section; and

36 (ii) The spousal or domestic partner consent provisions of (a) of  
37 this subsection do not apply.

38 (3)(a) Any member who retired before January 1, 1996, and who  
39 elected to receive a reduced retirement allowance under subsection  
40 (1)(b) or (2) of this section is entitled to receive a retirement

1 allowance adjusted in accordance with (b) of this subsection, if they  
2 meet the following conditions:

3 (i) The retiree's designated beneficiary predeceases or has  
4 predeceased the retiree; and

5 (ii) The retiree provides to the department proper proof of the  
6 designated beneficiary's death.

7 (b) The retirement allowance payable to the retiree, as of July  
8 1, 1998, or the date of the designated beneficiary's death, whichever  
9 comes last, shall be increased by the percentage derived in (c) of  
10 this subsection.

11 (c) The percentage increase shall be derived by the following:

12 (i) One hundred percent multiplied by the result of (c)(ii) of  
13 this subsection converted to a percent;

14 (ii) Subtract one from the reciprocal of the appropriate joint  
15 and survivor option factor;

16 (iii) The joint and survivor option factor shall be from the  
17 table in effect as of July 1, 1998.

18 (d) The adjustment under (b) of this subsection shall accrue from  
19 the beginning of the month following the date of the designated  
20 beneficiary's death or from July 1, 1998, whichever comes last.

21 (4) No later than July 1, 2001, the department shall adopt rules  
22 that allow a member additional actuarially equivalent survivor  
23 benefit options, and shall include, but are not limited to:

24 (a)(i) A retired member who retired without designating a  
25 survivor beneficiary shall have the opportunity to designate their  
26 spouse or domestic partner from a postretirement marriage or domestic  
27 partnership as a survivor during a one-year period beginning one year  
28 after the date of the postretirement marriage or domestic partnership  
29 provided the retirement allowance payable to the retiree is not  
30 subject to periodic payments pursuant to a property division  
31 obligation as provided for in RCW 41.50.670.

32 (ii) A member who entered into a postretirement marriage or  
33 domestic partnership prior to the effective date of the rules adopted  
34 pursuant to this subsection and satisfies the conditions of (a)(i) of  
35 this subsection shall have one year to designate their spouse or  
36 domestic partner as a survivor beneficiary following the adoption of  
37 the rules.

38 (b) A retired member who elected to receive a reduced retirement  
39 allowance under this section and designated a nonspouse or a person  
40 not their domestic partner as survivor beneficiary shall have the

1 opportunity to remove the survivor designation and have their future  
2 benefit adjusted.

3 (c) The department may make an additional charge, if necessary,  
4 to ensure that the benefits provided under this subsection remain  
5 actuarially equivalent.

6 (5) No later than July 1, 2003, the department shall adopt rules  
7 to permit:

8 (a) A court-approved property settlement incident to a court  
9 decree of dissolution made before retirement to provide that benefits  
10 payable to a member who meets the length of service requirements of  
11 RCW 41.26.530(1) and the member's divorcing spouse or domestic  
12 partner be divided into two separate benefits payable over the life  
13 of each spouse or domestic partner.

14 The member shall have available the benefit options of subsection  
15 (1) of this section upon retirement, and if remarried or in a  
16 domestic partnership at the time of retirement remains subject to the  
17 spousal or domestic partner consent requirements of subsection (2) of  
18 this section. Any reductions of the member's benefit subsequent to  
19 the division into two separate benefits shall be made solely to the  
20 separate benefit of the member.

21 The nonmember ex spouse or former domestic partner shall be  
22 eligible to commence receiving their separate benefit upon reaching  
23 the ages provided in RCW 41.26.430(1) and after filing a written  
24 application with the department.

25 (b) A court-approved property settlement incident to a court  
26 decree of dissolution made after retirement may only divide the  
27 benefit into two separate benefits payable over the life of each  
28 spouse or domestic partner if the nonmember ex spouse or former  
29 domestic partner was selected as a survivor beneficiary at  
30 retirement.

31 The retired member may later choose the survivor benefit options  
32 available in subsection (4) of this section. Any actuarial reductions  
33 subsequent to the division into two separate benefits shall be made  
34 solely to the separate benefit of the member.

35 Both the retired member and the nonmember divorced spouse or  
36 domestic partner shall be eligible to commence receiving their  
37 separate benefits upon filing a copy of the dissolution order with  
38 the department in accordance with RCW 41.50.670.

39 (c) The department may make an additional charge or adjustment if  
40 necessary to ensure that the separate benefits provided under this

1 subsection are actuarially equivalent to the benefits payable prior  
2 to the decree of dissolution.

3 **Sec. 2.** RCW 41.32.530 and 2002 c 158 s 8 are each amended to  
4 read as follows:

5 (1) Upon an application for retirement for service under RCW  
6 41.32.480 or retirement for disability under RCW 41.32.550, approved  
7 by the department, every member shall receive the maximum retirement  
8 allowance available to him or her throughout life unless prior to the  
9 time the first installment thereof becomes due he or she has elected,  
10 by executing the proper application therefor, to receive the  
11 actuarial equivalent of his or her retirement allowance in reduced  
12 payments throughout his or her life with the following options:

13 (a) Standard allowance. If he or she dies before he or she has  
14 received the present value of his or her accumulated contributions at  
15 the time of his or her retirement in annuity payments, the unpaid  
16 balance shall be paid to his or her estate or to such person, trust,  
17 or organization as he or she shall have nominated by written  
18 designation executed and filed with the department.

19 (b) The department shall adopt rules that allow a member to  
20 select a retirement option that pays the member a reduced retirement  
21 allowance and upon death, such portion of the member's reduced  
22 retirement allowance as the department by rule designates shall be  
23 continued throughout the life of and paid to a person who has an  
24 insurable interest in the member's life. Such person shall be  
25 nominated by the member by written designation duly executed and  
26 filed with the department at the time of retirement. The options  
27 adopted by the department shall include, but are not limited to, a  
28 joint and one hundred percent survivor option and a joint and fifty  
29 percent survivor option.

30 (c) Such other benefits shall be paid to a member receiving a  
31 retirement allowance under RCW 41.32.497 as the member may designate  
32 for himself, herself, or others equal to the actuarial value of his  
33 or her retirement annuity at the time of his retirement: PROVIDED,  
34 That the board of trustees shall limit withdrawals of accumulated  
35 contributions to such sums as will not reduce the member's retirement  
36 allowance below one hundred and twenty dollars per month.

37 (d) A member whose retirement allowance is calculated under RCW  
38 41.32.498 may also elect to receive a retirement allowance based on  
39 options available under this subsection that includes the benefit

1 provided under RCW 41.32.770. This retirement allowance option shall  
2 also be calculated so as to be actuarially equivalent to the maximum  
3 retirement allowance and to the options available under this  
4 subsection.

5 (2) (a) A member, if married, must provide the written consent of  
6 his or her spouse to the option selected under this section, except  
7 as provided in (b) and (c) of this subsection. If a member is married  
8 and both the member and the member's spouse do not give written  
9 consent to an option under this section, the department will pay the  
10 member a joint and fifty percent survivor benefit and record the  
11 member's spouse as the beneficiary. Such benefit shall be calculated  
12 to be actuarially equivalent to the benefit options available under  
13 subsection (1) of this section unless spousal consent is not required  
14 as provided in (b) and (c) of this subsection.

15 (b) Written consent from a spouse or domestic partner is not  
16 required if a member who is married or a domestic partner selects a  
17 joint and survivor option under subsection (1)(b) of this section and  
18 names the member's spouse or domestic partner as the survivor  
19 beneficiary.

