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**HOUSE BILL 2034**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Representatives Ormsby, Fitzgibbon, Gregerson, and Macri

1 AN ACT Relating to termination and restatement of plan 1 of the  
2 law enforcement officers' and firefighters' retirement system;  
3 amending RCW 41.26.010, 41.26.040, 41.26.061, 2.10.155, 6.15.020,  
4 26.09.138, 28B.15.380, 28B.15.520, 35.21.935, 35A.21.380, 36.28A.010,  
5 41.04.205, 41.04.270, 41.04.350, 41.04.393, 41.04.400, 41.04.440,  
6 41.04.450, 41.04.803, 41.05.320, 41.16.020, 41.16.060, 41.16.145,  
7 41.18.015, 41.18.104, 41.18.210, 41.20.010, 41.20.170, 41.20.175,  
8 41.24.400, 41.32.800, 41.32.802, 41.32.860, 41.32.862, 41.35.060,  
9 41.35.230, 41.37.050, 41.37.180, 41.40.010, 41.40.037, 41.40.059,  
10 41.40.690, 41.40.850, 41.45.010, 41.45.020, 41.45.050, 41.45.060,  
11 41.48.030, 41.48.050, 41.50.030, 41.50.033, 41.50.055, 41.50.075,  
12 41.50.080, 41.50.090, 41.50.110, 41.50.112, 41.50.150, 41.50.255,  
13 41.50.500, 41.50.650, 41.50.670, 41.50.700, 41.56.030, 46.52.130,  
14 49.44.160, 51.08.142, 51.32.050, 51.32.185, 72.72.060, and 41.45.230;  
15 reenacting and amending RCW 41.26.030, 41.05.011, 43.79A.040,  
16 43.79A.040, 43.84.092, and 43.84.092; adding a new section to chapter  
17 41.26 RCW; adding a new chapter to Title 41 RCW; creating new  
18 sections; repealing RCW 41.26.005, 41.26.035, 41.26.045, 41.26.046,  
19 41.26.047, 41.26.075, 41.26.080, 41.26.090, 41.26.100, 41.26.105,  
20 41.26.110, 41.26.115, 41.26.120, 41.26.125, 41.26.130, 41.26.135,  
21 41.26.140, 41.26.150, 41.26.160, 41.26.161, 41.26.162, 41.26.164,  
22 41.26.170, 41.26.190, 41.26.192, 41.26.194, 41.26.195, 41.26.197,  
23 41.26.199, 41.26.200, 41.26.211, 41.26.221, 41.26.240, 41.26.250,

1 41.26.260, 41.26.270, 41.26.281, 41.26.291, 41.26.3901, 41.26.3902,  
2 41.26.3903, and 41.26.410; prescribing penalties; providing effective  
3 dates; and providing an expiration date.

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

5 **PART I**  
6 **GENERALLY**

7 NEW SECTION. **Sec. 101.** LEGISLATIVE FINDINGS AND DECLARATION.

8 The legislature finds that plan 1 of the Washington law enforcement  
9 officers' and firefighters' retirement system (LEOFF plan 1) has been  
10 closed to new members for nearly a quarter of a century and is now  
11 comprised almost entirely of retirees and survivor beneficiaries.  
12 Similarly, employers and employees have made no contributions to the  
13 plan for nearly a quarter of a century, and over the life of the  
14 plan, over 80 percent of all funds contributed have been from the  
15 state through general fund—state appropriations.

16 As of January 2025, only four active members remain in the plan,  
17 as compared to 6,000 annuitants. LEOFF plan 1 has far exceeded full  
18 funding and has assets which exceed all projected future liabilities,  
19 has a surplus of more than \$3,300,000,000 today, and no significant  
20 amount of additional benefits can be earned in the plan. By the date  
21 most of this act is effective, June 30, 2029, LEOFF plan 1 is  
22 projected to reach more than 200 percent of full funding.

23 The supreme court of the state of Washington, in the 1972  
24 decision *Weaver v. Evans*, established that the firefighters and  
25 police officers, active and retired, have a constitutionally  
26 protected contractual right to a secure retirement benefit, funded on  
27 a systematic basis. The legislature recognizes that the state of  
28 Washington is the ultimate guarantor of the LEOFF plan 1 retirement  
29 benefits. While members have a constitutionally protected right to  
30 the pension benefits that are provided as part of their contract of  
31 employment, there is no such right in surplus assets which are  
32 unnecessary to the actuarial soundness of the retirement plan.

