

CERTIFICATION OF ENROLLMENT

SENATE BILL 5296

67th Legislature
2021 Regular Session

Passed by the Senate February 23,
2021

Yeas 48 Nays 0

President of the Senate

Passed by the House April 6, 2021

Yeas 98 Nays 0

**Speaker of the House of
Representatives**

Approved

Governor of the State of Washington

CERTIFICATE

I, Brad Hendrickson, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5296** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

SENATE BILL 5296

Passed Legislature - 2021 Regular Session

State of Washington

67th Legislature

2021 Regular Session

By Senators Schoesler, Conway, Dozier, Muzzall, Rivers, Van De Wege, and Warnick; by request of Select Committee on Pension Policy

Read first time 01/20/21. Referred to Committee on Ways & Means.

1 AN ACT Relating to the definition of index for the Washington
2 state patrol retirement system; and reenacting and amending RCW
3 43.43.260.

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

5 **Sec. 1.** RCW 43.43.260 and 2009 c 522 s 2 and 2009 c 205 s 9 are
6 each reenacted and amended to read as follows:

7 Upon retirement from service as provided in RCW 43.43.250, a
8 member shall be granted a retirement allowance which shall consist
9 of:

10 (1) A prior service allowance which shall be equal to two percent
11 of the member's average final salary multiplied by the number of
12 years of prior service rendered by the member.

13 (2) A current service allowance which shall be equal to two
14 percent of the member's average final salary multiplied by the number
15 of years of service rendered while a member of the retirement system.

16 (3)(a) Any member commissioned prior to January 1, 2003, with
17 twenty-five years service in the Washington state patrol may have the
18 member's service in the uniformed services credited as a member
19 whether or not the individual left the employ of the Washington state
20 patrol to enter such uniformed services: PROVIDED, That in no
21 instance shall military service in excess of five years be credited:

1 AND PROVIDED FURTHER, That in each instance, a member must restore
2 all withdrawn accumulated contributions, which restoration must be
3 completed on the date of the member's retirement, or as provided
4 under RCW 43.43.130, whichever occurs first: AND PROVIDED FURTHER,
5 That this section shall not apply to any individual, not a veteran
6 within the meaning of RCW 41.06.150.

7 (b) A member who leaves the Washington state patrol to enter the
8 uniformed services of the United States shall be entitled to
9 retirement system service credit for up to five years of military
10 service. This subsection shall be administered in a manner consistent
11 with the requirements of the federal uniformed services employment
12 and reemployment rights act.

13 (i) The member qualifies for service credit under this subsection
14 if:

15 (A) Within ninety days of the member's honorable discharge from
16 the uniformed services of the United States, the member applies for
17 reemployment with the employer who employed the member immediately
18 prior to the member entering the uniformed services; and

19 (B) The member makes the employee contributions required under
20 RCW 41.45.0631 and 41.45.067 within five years of resumption of
21 service or prior to retirement, whichever comes sooner; or

22 (C) Prior to retirement and not within ninety days of the
23 member's honorable discharge or five years of resumption of service
24 the member pays the amount required under RCW 41.50.165(2); or

25 (D) If the member was commissioned on or after January 1, 2003,
26 and, prior to retirement, the member provides to the director proof
27 that the member's interruptive military service was during a period
28 of war as defined in RCW 41.04.005. Any member who made payments for
29 service credit for interruptive military service during a period of
30 war as defined in RCW 41.04.005 may, prior to retirement and on a
31 form provided by the department, request a refund of the funds
32 standing to his or her credit for up to five years of such service,
33 and this amount shall be paid to him or her. Members with one or more
34 periods of interruptive military service credit during a period of
35 war may receive no more than five years of free retirement system
36 service credit under this subsection.

37 (ii) Upon receipt of member contributions under (b) (i) (B),
38 (b) (iv) (C), and (b) (v) (C) of this subsection, or adequate proof under
39 (b) (i) (D), (b) (iv) (D), or (b) (v) (D) of this subsection, the
40 department shall establish the member's service credit and shall bill

1 the employer for its contribution required under RCW 41.45.060 for
2 the period of military service, plus interest as determined by the
3 department.

4 (iii) The contributions required under (b)(i)(B), (b)(iv)(C), and
5 (b)(v)(C) of this subsection shall be based on the compensation the
6 member would have earned if not on leave, or if that cannot be
7 estimated with reasonable certainty, the compensation reported for
8 the member in the year prior to when the member went on military
9 leave.