20 (c) If a copy of a dissolution order designating a survivor  
21 beneficiary under RCW 41.50.790 has been filed with the department at  
22 least thirty days prior to a member's retirement:

23 (i) The department shall honor the designation as if made by the  
24 member under subsection (1) of this section; and

25 (ii) The spousal consent provisions of (a) of this subsection do  
26 not apply.

27 (3) (a) Any member who retired before January 1, 1996, and who  
28 elected to receive a reduced retirement allowance under subsection  
29 (1)(b) or (2) of this section is entitled to receive a retirement  
30 allowance adjusted in accordance with (b) of this subsection, if they  
31 meet the following conditions:

32 (i) The retiree's designated beneficiary predeceases or has  
33 predeceased the retiree; and

34 (ii) The retiree provides to the department proper proof of the  
35 designated beneficiary's death.

36 (b) The retirement allowance payable to the retiree, as of July  
37 1, 1998, or the date of the designated beneficiary's death, whichever  
38 comes last, shall be increased by the percentage derived in (c) of  
39 this subsection.

40 (c) The percentage increase shall be derived by the following:

1 (i) One hundred percent multiplied by the result of (c)(ii) of  
2 this subsection converted to a percent;

3 (ii) Subtract one from the reciprocal of the appropriate joint  
4 and survivor option factor;

5 (iii) The joint and survivor option factor shall be from the  
6 table in effect as of July 1, 1998.

7 (d) The adjustment under (b) of this subsection shall accrue from  
8 the beginning of the month following the date of the designated  
9 beneficiary's death or from July 1, 1998, whichever comes last.

10 (4) No later than July 1, 2001, the department shall adopt rules  
11 that allow a member additional actuarially equivalent survivor  
12 benefit options, and shall include, but are not limited to:

13 (a)(i) A retired member who retired without designating a  
14 survivor beneficiary shall have the opportunity to designate their  
15 spouse from a postretirement marriage as a survivor during a one-year  
16 period beginning one year after the date of the postretirement  
17 marriage provided the retirement allowance payable to the retiree is  
18 not subject to periodic payments pursuant to a property division  
19 obligation as provided for in RCW 41.50.670.

20 (ii) A member who entered into a postretirement marriage prior to  
21 the effective date of the rules adopted pursuant to this subsection  
22 and satisfies the conditions of (a)(i) of this subsection shall have  
23 one year to designate their spouse as a survivor beneficiary  
24 following the adoption of the rules.

25 (b) A retired member who elected to receive a reduced retirement  
26 allowance under this section and designated a nonspouse as survivor  
27 beneficiary shall have the opportunity to remove the survivor  
28 designation and have their future benefit adjusted.

29 (c) The department may make an additional charge, if necessary,  
30 to ensure that the benefits provided under this subsection remain  
31 actuarially equivalent.

32 (5) No later than July 1, 2003, the department shall adopt rules  
33 to permit:

34 (a) A court-approved property settlement incident to a court  
35 decree of dissolution made before retirement to provide that benefits  
36 payable to a member who meets the length of service requirements of  
37 RCW 41.32.470 and the member's divorcing spouse be divided into two  
38 separate benefits payable over the life of each spouse.

39 The member shall have available the benefit options of subsection  
40 (1) of this section upon retirement, and if remarried at the time of

1 retirement remains subject to the spousal consent requirements of  
2 subsection (2) of this section. Any reductions of the member's  
3 benefit subsequent to the division into two separate benefits shall  
4 be made solely to the separate benefit of the member.

5 The nonmember ex spouse shall be eligible to commence receiving  
6 their separate benefit upon reaching the age provided in RCW  
7 41.32.480(2) and after filing a written application with the  
8 department.

9 (b) A court-approved property settlement incident to a court  
10 decree of dissolution made after retirement may only divide the  
11 benefit into two separate benefits payable over the life of each  
12 spouse if the nonmember ex spouse was selected as a survivor  
13 beneficiary at retirement.

14 The retired member may later choose the survivor benefit options  
15 available in subsection (4) of this section. Any actuarial reductions  
16 subsequent to the division into two separate benefits shall be made  
17 solely to the separate benefit of the member.

18 Both the retired member and the nonmember divorced spouse shall  
19 be eligible to commence receiving their separate benefits upon filing  
20 a copy of the dissolution order with the department in accordance  
21 with RCW 41.50.670.

22 (c) The separate single life benefits of the member and the  
23 nonmember ex spouse are not (i) subject to the minimum benefit  
24 provisions of RCW 41.32.4851, or (ii) the minimum benefit annual  
25 increase amount eligibility provisions of RCW 41.32.489 (2)(b) and  
26 (3)(a).

27 (d) The department may make an additional charge or adjustment if  
28 necessary to ensure that the separate benefits provided under this  
29 subsection are actuarially equivalent to the benefits payable prior  
30 to the decree of dissolution.

31 **Sec. 3.** RCW 41.32.785 and 2002 c 158 s 9 are each amended to  
32 read as follows:

33 (1) Upon retirement for service as prescribed in RCW 41.32.765 or  
34 retirement for disability under RCW 41.32.790, a member shall elect  
35 to have the retirement allowance paid pursuant to the following  
36 options, calculated so as to be actuarially equivalent to each other.

37 (a) Standard allowance. A member electing this option shall  
38 receive a retirement allowance payable throughout such member's life.  
39 However, if the retiree dies before the total of the retirement



1 allowance paid to such retiree equals the amount of such retiree's  
2 accumulated contributions at the time of retirement, then the balance  
3 shall be paid to the member's estate, or such person or persons,  
4 trust, or organization as the retiree shall have nominated by written  
5 designation duly executed and filed with the department; or if there  
6 be no such designated person or persons still living at the time of  
7 the retiree's death, then to the surviving spouse; or if there be  
8 neither such designated person or persons still living at the time of  
9 death nor a surviving spouse, then to the retiree's legal  
10 representative.

11 (b) The department shall adopt rules that allow a member to  
12 select a retirement option that pays the member a reduced retirement  
13 allowance and upon death, such portion of the member's reduced  
14 retirement allowance as the department by rule designates shall be  
15 continued throughout the life of and paid to a designated person.  
16 Such person shall be nominated by the member by written designation  
17 duly executed and filed with the department at the time of  
18 retirement. The options adopted by the department shall include, but  
19 are not limited to, a joint and one hundred percent survivor option  
20 and a joint and fifty percent survivor option.

21 (2)(a) A member, if married, must provide the written consent of  
22 his or her spouse to the option selected under this section, except  
23 as provided in (b) and (c) of this subsection. If a member is married  
24 and both the member and member's spouse do not give written consent  
25 to an option under this section, the department will pay the member a  
26 joint and fifty percent survivor benefit and record the member's  
27 spouse as the beneficiary. Such benefit shall be calculated to be  
28 actuarially equivalent to the benefit options available under  
29 subsection (1) of this section unless spousal consent is not required  
30 as provided in (b) and (c) of this subsection.

31 (b) Written consent from a spouse or domestic partner is not  
32 required if a member who is married or a domestic partner selects a  
33 joint and survivor option under subsection (1)(b) of this section and  
34 names the member's spouse or domestic partner as the survivor  
35 beneficiary.

36 (c) If a copy of a dissolution order designating a survivor  
37 beneficiary under RCW 41.50.790 has been filed with the department at  
38 least thirty days prior to a member's retirement:

39 (i) The department shall honor the designation as if made by the  
40 member under subsection (1) of this section; and

1 (ii) The spousal consent provisions of (a) of this subsection do  
2 not apply.

3 (3) (a) Any member who retired before January 1, 1996, and who  
4 elected to receive a reduced retirement allowance under subsection  
5 (1)(b) or (2) of this section is entitled to receive a retirement  
6 allowance adjusted in accordance with (b) of this subsection, if they  
7 meet the following conditions:

8 (i) The retiree's designated beneficiary predeceases or has  
9 predeceased the retiree; and

10 (ii) The retiree provides to the department proper proof of the  
11 designated beneficiary's death.