33 The state retains the inherent power to terminate a retirement  
34 plan and, upon the dedication of sufficient resources to ensure the  
35 actuarial soundness of the benefits promised, is entitled to a  
36 reversion of the surplus assets upon termination of the plan.

1 The legislature has determined that, in order to accomplish the  
2 foregoing goals and objectives, it is in the best interest of the  
3 members and beneficiaries of LEOFF plan 1 that the plan be terminated  
4 and that a restated retirement plan created. It is further determined  
5 to be in the best interest of the health, safety, and welfare of the  
6 citizens of the state that surplus assets remaining after adequate  
7 actuarial provision for the obligated retirement benefits revert to  
8 the state.

9 It is the intent of the legislature that the LEOFF plan 1  
10 termination be performed in accordance with the provisions of the  
11 federal internal revenue code that apply to state government pension  
12 plans and in recognition of the contract rights of the members and  
13 beneficiaries of the plan to an actuarially sound retirement program.  
14 Between the enactment of this law and the termination and restatement  
15 of LEOFF plan 1, the legislature intends to make any changes  
16 necessary to conform with federal requirements following receipt of  
17 formal guidance from the federal internal revenue service.

18 NEW SECTION. **Sec. 102.** TERMINATION OF LEOFF PLAN 1. Plan 1 of  
19 the Washington law enforcement officers' and firefighters' retirement  
20 system (LEOFF plan 1) is hereby terminated, effective June 30, 2029.  
21 During the transition between the termination of LEOFF plan 1 and the  
22 establishment of the restated law enforcement officers' and  
23 firefighters' retirement system, all LEOFF plan 1 benefits, as they  
24 existed prior to termination and restatement, shall continue without  
25 interruption.

26 NEW SECTION. **Sec. 103.** RESTATED LAW ENFORCEMENT OFFICERS' AND  
27 FIREFIGHTERS' RETIREMENT SYSTEM ESTABLISHED. The restated law  
28 enforcement officers' and firefighters' retirement system is hereby  
29 established as provided in this chapter. The restated law enforcement  
30 officers' and firefighters' retirement system established by this  
31 chapter may also be referred to by statute and rule as the law  
32 enforcement officers' and firefighters' retirement system plan 1. The  
33 restated law enforcement plan does not create benefits for members  
34 and beneficiaries different than, nor in addition to, those that  
35 existed prior to termination and restatement, with the exception of  
36 vesting benefits for nonvested members upon the creation of the  
37 restated plan in section 318 of this act.

1        NEW SECTION.    **Sec. 104.**    RESTATED LAW ENFORCEMENT OFFICERS' AND  
2 FIREFIGHTERS' DEFINED BENEFIT RETIREMENT FUND ESTABLISHED. (1) The  
3 restated law enforcement officers' and firefighters' defined benefit  
4 retirement fund is created in the custody of the state treasurer. The  
5 fund shall consist of assets transferred from the Washington law  
6 enforcement officers' and firefighters' system plan 1 retirement  
7 fund, investment earnings, and other amounts deposited to the fund.  
8 At direction of the director of retirement systems, the state  
9 treasurer shall transfer to the restated law enforcement officers'  
10 and firefighters' defined benefit retirement fund an amount equal to  
11 120 percent of the actuarial present value of the fully projected  
12 benefits of plan 1 of the Washington law enforcement officers' and  
13 firefighters' retirement system based on the most recent actuarial  
14 valuation projected to a measurement date of the effective date of  
15 this section. On direction of the director of retirement systems, the  
16 state treasurer shall transfer this amount, to the restated law  
17 enforcement officers' and firefighters' defined benefit retirement  
18 fund.

19        (2) The pension funding council shall conduct an independent  
20 audit of the calculation of the present value amount determined by  
21 the state actuary. The transfer of these assets to the restated law  
22 enforcement officers' and firefighters' defined benefit retirement  
23 fund shall occur on the effective date of this section. The remaining  
24 assets in the Washington law enforcement officers' and firefighters'  
25 system plan 1 retirement fund shall be deposited in the pension  
26 funding stabilization account and continue to be invested by the  
27 state investment board until otherwise directed by law.