10 (iv) The surviving spouse or lawful domestic partner or eligible
11 child or children of a member who left the employ of an employer to
12 enter the uniformed services of the United States and died while
13 serving in the uniformed services may, on behalf of the deceased
14 member, apply for retirement system service credit under this
15 subsection up to the date of the member's death in the uniformed
16 services. The department shall establish the deceased member's
17 service credit if the surviving spouse or lawful domestic partner or
18 eligible child or children:

19 (A) Provides to the director proof of the member's death while
20 serving in the uniformed services;

21 (B) Provides to the director proof of the member's honorable
22 service in the uniformed services prior to the date of death; and

23 (C) If the member was commissioned on or after January 1, 2003,
24 pays the employee contributions required under chapter 41.45 RCW
25 within five years of the date of death or prior to the distribution
26 of any benefit, whichever comes first; or

27 (D) If the member was commissioned on or after January 1, 2003,
28 and, prior to the distribution of any benefit, provides to the
29 director proof that the member's interruptive military service was
30 during a period of war as defined in RCW 41.04.005. If the deceased
31 member made payments for service credit for interruptive military
32 service during a period of war as defined in RCW 41.04.005, the
33 surviving spouse or eligible child or children may, prior to the
34 distribution of any benefit and on a form provided by the department,
35 request a refund of the funds standing to the deceased member's
36 credit for up to five years of such service, and this amount shall be
37 paid to the surviving spouse or children. Members with one or more
38 periods of interruptive military service during a period of war may
39 receive no more than five years of free retirement system service
40 credit under this subsection.

1 (v) A member who leaves the employ of an employer to enter the
2 uniformed services of the United States and becomes totally
3 incapacitated for continued employment by an employer while serving
4 in the uniformed services is entitled to retirement system service
5 credit under this subsection up to the date of discharge from the
6 uniformed services if:

7 (A) The member obtains a determination from the director that he
8 or she is totally incapacitated for continued employment due to
9 conditions or events that occurred while serving in the uniformed
10 services;

11 (B) The member provides to the director proof of honorable
12 discharge from the uniformed services; and

13 (C) If the member was commissioned on or after January 1, 2003,
14 the member pays the employee contributions required under chapter
15 41.45 RCW within five years of the director's determination of total
16 disability or prior to the distribution of any benefit, whichever
17 comes first; or

18 (D) If the member was commissioned on or after January 1, 2003,
19 and, prior to retirement, the member provides to the director proof
20 that the member's interruptive military service was during a period
21 of war as defined in RCW 41.04.005. Any member who made payments for
22 service credit for interruptive military service during a period of
23 war as defined in RCW 41.04.005 may, prior to retirement and on a
24 form provided by the department, request a refund of the funds
25 standing to his or her credit for up to five years of such service,
26 and this amount shall be paid to him or her. Members with one or more
27 periods of interruptive military service during a period of war may
28 receive no more than five years of free retirement system service
29 credit under this subsection.

30 (4) In no event shall the total retirement benefits from
31 subsections (1), (2), and (3) of this section, of any member exceed
32 seventy-five percent of the member's average final salary.

33 (5) Beginning July 1, 2001, and every year thereafter, the
34 department shall determine the following information for each retired
35 member or beneficiary whose retirement allowance has been in effect
36 for at least one year:

37 (a) The original dollar amount of the retirement allowance;

38 (b) The index for the calendar year prior to the effective date
39 of the retirement allowance, to be known as "index A";

1 (c) The index for the calendar year prior to the date of
2 determination, to be known as "index B"; and

3 (d) The ratio obtained when index B is divided by index A.

4 The value of the ratio obtained shall be the annual adjustment to
5 the original retirement allowance and shall be applied beginning with
6 the July payment. In no event, however, shall the annual adjustment:

7 (i) Produce a retirement allowance which is lower than the
8 original retirement allowance;

9 (ii) Exceed three percent in the initial annual adjustment; or

10 (iii) Differ from the previous year's annual adjustment by more
11 than three percent.

12 For the purposes of this section, "index" means, for any calendar
13 year, that year's average consumer price index for the Seattle(~~-~~
14 ~~Tacoma-Bremerton~~), Washington area for urban wage earners and
15 clerical workers, all items, compiled by the bureau of labor
16 statistics, United States department of labor.

17 The provisions of this section shall apply to all members
18 presently retired and to all members who shall retire in the future.

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