12 (b) The retirement allowance payable to the retiree, as of July  
13 1, 1998, or the date of the designated beneficiary's death, whichever  
14 comes last, shall be increased by the percentage derived in (c) of  
15 this subsection.

16 (c) The percentage increase shall be derived by the following:

17 (i) One hundred percent multiplied by the result of (c)(ii) of  
18 this subsection converted to a percent;

19 (ii) Subtract one from the reciprocal of the appropriate joint  
20 and survivor option factor;

21 (iii) The joint and survivor option factor shall be from the  
22 table in effect as of July 1, 1998.

23 (d) The adjustment under (b) of this subsection shall accrue from  
24 the beginning of the month following the date of the designated  
25 beneficiary's death or from July 1, 1998, whichever comes last.

26 (4) No later than July 1, 2001, the department shall adopt rules  
27 that allow a member additional actuarially equivalent survivor  
28 benefit options, and shall include, but are not limited to:

29 (a)(i) A retired member who retired without designating a  
30 survivor beneficiary shall have the opportunity to designate their  
31 spouse from a postretirement marriage as a survivor during a one-year  
32 period beginning one year after the date of the postretirement  
33 marriage provided the retirement allowance payable to the retiree is  
34 not subject to periodic payments pursuant to a property division  
35 obligation as provided for in RCW 41.50.670.

36 (ii) A member who entered into a postretirement marriage prior to  
37 the effective date of the rules adopted pursuant to this subsection  
38 and satisfies the conditions of (a)(i) of this subsection shall have  
39 one year to designate their spouse as a survivor beneficiary  
40 following the adoption of the rules.

1 (b) A retired member who elected to receive a reduced retirement  
2 allowance under this section and designated a nonspouse as survivor  
3 beneficiary shall have the opportunity to remove the survivor  
4 designation and have their future benefit adjusted.

5 (c) The department may make an additional charge, if necessary,  
6 to ensure that the benefits provided under this subsection remain  
7 actuarially equivalent.

8 (5) No later than July 1, 2003, the department shall adopt rules  
9 to permit:

10 (a) A court-approved property settlement incident to a court  
11 decree of dissolution made before retirement to provide that benefits  
12 payable to a member who meets the length of service requirements of  
13 RCW 41.32.815 and the member's divorcing spouse be divided into two  
14 separate benefits payable over the life of each spouse.

15 The member shall have available the benefit options of subsection  
16 (1) of this section upon retirement, and if remarried at the time of  
17 retirement remains subject to the spousal consent requirements of  
18 subsection (2) of this section. Any reductions of the member's  
19 benefit subsequent to the division into two separate benefits shall  
20 be made solely to the separate benefit of the member.

21 The nonmember ex spouse shall be eligible to commence receiving  
22 their separate benefit upon reaching the age provided in RCW  
23 41.32.765(1) and after filing a written application with the  
24 department.

25 (b) A court-approved property settlement incident to a court  
26 decree of dissolution made after retirement may only divide the  
27 benefit into two separate benefits payable over the life of each  
28 spouse if the nonmember ex spouse was selected as a survivor  
29 beneficiary at retirement.

30 The retired member may later choose the survivor benefit options  
31 available in subsection (4) of this section. Any actuarial reductions  
32 subsequent to the division into two separate benefits shall be made  
33 solely to the separate benefit of the member.

34 Both the retired member and the nonmember divorced spouse shall  
35 be eligible to commence receiving their separate benefits upon filing  
36 a copy of the dissolution order with the department in accordance  
37 with RCW 41.50.670.

38 (c) The department may make an additional charge or adjustment if  
39 necessary to ensure that the separate benefits provided under this

1 subsection are actuarially equivalent to the benefits payable prior  
2 to the decree of dissolution.

3 **Sec. 4.** RCW 41.32.851 and 2002 c 158 s 10 are each amended to  
4 read as follows:

5 (1) Upon retirement for service as prescribed in RCW 41.32.875 or  
6 retirement for disability under RCW 41.32.880, a member shall elect  
7 to have the retirement allowance paid pursuant to one of the  
8 following options, calculated so as to be actuarially equivalent to  
9 each other.

10 (a) Standard allowance. A member electing this option shall  
11 receive a retirement allowance payable throughout such member's life.  
12 Upon the death of the retired member, all benefits shall cease.

13 (b) The department shall adopt rules that allow a member to  
14 select a retirement option that pays the member a reduced retirement  
15 allowance and upon death, such portion of the member's reduced  
16 retirement allowance as the department by rule designates shall be  
17 continued throughout the life of and paid to such person or persons  
18 as the retiree shall have nominated by written designation duly  
19 executed and filed with the department at the time of retirement. The  
20 options adopted by the department shall include, but are not limited  
21 to, a joint and one hundred percent survivor option and joint and  
22 fifty percent survivor option.

23 (2)(a) A member, if married, must provide the written consent of  
24 his or her spouse to the option selected under this section, except  
25 as provided in (b) and (c) of this subsection. If a member is married  
26 and both the member and the member's spouse do not give written  
27 consent to an option under this section, the department shall pay a  
28 joint and fifty-percent survivor benefit calculated to be actuarially  
29 equivalent to the benefit options available under subsection (1) of  
30 this section unless spousal consent is not required as provided in  
31 (b) and (c) of this subsection.

32 (b) Written consent from a spouse or domestic partner is not  
33 required if a member who is married or a domestic partner selects a  
34 joint and survivor option under subsection (1)(b) of this section and  
35 names the member's spouse or domestic partner as the survivor  
36 beneficiary.

37 (c) If a copy of a dissolution order designating a survivor  
38 beneficiary under RCW 41.50.790 has been filed with the department at  
39 least thirty days prior to a member's retirement:

1 (i) The department shall honor the designation as if made by the  
2 member under subsection (1) of this section; and

3 (ii) The spousal consent provisions of (a) of this subsection do  
4 not apply.

5 (3) No later than July 1, 2001, the department shall adopt rules  
6 that allow a member additional actuarially equivalent survivor  
7 benefit options, and shall include, but are not limited to:

8 (a)(i) A retired member who retired without designating a  
9 survivor beneficiary shall have the opportunity to designate their  
10 spouse from a postretirement marriage as a survivor during a one-year  
11 period beginning one year after the date of the postretirement  
12 marriage provided the retirement allowance payable to the retiree is  
13 not subject to periodic payments pursuant to a property division  
14 obligation as provided for in RCW 41.50.670.

15 (ii) A member who entered into a postretirement marriage prior to  
16 the effective date of the rules adopted pursuant to this subsection  
17 and satisfies the conditions of (a)(i) of this subsection shall have  
18 one year to designate their spouse as a survivor beneficiary  
19 following the adoption of the rules.

20 (b) A retired member who elected to receive a reduced retirement  
21 allowance under this section and designated a nonspouse as survivor  
22 beneficiary shall have the opportunity to remove the survivor  
23 designation and have their future benefit adjusted.

24 (c) The department may make an additional charge, if necessary,  
25 to ensure that the benefits provided under this subsection remain  
26 actuarially equivalent.

27 (4) No later than July 1, 2003, the department shall adopt rules  
28 to permit:

29 (a) A court-approved property settlement incident to a court  
30 decree of dissolution made before retirement to provide that benefits  
31 payable to a member who meets the length of service requirements of  
32 RCW 41.32.875(1) and the member's divorcing spouse be divided into  
33 two separate benefits payable over the life of each spouse.

34 The member shall have available the benefit options of subsection  
35 (1) of this section upon retirement, and if remarried at the time of  
36 retirement remains subject to the spousal consent requirements of  
37 subsection (2) of this section. Any reductions of the member's  
38 benefit subsequent to the division into two separate benefits shall  
39 be made solely to the separate benefit of the member.