28        (3) Expenditures from the restated law enforcement officers' and  
29 firefighters' defined benefit retirement fund may be used only for  
30 the purposes of this chapter. Only the director of retirement systems  
31 or the director's designee may authorize expenditures from the fund.  
32 No appropriation is required for expenditures.

33        (4) The director of retirement systems may direct the state  
34 treasurer, subsequent to the transfer of assets under sections 101  
35 through 105 of this act, to make such additional transfers as are  
36 necessary to reconcile the amounts transferred and the requirements  
37 of sections 101 through 105 of this act.

38        NEW SECTION.    **Sec. 105.**    INVESTMENT OF FUNDS. (1) The state  
39 investment board has the full power to invest, reinvest, manage,

1 contract, sell, or exchange investment money in (a) the restated law  
2 enforcement officers' and firefighters' defined benefit retirement  
3 fund and (b) the pension funding stabilization account. All  
4 investment and operating costs of the state investment board and the  
5 state treasurer associated with these funds shall be paid under RCW  
6 43.08.190, 43.33A.160, 43.79A.040, and 43.84.160. With the exception  
7 of these expenses, the earnings from the investment of the funds  
8 shall be retained by the funds.

9 (2) All investments made by the state investment board shall be  
10 made with the exercise of that degree of judgment and care under RCW  
11 43.33A.140 and the investment policy established by the state  
12 investment board.

13 (3) As deemed appropriate by the state investment board, money in  
14 the funds may be commingled for investment with other funds under the  
15 investment authority of the board.

16 NEW SECTION. **Sec. 106.** RESERVATION OF RIGHTS. The legislature  
17 reserves the right to make such amendments and modifications as may  
18 be necessary in the future to accomplish the goals of sections 101  
19 through 108 of this act, without any diminution of the rights and  
20 benefits of the LEOFF plan 1 members, retirees, and surviving  
21 spouses, as they existed prior to the effective date of this section.

22 NEW SECTION. **Sec. 107.** STATUTE OF LIMITATIONS. Any claim filed  
23 challenging the validity of sections 101 through 108 of this act not  
24 filed before June 30, 2027, is forever barred, if not already barred  
25 by an otherwise applicable statute of limitations. As an urgent issue  
26 of broad public importance that requires prompt and ultimate  
27 determination, any such claim is subject to direct review by the  
28 supreme court of Washington. By the effective date of this section,  
29 the department of retirement systems shall send notification of the  
30 provisions of this act and specifically of the limitations of this  
31 section, by first-class mail, to the last known address of each plan  
32 1 active member, retiree, and spousal survivor.

33 NEW SECTION. **Sec. 108.** A new section is added to chapter 41.26  
34 RCW to be codified under the subchapter heading "PLAN 1" to read as  
35 follows:

36 The remaining active members have all achieved the normal  
37 retirement age for a public safety employees' plan under federal law.

1 This means that, if authorized by state law, benefit distributions  
2 may begin even if the member continues employment with an employer.  
3 In order to facilitate the prompt and orderly transition of LEOFF  
4 plan 1 to a fully retired plan, a member of the law enforcement  
5 officers' and firefighters' retirement that:

6 (1) Was employed as an active member of the law enforcement  
7 officers' and firefighters' retirement system plan 1 on February 1,  
8 2025, and has remained continuously employed in a LEOFF plan 1  
9 position since that time; and

10 (2) No later than January 1, 2026, notifies the department of  
11 retirement systems in writing that they elect to immediately and  
12 irrevocably enter annuitant status and commence payment of benefits;  
13 Shall receive, in addition to a retirement benefit calculated under  
14 the provisions of RCW 41.26.090 and 41.26.100: An additional five  
15 years of service credit for purposes of calculating his or her  
16 service retirement allowance; and a one-time lump sum benefit of  
17 \$25,000.

18 NEW SECTION. **Sec. 109.** The department of retirement systems,  
19 following the obligation to administer the retirement plans  
20 consistent with the requirements of the federal internal revenue  
21 code, shall seek appropriate guidance to ensure the continuous  
22 compliance of the LEOFF plan 1 and the restated law enforcement  
23 officers' and firefighters' retirement system. In the event that the  
24 federal internal revenue service formally concludes that legislative  
25 changes are needed for the orderly termination and restatement of the  
26 LEOFF plan 1 by June 30, 2029, those findings and recommendations for  
27 responding to those findings shall be promptly submitted to the  
28 governor and the appropriate committees of the house of  
29 representatives and the senate.