1 The nonmember ex spouse shall be eligible to commence receiving  
2 their separate benefit upon reaching the age provided in RCW  
3 41.32.875(1) and after filing a written application with the  
4 department.

5 (b) A court-approved property settlement incident to a court  
6 decree of dissolution made after retirement may only divide the  
7 benefit into two separate benefits payable over the life of each  
8 spouse if the nonmember ex spouse was selected as a survivor  
9 beneficiary at retirement.

10 The retired member may later choose the survivor benefit options  
11 available in subsection (3) of this section. Any actuarial reductions  
12 subsequent to the division into two separate benefits shall be made  
13 solely to the separate benefit of the member.

14 Both the retired member and the nonmember divorced spouse shall  
15 be eligible to commence receiving their separate benefits upon filing  
16 a copy of the dissolution order with the department in accordance  
17 with RCW 41.50.670.

18 ~~(c) ((Any benefit distributed pursuant to chapter 41.31A RCW  
19 after the date of the dissolution order creating separate benefits  
20 for a member and nonmember ex spouse shall be paid solely to the  
21 member.~~

22 ~~(d))~~ The department may make an additional charge or adjustment  
23 if necessary to ensure that the separate benefits provided under this  
24 subsection are actuarially equivalent to the benefits payable prior  
25 to the decree of dissolution.

26 **Sec. 5.** RCW 41.35.220 and 2002 c 158 s 11 are each amended to  
27 read as follows:

28 (1) Upon retirement for service as prescribed in RCW 41.35.420 or  
29 41.35.680 or retirement for disability under RCW 41.35.440 or  
30 41.35.690, a member shall elect to have the retirement allowance paid  
31 pursuant to one of the following options, calculated so as to be  
32 actuarially equivalent to each other.

33 (a) Standard allowance. A member electing this option shall  
34 receive a retirement allowance payable throughout such member's life.

35 (i) For members of plan 2, if the retiree dies before the total  
36 of the retirement allowance paid to such retiree equals the amount of  
37 such retiree's accumulated contributions at the time of retirement,  
38 then the balance shall be paid to the member's estate, or such person  
39 or persons, trust, or organization as the retiree shall have

1 nominated by written designation duly executed and filed with the  
2 department; or if there be no such designated person or persons still  
3 living at the time of the retiree's death, then to the surviving  
4 spouse; or if there be neither such designated person or persons  
5 still living at the time of death nor a surviving spouse, then to the  
6 retiree's legal representative.

7 (ii) For members of plan 3, upon the death of the retired member,  
8 the member's benefits shall cease.

9 (b) The department shall adopt rules that allow a member to  
10 select a retirement option that pays the member a reduced retirement  
11 allowance and upon death, such portion of the member's reduced  
12 retirement allowance as the department by rule designates shall be  
13 continued throughout the life of and paid to a person nominated by  
14 the member by written designation duly executed and filed with the  
15 department at the time of retirement. The options adopted by the  
16 department shall include, but are not limited to, a joint and one  
17 hundred percent survivor option and a joint and fifty percent  
18 survivor option.

19 (2)(a) A member, if married, must provide the written consent of  
20 his or her spouse to the option selected under this section, except  
21 as provided in (b) and (c) of this subsection. If a member is married  
22 and both the member and the member's spouse do not give written  
23 consent to an option under this section, the department shall pay a  
24 joint and fifty percent survivor benefit calculated to be actuarially  
25 equivalent to the benefit options available under subsection (1) of  
26 this section unless spousal consent is not required as provided in  
27 (b) and (c) of this subsection.

28 (b) Written consent from a spouse or domestic partner is not  
29 required if a member who is married or a domestic partner selects a  
30 joint and survivor option under subsection (1)(b) of this section and  
31 names the member's spouse or domestic partner as the survivor  
32 beneficiary.

33 (c) If a copy of a dissolution order designating a survivor  
34 beneficiary under RCW 41.50.790 has been filed with the department at  
35 least thirty days prior to a member's retirement:

36 (i) The department shall honor the designation as if made by the  
37 member under subsection (1) of this section; and

38 (ii) The spousal consent provisions of (a) of this subsection do  
39 not apply.

1 (3) No later than July 1, 2001, the department shall adopt rules  
2 that allow a member additional actuarially equivalent survivor  
3 benefit options, and shall include, but are not limited to:

4 (a)(i) A retired member who retired without designating a  
5 survivor beneficiary shall have the opportunity to designate their  
6 spouse from a postretirement marriage as a survivor during a one-year  
7 period beginning one year after the date of the postretirement  
8 marriage provided the retirement allowance payable to the retiree is  
9 not subject to periodic payments pursuant to a property division  
10 obligation as provided for in RCW 41.50.670.

11 (ii) A member who entered into a postretirement marriage prior to  
12 the effective date of the rules adopted pursuant to this subsection  
13 and satisfies the conditions of (a)(i) of this subsection shall have  
14 one year to designate their spouse as a survivor beneficiary  
15 following the adoption of the rules.

16 (b) A retired member who elected to receive a reduced retirement  
17 allowance under this section and designated a nonspouse as survivor  
18 beneficiary shall have the opportunity to remove the survivor  
19 designation and have their future benefit adjusted.

20 (c) The department may make an additional charge, if necessary,  
21 to ensure that the benefits provided under this subsection remain  
22 actuarially equivalent.

23 (4) No later than July 1, 2003, the department shall adopt rules  
24 to permit:

25 (a) A court-approved property settlement incident to a court  
26 decree of dissolution made before retirement to provide that benefits  
27 payable to a member of plan 2 who meets the length of service  
28 requirements of RCW 41.35.420, or a member of plan 3 who meets the  
29 length of service requirements of RCW 41.35.680(1), and the member's  
30 divorcing spouse be divided into two separate benefits payable over  
31 the life of each spouse.

32 The member shall have available the benefit options of subsection  
33 (1) of this section upon retirement, and if remarried at the time of  
34 retirement remains subject to the spousal consent requirements of  
35 subsection (2) of this section. Any reductions of the member's  
36 benefit subsequent to the division into two separate benefits shall  
37 be made solely to the separate benefit of the member.

38 The nonmember ex spouse shall be eligible to commence receiving  
39 their separate benefit upon reaching the ages provided in RCW  
40 41.35.420(1) for members of plan 2, or RCW 41.35.680(1) for members



1 of plan 3, and after filing a written application with the  
2 department.

3 (b) A court-approved property settlement incident to a court  
4 decree of dissolution made after retirement may only divide the  
5 benefit into two separate benefits payable over the life of each  
6 spouse if the nonmember ex spouse was selected as a survivor  
7 beneficiary at retirement.

8 The retired member may later choose the survivor benefit options  
9 available in subsection (3) of this section. Any actuarial reductions  
10 subsequent to the division into two separate benefits shall be made  
11 solely to the separate benefit of the member.

12 Both the retired member and the nonmember divorced spouse shall  
13 be eligible to commence receiving their separate benefits upon filing  
14 a copy of the dissolution order with the department in accordance  
15 with RCW 41.50.670.

16 ~~(c) ((Any benefit distributed pursuant to chapter 41.31A RCW  
17 after the date of the dissolution order creating separate benefits  
18 for a member and nonmember ex spouse shall be paid solely to the  
19 member.~~

20 ~~(d))~~ The department may make an additional charge or adjustment  
21 if necessary to ensure that the separate benefits provided under this  
22 subsection are actuarially equivalent to the benefits payable prior  
23 to the decree of dissolution.

24 **Sec. 6.** RCW 41.37.170 and 2004 c 242 s 23 are each amended to  
25 read as follows:

26 (1) Upon retirement for service as prescribed in RCW 41.37.210 or  
27 retirement for disability under RCW 41.37.230, a member shall elect  
28 to have the retirement allowance paid pursuant to one of the  
29 following options, calculated so as to be actuarially equivalent to  
30 each other.

31 (a) Standard allowance. A member electing this option shall  
32 receive a retirement allowance payable throughout the member's life.  
33 If the retiree dies before the total of the retirement allowance paid  
34 to the retiree equals the amount of the retiree's accumulated  
35 contributions at the time of retirement, then the balance shall be  
36 paid to the member's estate, or the person or persons, trust, or  
37 organization the retiree nominated by written designation duly  
38 executed and filed with the department; or if there is no designated  
39 person or persons still living at the time of the retiree's death,

1 then to the surviving spouse; or if there is neither a designated  
2 person or persons still living at the time of death nor a surviving  
3 spouse, then to the retiree's legal representative.

4 (b) The department shall adopt rules that allow a member to  
5 select a retirement option that pays the member a reduced retirement  
6 allowance and upon death, the portion of the member's reduced  
7 retirement allowance as the department by rule designates shall be  
8 continued throughout the life of and paid to a person nominated by  
9 the member by written designation duly executed and filed with the  
10 department at the time of retirement. The options adopted by the  
11 department shall include, but are not limited to, a joint and one  
12 hundred percent survivor option and a joint and fifty percent  
13 survivor option.

14 (2)(a) A member, if married, must provide the written consent of  
15 his or her spouse to the option selected under this section, except  
16 as provided in (b) and (c) of this subsection. If a member is married  
17 and both the member and the member's spouse do not give written  
18 consent to an option under this section, the department shall pay a  
19 joint and fifty percent survivor benefit calculated to be actuarially  
20 equivalent to the benefit options available under subsection (1) of  
21 this section unless spousal consent is not required as provided in  
22 (b) and (c) of this subsection.

23 (b) Written consent from a spouse or domestic partner is not  
24 required if a member who is married or a domestic partner selects a  
25 joint and survivor option under subsection (1)(b) of this section and  
26 names the member's spouse or domestic partner as the survivor  
27 beneficiary.

28 (c) If a copy of a dissolution order designating a survivor  
29 beneficiary under RCW 41.50.790 has been filed with the department at  
30 least thirty days prior to a member's retirement:

31 (i) The department shall honor the designation as if made by the  
32 member under subsection (1) of this section; and

33 (ii) The spousal consent provisions of (a) of this subsection do  
34 not apply.

35 (3) The department shall adopt rules that allow a member  
36 additional actuarially equivalent survivor benefit options, and shall  
37 include, but are not limited to:

38 (a)(i) A retired member who retired without designating a  
39 survivor beneficiary shall have the opportunity to designate their  
40 spouse from a postretirement marriage as a survivor during a one-year

1 period beginning one year after the date of the postretirement  
2 marriage provided the retirement allowance payable to the retiree is  
3 not subject to periodic payments pursuant to a property division  
4 obligation as provided for in RCW 41.50.670.

5 (ii) A member who entered into a postretirement marriage prior to  
6 the effective date of the rules adopted pursuant to this subsection  
7 and satisfies the conditions of (a)(i) of this subsection shall have  
8 one year to designate their spouse as a survivor beneficiary  
9 following the adoption of the rules.

10 (b) A retired member who elected to receive a reduced retirement  
11 allowance under this section and designated a nonspouse as survivor  
12 beneficiary shall have the opportunity to remove the survivor  
13 designation and have their future benefit adjusted.

14 (c) The department may make an additional charge, if necessary,  
15 to ensure that the benefits provided under this subsection remain  
16 actuarially equivalent.

17 (4) The department shall adopt rules to permit:

18 (a) A court-approved property settlement incident to a court  
19 decree of dissolution made before retirement to provide that benefits  
20 payable to a member who meets the length of service requirements of  
21 RCW 41.37.210 and the member's divorcing spouse be divided into two  
22 separate benefits payable over the life of each spouse.

23 The member shall have available the benefit options of subsection  
24 (1) of this section upon retirement, and if remarried at the time of  
25 retirement remains subject to the spousal consent requirements of  
26 subsection (2) of this section. Any reductions of the member's  
27 benefit subsequent to the division into two separate benefits shall  
28 be made solely to the separate benefit of the member.

29 The nonmember ex spouse shall be eligible to commence receiving  
30 their separate benefit upon reaching the age provided in RCW  
31 41.37.210(1) and after filing a written application with the  
32 department.

33 (b) A court-approved property settlement incident to a court  
34 decree of dissolution made after retirement may only divide the  
35 benefit into two separate benefits payable over the life of each  
36 spouse if the nonmember ex spouse was selected as a survivor  
37 beneficiary at retirement.

38 The retired member may later choose the survivor benefit options  
39 available in subsection (3) of this section. Any actuarial reductions

1 subsequent to the division into two separate benefits shall be made  
2 solely to the separate benefit of the member.

3 Both the retired member and the nonmember divorced spouse shall  
4 be eligible to commence receiving their separate benefits upon filing  
5 a copy of the dissolution order with the department in accordance  
6 with RCW 41.50.670.

7 (c) The department may make an additional charge or adjustment if  
8 necessary to ensure that the separate benefits provided under this  
9 subsection are actuarially equivalent to the benefits payable prior  
10 to the decree of dissolution.

11 **Sec. 7.** RCW 41.40.188 and 2002 c 158 s 12 are each amended to  
12 read as follows:

13 (1) Upon retirement for service as prescribed in RCW 41.40.180 or  
14 retirement for disability under RCW 41.40.210 or 41.40.230, a member  
15 shall elect to have the retirement allowance paid pursuant to one of  
16 the following options calculated so as to be actuarially equivalent  
17 to each other.

18 (a) Standard allowance. A member electing this option shall  
19 receive a retirement allowance payable throughout such member's life.  
20 However, if the retiree dies before the total of the retirement  
21 allowance paid to such retiree equals the amount of such retiree's  
22 accumulated contributions at the time of retirement, then the balance  
23 shall be paid to the member's estate, or such person or persons,  
24 trust, or organization as the retiree shall have nominated by written  
25 designation duly executed and filed with the department; or if there  
26 be no such designated person or persons still living at the time of  
27 the retiree's death, then to the surviving spouse; or if there be  
28 neither such designated person or persons still living at the time of  
29 death nor a surviving spouse, then to the retiree's legal  
30 representative.

31 (b) The department shall adopt rules that allow a member to  
32 select a retirement option that pays the member a reduced retirement  
33 allowance and upon death, such portion of the member's reduced  
34 retirement allowance as the department by rule designates shall be  
35 continued throughout the life of and paid to a person nominated by  
36 the member by written designation duly executed and filed with the  
37 department at the time of retirement. The options adopted by the  
38 department shall include, but are not limited to, a joint and one

1 hundred percent survivor option and a joint and fifty percent  
2 survivor option.

3 (c) A member may elect to include the benefit provided under RCW  
4 41.40.640 along with the retirement options available under this  
5 section. This retirement allowance option shall be calculated so as  
6 to be actuarially equivalent to the options offered under this  
7 subsection.

8 (2)(a) A member, if married, must provide the written consent of  
9 his or her spouse to the option selected under this section, except  
10 as provided in (b) and (c) of this subsection. If a member is married  
11 and both the member and the member's spouse do not give written  
12 consent to an option under this section, the department shall pay a  
13 joint and fifty percent survivor benefit calculated to be actuarially  
14 equivalent to the benefit options available under subsection (1) of  
15 this section unless spousal consent is not required as provided in  
16 (b) and (c) of this subsection.