30 **PART II**

31 **AMENDMENTS TO CHAPTER 41.26 RCW**

32 **Sec. 201.** RCW 41.26.010 and 1969 ex.s. c 209 s 1 are each  
33 amended to read as follows:

34 This chapter shall be known and cited as the "Washington Law  
35 Enforcement Officers' and Firefighters' Retirement System—Plan 2  
36 Act."

1       **Sec. 202.** RCW 41.26.030 and 2024 c 319 s 4 and 2024 c 304 s 202  
2 are each reenacted and amended to read as follows:

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

5       (1) "Accumulated contributions" means the employee's  
6 contributions made by a member, including any amount paid under RCW  
7 41.50.165(2), plus accrued interest credited thereon.

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

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

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

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

35       ~~((i))~~ (a) The basic salary the member would have received had  
36 such member not served in the legislature; or

37       ~~((ii))~~ (b) Such member's actual basic salary received for  
38 nonlegislative public employment and legislative service combined.  
39 Any additional contributions to the retirement system required  
40 because basic salary under ~~((b)(i))~~ (a) of this subsection is

1 greater than basic salary under ~~((b)(ii) of)~~ this subsection (4)(b)  
2 shall be paid by the member for both member and employer  
3 contributions.

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

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

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

15 (i) A natural born child;

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

18 (iii) A posthumous child;

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

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

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

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

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

33 (9) ~~("Disability board" for plan 1 members means either the~~  
34 ~~county disability board or the city disability board established in~~  
35 ~~RCW 41.26.110.~~

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



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

4 ~~(12)) "Domestic partners" means two adults who have registered~~  
5 ~~as domestic partners under RCW 26.60.020.~~

6 ~~((13))~~ (10) "Employee" means any law enforcement officer or  
7 firefighter as defined in subsections ~~((17) and (19))~~ (14) and (16)  
8 of this section.

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

20 ~~(b))~~ (11)(a) "Employer" ~~((for plan 2 members,))~~ means the  
21 following entities to the extent that the entity employs any law  
22 enforcement officer and/or firefighter:

23 (i) The legislative authority of any city, town, county,  
24 district, public corporation, or regional fire protection service  
25 authority established under RCW 35.21.730 to provide emergency  
26 medical services as defined in RCW 18.73.030;

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

28 (iii) The governing body of any other general authority law  
29 enforcement agency;

30 (iv) A four-year institution of higher education having a fully  
31 operational fire department as of January 1, 1996; or

32 (v) The department of social and health services or the  
33 department of corrections when employing firefighters serving at a  
34 prison or civil commitment center on an island.

35 ~~((e))~~ (b) Except as otherwise specifically provided in this  
36 chapter, "employer" does not include a government contractor. For  
37 purposes of this subsection, a "government contractor" is any entity,  
38 including a partnership, limited liability company, for-profit or  
39 nonprofit corporation, or person, that provides services pursuant to  
40 a contract with an "employer." The determination whether an employer-

1 employee relationship has been established is not based on the  
2 relationship between a government contractor and an "employer," but  
3 is based solely on the relationship between a government contractor's  
4 employee and an "employer" under this chapter.

5 ~~((15)(a) "Final average salary" for plan 1 members, means (i)~~  
6 ~~for a member holding the same position or rank for a minimum of~~  
7 ~~twelve months preceding the date of retirement, the basic salary~~  
8 ~~attached to such same position or rank at time of retirement; (ii)~~  
9 ~~for any other member, including a civil service member who has not~~  
10 ~~served a minimum of twelve months in the same position or rank~~  
11 ~~preceding the date of retirement, the average of the greatest basic~~  
12 ~~salaries payable to such member during any consecutive twenty-four~~  
13 ~~month period within such member's last ten years of service for which~~  
14 ~~service credit is allowed, computed by dividing the total basic~~  
15 ~~salaries payable to such member during the selected twenty-four month~~  
16 ~~period by twenty-four; (iii) in the case of disability of any member,~~  
17 ~~the basic salary payable to such member at the time of disability~~  
18 ~~retirement; (iv) in the case of a member who hereafter vests pursuant~~  
19 ~~to RCW 41.26.090, the basic salary payable to such member at the time~~  
20 ~~of vesting.~~

21 ~~(b))~~ (12)(a) "Final average salary" ~~((for plan 2 members,))~~  
22 means the monthly average of the member's basic salary for the  
23 highest consecutive sixty service credit months of service prior to  
24 such member's retirement, termination, or death. Periods constituting  
25 authorized unpaid leaves of absence may not be used in the  
26 calculation of final average salary.

27 ~~((e))~~ (b) In calculating final average salary under (a) ~~((or~~  
28 ~~(b))~~ of this subsection, the department of retirement systems shall  
29 include:

30 (i) Any compensation forgone by a member employed by a state  
31 agency or institution during the 2009-2011 fiscal biennium as a  
32 result of reduced work hours, mandatory or voluntary leave without  
33 pay, temporary reduction in pay implemented prior to December 11,  
34 2010, or temporary layoffs if the reduced compensation is an integral  
35 part of the employer's expenditure reduction efforts, as certified by  
36 the employer;

37 (ii) Any compensation forgone by a member employed by the state  
38 or a local government employer during the 2011-2013 fiscal biennium  
39 as a result of reduced work hours, mandatory leave without pay,  
40 temporary layoffs, or reductions to current pay if the reduced

1 compensation is an integral part of the employer's expenditure  
2 reduction efforts, as certified by the employer. Reductions to  
3 current pay shall not include elimination of previously agreed upon  
4 future salary increases; and

5 (iii) Any compensation forgone by a member employed by the state  
6 or a local government employer during the 2019-2021 and 2021-2023  
7 fiscal biennia as a result of reduced work hours, mandatory leave  
8 without pay, temporary layoffs, furloughs, reductions to current pay,  
9 or other similar measures resulting from the COVID-19 budgetary  
10 crisis, if the reduced compensation is an integral part of the  
11 employer's expenditure reduction efforts, as certified by the  
12 employer. Reductions to current pay shall not include elimination of  
13 previously agreed upon future salary increases.

14 ~~((16))~~ (13) "Fire department" includes a fire station operated  
15 by the department of social and health services or the department of  
16 corrections when employing firefighters serving a prison or civil  
17 commitment center on an island.

18 ~~((17))~~ (14) "Firefighter" means:

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

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

25 (c) Supervisory firefighter personnel;

26 (d) ~~((Any full time executive secretary of an association of fire  
27 protection districts authorized under RCW 52.12.031. The provisions  
28 of this subsection (17)(d) shall not apply to plan 2 members;~~

29 ~~(e) The executive secretary of a labor guild, association or  
30 organization (which is an employer under subsection (14) of this  
31 section), if such individual has five years previous membership in a  
32 retirement system established in chapter 41.16 or 41.18 RCW. The  
33 provisions of this subsection (17)(e) shall not apply to plan 2  
34 members;~~

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

39 ~~((g) Any person who on March 1, 1970, was employed on a full  
40 time, fully compensated basis by an employer, and who on May 21,~~

1 1971, ~~was making retirement contributions under the provisions of~~  
2 ~~chapter 41.16 or 41.18 RCW;~~

3 ~~(h))~~ (e) Any person who is employed on a full-time, fully  
4 compensated basis by an employer as an emergency medical technician  
5 that meets the requirements of RCW 18.71.200 or 18.73.030(13), and  
6 whose duties include providing emergency medical services as defined  
7 in RCW 18.73.030; and

8 ~~((i))~~ (f) Personnel serving on a full-time, fully compensated  
9 basis as an employee of a fire department in positions that  
10 necessitate experience as a firefighter to perform the essential  
11 functions of those positions.

12 ~~((18))~~ (15) "General authority law enforcement agency" means  
13 any agency, department, or division of a municipal corporation,  
14 political subdivision, or other unit of local government of this  
15 state, the government of a federally recognized tribe, and any  
16 agency, department, or division of state government, having as its  
17 primary function the detection and apprehension of persons committing  
18 infractions or violating the traffic or criminal laws in general, but  
19 not including the Washington state patrol. Such an agency,  
20 department, or division is distinguished from a limited authority law  
21 enforcement agency having as one of its functions the apprehension or  
22 detection of persons committing infractions or violating the traffic  
23 or criminal laws relating to limited subject areas, including but not  
24 limited to, the state departments of natural resources and social and  
25 health services, the state gambling commission, the state lottery  
26 commission, the state parks and recreation commission, the state  
27 utilities and transportation commission, the state liquor and  
28 cannabis board, and the state department of corrections. A general  
29 authority law enforcement agency under this chapter does not include  
30 a government contractor.