17 (b) Written consent from a spouse or domestic partner is not  
18 required if a member who is married or a domestic partner selects a  
19 joint and survivor option under subsection (1)(b) of this section and  
20 names the member's spouse or domestic partner as the survivor  
21 beneficiary.

22 (c) If a copy of a dissolution order designating a survivor  
23 beneficiary under RCW 41.50.790 has been filed with the department at  
24 least thirty days prior to a member's retirement:

25 (i) The department shall honor the designation as if made by the  
26 member under subsection (1) of this section; and

27 (ii) The spousal consent provisions of (a) of this subsection do  
28 not apply.

29 (3)(a) Any member who retired before January 1, 1996, and who  
30 elected to receive a reduced retirement allowance under subsection  
31 (1)(b) or (2) of this section is entitled to receive a retirement  
32 allowance adjusted in accordance with (b) of this subsection, if they  
33 meet the following conditions:

34 (i) The retiree's designated beneficiary predeceases or has  
35 predeceased the retiree; and

36 (ii) The retiree provides to the department proper proof of the  
37 designated beneficiary's death.

38 (b) The retirement allowance payable to the retiree, as of July  
39 1, 1998, or the date of the designated beneficiary's death, whichever

1 comes last, shall be increased by the percentage derived in (c) of  
2 this subsection.

3 (c) The percentage increase shall be derived by the following:

4 (i) One hundred percent multiplied by the result of (c)(ii) of  
5 this subsection converted to a percent;

6 (ii) Subtract one from the reciprocal of the appropriate joint  
7 and survivor option factor;

8 (iii) The joint and survivor option factor shall be from the  
9 table in effect as of July 1, 1998.

10 (d) The adjustment under (b) of this subsection shall accrue from  
11 the beginning of the month following the date of the designated  
12 beneficiary's death or from July 1, 1998, whichever comes last.

13 (4) No later than July 1, 2001, the department shall adopt rules  
14 that allow a member additional actuarially equivalent survivor  
15 benefit options, and shall include, but are not limited to:

16 (a)(i) A retired member who retired without designating a  
17 survivor beneficiary shall have the opportunity to designate their  
18 spouse from a postretirement marriage as a survivor during a one-year  
19 period beginning one year after the date of the postretirement  
20 marriage provided the retirement allowance payable to the retiree is  
21 not subject to periodic payments pursuant to a property division  
22 obligation as provided for in RCW 41.50.670.

23 (ii) A member who entered into a postretirement marriage prior to  
24 the effective date of the rules adopted pursuant to this subsection  
25 and satisfies the conditions of (a)(i) of this subsection shall have  
26 one year to designate their spouse as a survivor beneficiary  
27 following the adoption of the rules.

28 (b) A retired member who elected to receive a reduced retirement  
29 allowance under this section and designated a nonspouse as survivor  
30 beneficiary shall have the opportunity to remove the survivor  
31 designation and have their future benefit adjusted.

32 (c) The department may make an additional charge, if necessary,  
33 to ensure that the benefits provided under this subsection remain  
34 actuarially equivalent.

35 (5) No later than July 1, 2003, the department shall adopt rules  
36 to permit:

37 (a) A court-approved property settlement incident to a court  
38 decree of dissolution made before retirement to provide that benefits  
39 payable to a member who meets the length of service requirements of

1 RCW 41.40.180(1) and the member's divorcing spouse be divided into  
2 two separate benefits payable over the life of each spouse.

3 The member shall have available the benefit options of subsection  
4 (1) of this section upon retirement, and if remarried at the time of  
5 retirement remains subject to the spousal consent requirements of  
6 subsection (2) of this section. Any reductions of the member's  
7 benefit subsequent to the division into two separate benefits shall  
8 be made solely to the separate benefit of the member.

9 The nonmember ex spouse shall be eligible to commence receiving  
10 their separate benefit upon reaching the age provided in RCW  
11 41.40.180(1) and after filing a written application with the  
12 department.

13 (b) A court-approved property settlement incident to a court  
14 decree of dissolution made after retirement may only divide the  
15 benefit into two separate benefits payable over the life of each  
16 spouse if the nonmember ex spouse was selected as a survivor  
17 beneficiary at retirement.

18 The retired member may later choose the survivor benefit options  
19 available in subsection (4) of this section. Any actuarial reductions  
20 subsequent to the division into two separate benefits shall be made  
21 solely to the separate benefit of the member.

22 Both the retired member and the nonmember divorced spouse shall  
23 be eligible to commence receiving their separate benefits upon filing  
24 a copy of the dissolution order with the department in accordance  
25 with RCW 41.50.670.

26 (c) The separate single life benefits of the member and the  
27 nonmember ex spouse are not (i) subject to the minimum benefit  
28 provisions of RCW 41.40.1984, or (ii) the minimum benefit annual  
29 increase amount eligibility provisions of RCW 41.40.197 (2)(b) (~~and~~  
30 ~~(3)(a)~~)).

31 (d) The department may make an additional charge or adjustment if  
32 necessary to ensure that the separate benefits provided under this  
33 subsection are actuarially equivalent to the benefits payable prior  
34 to the decree of dissolution.

35 **Sec. 8.** RCW 41.40.660 and 2003 c 294 s 6 are each amended to  
36 read as follows:

37 (1) Upon retirement for service as prescribed in RCW 41.40.630 or  
38 retirement for disability under RCW 41.40.670, a member shall elect  
39 to have the retirement allowance paid pursuant to one of the

1 following options, calculated so as to be actuarially equivalent to  
2 each other.

3 (a) Standard allowance. A member electing this option shall  
4 receive a retirement allowance payable throughout such member's life.  
5 However, if the retiree dies before the total of the retirement  
6 allowance paid to such retiree equals the amount of such retiree's  
7 accumulated contributions at the time of retirement, then the balance  
8 shall be paid to the member's estate, or such person or persons,  
9 trust, or organization as the retiree shall have nominated by written  
10 designation duly executed and filed with the department; or if there  
11 be no such designated person or persons still living at the time of  
12 the retiree's death, then to the surviving spouse; or if there be  
13 neither such designated person or persons still living at the time of  
14 death nor a surviving spouse, then to the retiree's legal  
15 representative.

16 (b) The department shall adopt rules that allow a member to  
17 select a retirement option that pays the member a reduced retirement  
18 allowance and upon death, such portion of the member's reduced  
19 retirement allowance as the department by rule designates shall be  
20 continued throughout the life of and paid to a person nominated by  
21 the member by written designation duly executed and filed with the  
22 department at the time of retirement. The options adopted by the  
23 department shall include, but are not limited to, a joint and one  
24 hundred percent survivor option and a joint and fifty percent  
25 survivor option.

26 (2)(a) A member, if married, must provide the written consent of  
27 his or her spouse to the option selected under this section, except  
28 as provided in (b) and (c) of this subsection. If a member is married  
29 and both the member and the member's spouse do not give written  
30 consent to an option under this section, the department shall pay a  
31 joint and fifty percent survivor benefit calculated to be actuarially  
32 equivalent to the benefit options available under subsection (1) of  
33 this section unless spousal consent is not required as provided in  
34 (b) and (c) of this subsection.

35 (b) Written consent from a spouse or domestic partner is not  
36 required if a member who is married or a domestic partner selects a  
37 joint and survivor option under subsection (1)(b) of this section and  
38 names the member's spouse or domestic partner as the survivor  
39 beneficiary.



1       (c) If a copy of a dissolution order designating a survivor  
2 beneficiary under RCW 41.50.790 has been filed with the department at  
3 least thirty days prior to a member's retirement:

4       (i) The department shall honor the designation as if made by the  
5 member under subsection (1) of this section; and

6       (ii) The spousal consent provisions of (a) of this subsection do  
7 not apply.

8       (3)(a) Any member who retired before January 1, 1996, and who  
9 elected to receive a reduced retirement allowance under subsection  
10 (1)(b) or (2) of this section is entitled to receive a retirement  
11 allowance adjusted in accordance with (b) of this subsection, if they  
12 meet the following conditions:

13       (i) The retiree's designated beneficiary predeceases or has  
14 predeceased the retiree; and

15       (ii) The retiree provides to the department proper proof of the  
16 designated beneficiary's death.

17       (b) The retirement allowance payable to the retiree, as of July  
18 1, 1998, or the date of the designated beneficiary's death, whichever  
19 comes last, shall be increased by the percentage derived in (c) of  
20 this subsection.

21       (c) The percentage increase shall be derived by the following:

22       (i) One hundred percent multiplied by the result of (c)(ii) of  
23 this subsection converted to a percent;

24       (ii) Subtract one from the reciprocal of the appropriate joint  
25 and survivor option factor;

26       (iii) The joint and survivor option factor shall be from the  
27 table in effect as of July 1, 1998.

28       (d) The adjustment under (b) of this subsection shall accrue from  
29 the beginning of the month following the date of the designated  
30 beneficiary's death or from July 1, 1998, whichever comes last.

31       (4) No later than July 1, 2001, the department shall adopt rules  
32 that allow a member additional actuarially equivalent survivor  
33 benefit options, and shall include, but are not limited to:

34       (a)(i) A retired member who retired without designating a  
35 survivor beneficiary shall have the opportunity to designate their  
36 spouse from a postretirement marriage as a survivor during a one-year  
37 period beginning one year after the date of the postretirement  
38 marriage provided the retirement allowance payable to the retiree is  
39 not subject to periodic payments pursuant to a property division  
40 obligation as provided for in RCW 41.50.670.

1 (ii) A member who entered into a postretirement marriage prior to  
2 the effective date of the rules adopted pursuant to this subsection  
3 and satisfies the conditions of (a)(i) of this subsection shall have  
4 one year to designate their spouse as a survivor beneficiary  
5 following the adoption of the rules.

6 (b) A retired member who elected to receive a reduced retirement  
7 allowance under this section and designated a nonspouse as survivor  
8 beneficiary shall have the opportunity to remove the survivor  
9 designation and have their future benefit adjusted.

10 (c) The department may make an additional charge, if necessary,  
11 to ensure that the benefits provided under this subsection remain  
12 actuarially equivalent.

13 (5) No later than July 1, 2003, the department shall adopt rules  
14 to permit:

15 (a) A court-approved property settlement incident to a court  
16 decree of dissolution made before retirement to provide that benefits  
17 payable to a member who meets the length of service requirements of  
18 RCW 41.40.720 and the member's divorcing spouse be divided into two  
19 separate benefits payable over the life of each spouse.

20 The member shall have available the benefit options of subsection  
21 (1) of this section upon retirement, and if remarried at the time of  
22 retirement remains subject to the spousal consent requirements of  
23 subsection (2) of this section. Any reductions of the member's  
24 benefit subsequent to the division into two separate benefits shall  
25 be made solely to the separate benefit of the member.

26 The nonmember ex spouse shall be eligible to commence receiving  
27 their separate benefit upon reaching the age provided in RCW  
28 41.40.630(1) and after filing a written application with the  
29 department.

30 (b) A court-approved property settlement incident to a court  
31 decree of dissolution made after retirement may only divide the  
32 benefit into two separate benefits payable over the life of each  
33 spouse if the nonmember ex spouse was selected as a survivor  
34 beneficiary at retirement.

35 The retired member may later choose the survivor benefit options  
36 available in subsection (4) of this section. Any actuarial reductions  
37 subsequent to the division into two separate benefits shall be made  
38 solely to the separate benefit of the member.

39 Both the retired member and the nonmember divorced spouse shall  
40 be eligible to commence receiving their separate benefits upon filing

1 a copy of the dissolution order with the department in accordance  
2 with RCW 41.50.670.

3 (c) The department may make an additional charge or adjustment if  
4 necessary to ensure that the separate benefits provided under this  
5 subsection are actuarially equivalent to the benefits payable prior  
6 to the decree of dissolution.

7 **Sec. 9.** RCW 41.40.845 and 2003 c 294 s 9 are each amended to  
8 read as follows:

9 (1) Upon retirement for service as prescribed in RCW 41.40.820 or  
10 retirement for disability under RCW 41.40.825, a member shall elect  
11 to have the retirement allowance paid pursuant to one of the  
12 following options, calculated so as to be actuarially equivalent to  
13 each other.

14 (a) Standard allowance. A member electing this option shall  
15 receive a retirement allowance payable throughout such member's life.  
16 Upon the death of the member, the member's benefits shall cease.

17 (b) The department shall adopt rules that allow a member to  
18 select a retirement option that pays the member a reduced retirement  
19 allowance and upon death, such portion of the member's reduced  
20 retirement allowance as the department by rule designates shall be  
21 continued throughout the life of and paid to a person nominated by  
22 the member by written designation duly executed and filed with the  
23 department at the time of retirement. The options adopted by the  
24 department shall include, but are not limited to, a joint and one  
25 hundred percent survivor option and a joint and fifty percent  
26 survivor option.

27 (2)(a) A member, if married, must provide the written consent of  
28 his or her spouse to the option selected under this section, except  
29 as provided in (b) and (c) of this subsection. If a member is married  
30 and both the member and the member's spouse do not give written  
31 consent to an option under this section, the department shall pay a  
32 joint and fifty percent survivor benefit calculated to be actuarially  
33 equivalent to the benefit options available under subsection (1) of  
34 this section unless spousal consent is not required as provided in  
35 (b) and (c) of this subsection.

36 (b) Written consent from a spouse or domestic partner is not  
37 required if a member who is married or a domestic partner selects a  
38 joint and survivor option under subsection (1)(b) of this section and

1 names the member's spouse or domestic partner as the survivor  
2 beneficiary.

3 (c) If a copy of a dissolution order designating a survivor  
4 beneficiary under RCW 41.50.790 has been filed with the department at  
5 least thirty days prior to a member's retirement:

6 (i) The department shall honor the designation as if made by the  
7 member under subsection (1) of this section; and

8 (ii) The spousal consent provisions of (a) of this subsection do  
9 not apply.

10 (3) No later than July 1, 2002, the department shall adopt rules  
11 that allow a member additional actuarially equivalent survivor  
12 benefit options, and shall include, but are not limited to:

13 (a)(i) A retired member who retired without designating a  
14 survivor beneficiary shall have the opportunity to designate their  
15 spouse from a postretirement marriage as a survivor during a one-year  
16 period beginning one year after the date of the postretirement  
17 marriage provided the retirement allowance payable to the retiree is  
18 not subject to periodic payments pursuant to a property division  
19 obligation as provided for in RCW 41.50.670.

20 (ii) A member who entered into a postretirement marriage prior to  
21 the effective date of the rules adopted under this section and  
22 satisfies the conditions of (a)(i) of this subsection shall have one  
23 year to designate their spouse as a survivor beneficiary following  
24 the adoption of the rules.

25 (b) A retired member who elected to receive a reduced retirement  
26 allowance under this section and designated a nonspouse as survivor  
27 beneficiary shall have the opportunity to remove the survivor  
28 designation and have their future benefit adjusted.

29 (c) The department may make an additional charge, if necessary,  
30 to ensure that the benefits provided under this subsection remain  
31 actuarially equivalent.

32 (4) No later than July 1, 2003, the department shall adopt rules  
33 to permit:

34 (a) A court-approved property settlement incident to a court  
35 decree of dissolution made before retirement to provide that benefits  
36 payable to a member who meets the length of service requirements of  
37 RCW 41.40.820(1) and the member's divorcing spouse be divided into  
38 two separate benefits payable over the life of each spouse.