31 ~~((19))~~ (16) "Law enforcement officer" beginning January 1,  
32 1994, means any person who is commissioned and employed by an  
33 employer on a full time, fully compensated basis to enforce the  
34 criminal laws of the state of Washington generally, with the  
35 following qualifications:

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

39 (b) Only those deputy sheriffs, including those serving under a  
40 different title pursuant to county charter, who have successfully

1 completed a civil service examination for deputy sheriff or the  
2 equivalent position, where a different title is used, and those  
3 persons serving in unclassified positions authorized by RCW 41.14.070  
4 except a private secretary will be considered law enforcement  
5 officers;

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

12 ~~((The term "law enforcement officer" also includes the  
13 executive secretary of a labor guild, association or organization  
14 (which is an employer under subsection (14) of this section) if that  
15 individual has five years previous membership in the retirement  
16 system established in chapter 41.20 RCW. The provisions of this  
17 subsection (19) (d) shall not apply to plan 2 members;~~

18 ~~(e))~~ The term "law enforcement officer" also includes a person  
19 employed on or after January 1, 1993, as a public safety officer or  
20 director of public safety, so long as the job duties substantially  
21 involve only either police or fire duties, or both, and no other  
22 duties in a city or town with a population of less than ten thousand.  
23 The provisions of this subsection ~~((19)(e))~~ (16)(d) shall not apply  
24 to any public safety officer or director of public safety who is  
25 receiving a retirement allowance under this chapter as of May 12,  
26 1993;

27 ~~((f))~~ (e) The term "law enforcement officer" also includes a  
28 person who is employed on or after January 1, 2024, on a full-time  
29 basis by the government of a federally recognized tribe within the  
30 state of Washington that meets the terms and conditions of RCW  
31 41.26.565, is employed in a police department maintained by that  
32 tribe, and who is currently certified as a general authority peace  
33 officer under chapter 43.101 RCW; and

34 ~~((g))~~ (f) Beginning July 1, 2024, the term "law enforcement  
35 officer" also includes any person who is commissioned and employed by  
36 an employer on a fully compensated basis to enforce the criminal laws  
37 of the state of Washington generally, on a less than full-time basis,  
38 with the qualifications in (a) through ~~((e))~~ (d) of this  
39 subsection.

1       ~~((20) "Medical services" for plan 1 members, shall include the~~  
2 ~~following as minimum services to be provided. Reasonable charges for~~  
3 ~~these services shall be paid in accordance with RCW 41.26.150.~~

4       ~~(a) Hospital expenses: These are the charges made by a hospital,~~  
5 ~~in its own behalf, for~~

6       ~~(i) Board and room not to exceed semiprivate room rate unless~~  
7 ~~private room is required by the attending physician due to the~~  
8 ~~condition of the patient.~~

9       ~~(ii) Necessary hospital services, other than board and room,~~  
10 ~~furnished by the hospital.~~

11       ~~(b) Other medical expenses: The following charges are considered~~  
12 ~~"other medical expenses," provided that they have not been considered~~  
13 ~~as "hospital expenses."~~

14       ~~(i) The fees of the following:~~

15       ~~(A) A physician or surgeon licensed under the provisions of~~  
16 ~~chapter 18.71 RCW;~~

17       ~~(B) An osteopathic physician and surgeon licensed under the~~  
18 ~~provisions of chapter 18.57 RCW;~~

19       ~~(C) A chiropractor licensed under the provisions of chapter 18.25~~  
20 ~~RCW.~~

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

24       ~~(iii) The charges for the following medical services and~~  
25 ~~supplies:~~

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

27       ~~(B) Diagnostic X-ray and laboratory examinations;~~

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

29       ~~(D) Anesthesia and oxygen;~~

30       ~~(E) Rental of iron lung and other durable medical and surgical~~  
31 ~~equipment;~~

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

33       ~~(G) Professional ambulance service when used to transport the~~  
34 ~~member to or from a hospital when injured by an accident or stricken~~  
35 ~~by a disease;~~