39 The member shall have available the benefit options of subsection  
40 (1) of this section upon retirement, and if remarried at the time of

1 retirement remains subject to the spousal consent requirements of  
2 subsection (2) of this section. Any reductions of the member's  
3 benefit subsequent to the division into two separate benefits shall  
4 be made solely to the separate benefit of the member.

5 The nonmember ex spouse shall be eligible to commence receiving  
6 their separate benefit upon reaching the age provided in RCW  
7 41.40.820(1) and after filing a written application with the  
8 department.

9 (b) A court-approved property settlement incident to a court  
10 decree of dissolution made after retirement may only divide the  
11 benefit into two separate benefits payable over the life of each  
12 spouse if the nonmember ex spouse was selected as a survivor  
13 beneficiary at retirement.

14 The retired member may later choose the survivor benefit options  
15 available in subsection (3) of this section. Any actuarial reductions  
16 subsequent to the division into two separate benefits shall be made  
17 solely to the separate benefit of the member.

18 Both the retired member and the nonmember divorced spouse shall  
19 be eligible to commence receiving their separate benefits upon filing  
20 a copy of the dissolution order with the department in accordance  
21 with RCW 41.50.670.

22 ~~(c) ((Any benefit distributed under chapter 41.31A RCW after the  
23 date of the dissolution order creating separate benefits for a member  
24 and nonmember ex spouse shall be paid solely to the member.~~

25 ~~(d))~~ The department may make an additional charge or adjustment  
26 if necessary to ensure that the separate benefits provided under this  
27 subsection are actuarially equivalent to the benefits payable prior  
28 to the decree of dissolution.

29 **Sec. 10.** RCW 43.43.271 and 2009 c 522 s 4 are each amended to  
30 read as follows:

31 (1) A member commissioned on or after January 1, 2003, upon  
32 retirement for service as prescribed in RCW 43.43.250 shall elect to  
33 have the retirement allowance paid pursuant to the following options,  
34 calculated so as to be actuarially equivalent to each other.

35 (a) Standard allowance. A member electing this option shall  
36 receive a retirement allowance payable throughout the member's life.  
37 However, if the retiree dies before the total of the retirement  
38 allowance paid to the retiree equals the amount of the retiree's  
39 accumulated contributions at the time of retirement, then the balance

1 shall be paid to the member's estate, or such person or persons,  
2 trust, or organization as the retiree shall have nominated by written  
3 designation duly executed and filed with the department; or if there  
4 be no such designated person or persons still living at the time of  
5 the retiree's death, then to the surviving spouse or domestic  
6 partner; or if there be neither such designated person or persons  
7 still living at the time of death nor a surviving spouse or domestic  
8 partner, then to the retiree's legal representative.

9 (b) The department shall adopt rules that allow a member to  
10 select a retirement option that pays the member a reduced retirement  
11 allowance and upon death, such portion of the member's reduced  
12 retirement allowance as the department by rule designates shall be  
13 continued throughout the life of and paid to a designated person.  
14 Such person shall be nominated by the member by written designation  
15 duly executed and filed with the department at the time of  
16 retirement. The options adopted by the department shall include, but  
17 are not limited to, a joint and one hundred percent survivor option  
18 and a joint and fifty percent survivor option.

19 (2)(a) A member, if married or in a domestic partnership, must  
20 provide the written consent of his or her spouse or domestic partner  
21 to the option selected under this section, except as provided in (b)  
22 and (c) of this subsection. If a member is married or in a domestic  
23 partnership and both the member and member's spouse or domestic  
24 partner do not give written consent to an option under this section,  
25 the department will pay the member a joint and fifty percent survivor  
26 benefit and record the member's spouse or domestic partner as the  
27 beneficiary. This benefit shall be calculated to be actuarially  
28 equivalent to the benefit options available under subsection (1) of  
29 this section unless consent by the spouse or domestic partner is not  
30 required as provided in (b) and (c) of this subsection.

31 (b) Written consent from a spouse or domestic partner is not  
32 required if a member who is married or a domestic partner selects a  
33 joint and survivor option under subsection (1)(b) of this section and  
34 names the member's spouse or domestic partner as the survivor  
35 beneficiary.

36 (c) If a copy of a dissolution order designating a survivor  
37 beneficiary under RCW 41.50.790 has been filed with the department at  
38 least thirty days prior to a member's retirement:

39 (i) The department shall honor the designation as if made by the  
40 member under subsection (1) of this section; and

1 (ii) The spouse or domestic partner consent provisions of (a) of  
2 this subsection do not apply.

3 (3) No later than January 1, 2003, the department shall adopt  
4 rules that allow a member additional actuarially equivalent survivor  
5 benefit options, and shall include, but are not limited to:

6 (a)(i) A retired member who retired without designating a  
7 survivor beneficiary shall have the opportunity to designate their  
8 spouse or domestic partner from a postretirement marriage or domestic  
9 partnership as a survivor during a one-year period beginning one year  
10 after the date of the postretirement marriage or domestic partnership  
11 provided the retirement allowance payable to the retiree is not  
12 subject to periodic payments pursuant to a property division  
13 obligation as provided for in RCW 41.50.670.

14 (ii) A member who entered into a postretirement marriage or  
15 domestic partnership prior to the effective date of the rules adopted  
16 pursuant to this subsection and satisfies the conditions of (a)(i) of  
17 this subsection shall have one year to designate their spouse or  
18 domestic partner as a survivor beneficiary following the adoption of  
19 the rules.

20 (b) A retired member who elected to receive a reduced retirement  
21 allowance under this section and designated a nonspouse or a  
22 nondomestic partner as survivor beneficiary shall have the  
23 opportunity to remove the survivor designation and have their future  
24 benefit adjusted.

25 (c) The department may make an additional charge, if necessary,  
26 to ensure that the benefits provided under this subsection remain  
27 actuarially equivalent.

28 (4) No later than July 1, 2003, the department shall adopt rules  
29 to permit:

30 (a) A court-approved property settlement incident to a court  
31 decree of dissolution made before retirement to provide that benefits  
32 payable to a member who has completed at least five years of service  
33 and the member's divorcing spouse or former domestic partner be  
34 divided into two separate benefits payable over the life of each  
35 spouse or domestic partner.

36 The member shall have available the benefit options of subsection  
37 (1) of this section upon retirement, and if remarried or in a  
38 domestic partnership at the time of retirement remains subject to the  
39 spouse or domestic partner consent requirements of subsection (2) of  
40 this section. Any reductions of the member's benefit subsequent to

1 the division into two separate benefits shall be made solely to the  
2 separate benefit of the member.

3 The nonmember ex spouse or former domestic partner shall be  
4 eligible to commence receiving their separate benefit upon reaching  
5 the ages provided in RCW 43.43.250(2) and after filing a written  
6 application with the department.

7 (b) A court-approved property settlement incident to a court  
8 decree of dissolution made after retirement may only divide the  
9 benefit into two separate benefits payable over the life of each  
10 spouse or domestic partner if the nonmember ex spouse or former  
11 domestic partner was selected as a survivor beneficiary at  
12 retirement.

13 The retired member may later choose the survivor benefit options  
14 available in subsection (3) of this section. Any actuarial reductions  
15 subsequent to the division into two separate benefits shall be made  
16 solely to the separate benefit of the member.

17 Both the retired member and the nonmember divorced spouse or  
18 former domestic partner shall be eligible to commence receiving their  
19 separate benefits upon filing a copy of the dissolution order with  
20 the department in accordance with RCW 41.50.670.

21 (c) The department may make an additional charge or adjustment if  
22 necessary to ensure that the separate benefits provided under this  
23 subsection are actuarially equivalent to the benefits payable prior  
24 to the decree of dissolution.

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