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

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

40       ~~(J) Physical therapy by a registered physical therapist;~~

1 ~~(K) Blood transfusions, including the cost of blood and blood~~  
2 ~~plasma not replaced by voluntary donors;~~

3 ~~(L) An optometrist licensed under the provisions of chapter 18.53~~  
4 ~~RCW.~~

5 ~~(21))~~ (17) "Member" means any firefighter, law enforcement  
6 officer, or other person as would apply under subsection ~~((17) or~~  
7 ~~(19))~~ (14) or (16) of this section ~~((whose membership is transferred~~  
8 ~~to the Washington law enforcement officers' and firefighters'~~  
9 ~~retirement system on or after March 1, 1970, and every law~~  
10 ~~enforcement officer and firefighter))~~ who is employed in that  
11 capacity on or after ~~((such date))~~ October 1, 1977.

12 ~~((22))~~ (18) "Plan 1" means the law enforcement officers' and  
13 firefighters' retirement system, plan 1 providing the benefits and  
14 funding provisions covering persons who first became members of the  
15 system prior to October 1, 1977, which plan was terminated effective  
16 the effective date of this section, and members transferred to the  
17 retirement system established by chapter 41.--- RCW (the new chapter  
18 created in section 504 of this act).

19 ~~((23))~~ (19) "Plan 2" means the law enforcement officers' and  
20 firefighters' retirement system, plan 2 providing the benefits and  
21 funding provisions covering persons who first became members of the  
22 system on and after October 1, 1977.

23 ~~((24))~~ (20) "Position" means the employment held at any  
24 particular time, which may or may not be the same as civil service  
25 rank.

26 ~~((25))~~ (21) "Regular interest" means such rate as the director  
27 may determine.

28 ~~((26))~~ (22) "Retiree" ~~((for persons who establish membership in~~  
29 ~~the retirement system on or after October 1, 1977,))~~ means any member  
30 in receipt of a retirement allowance or other benefit provided by  
31 this chapter resulting from service rendered to an employer by such  
32 member.

33 ~~((27))~~ (23) "Retirement fund" means the "Washington law  
34 enforcement officers' and firefighters' ~~((retirement))~~ system plan 2  
35 retirement fund" as provided for ~~((herein))~~ in RCW 41.50.075.

36 ~~((28))~~ (24) "Retirement system" means the "Washington law  
37 enforcement officers' and firefighters' retirement system plan 2"  
38 provided herein.

39 ~~((29) (a) "Service" for plan 1 members, means all periods of~~  
40 ~~employment for an employer as a firefighter or law enforcement~~

1 officer, for which compensation is paid, together with periods of  
2 suspension not exceeding thirty days in duration. For the purposes of  
3 this chapter service shall also include service in the armed forces  
4 of the United States as provided in RCW 41.26.190. Credit shall be  
5 allowed for all service credit months of service rendered by a member  
6 from and after the member's initial commencement of employment as a  
7 firefighter or law enforcement officer, during which the member  
8 worked for seventy or more hours, or was on disability leave or  
9 disability retirement. Only service credit months of service shall be  
10 counted in the computation of any retirement allowance or other  
11 benefit provided for in this chapter.

12 (i) For members retiring after May 21, 1971, who were employed  
13 under the coverage of a prior pension act before March 1, 1970,  
14 "service" shall also include (A) such military service not exceeding  
15 five years as was creditable to the member as of March 1, 1970, under  
16 the member's particular prior pension act, and (B) such other periods  
17 of service as were then creditable to a particular member under the  
18 provisions of RCW 41.18.165, 41.20.160, or 41.20.170. However, in no  
19 event shall credit be allowed for any service rendered prior to March  
20 1, 1970, where the member at the time of rendition of such service  
21 was employed in a position covered by a prior pension act, unless  
22 such service, at the time credit is claimed therefor, is also  
23 creditable under the provisions of such prior act.

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

27 (iii) Reduction efforts such as furloughs, reduced work hours,  
28 mandatory leave without pay, temporary layoffs, or other similar  
29 situations as contemplated by subsection (15)(c)(iii) of this section  
30 do not result in a reduction in service credit that otherwise would  
31 have been earned for that month of work, and the member shall receive  
32 the full service credit for the hours that were scheduled to be  
33 worked before the reduction.

34 (b)(i)) (25)(a) "Service" ((for plan 2 members,)) means periods  
35 of employment by a member for one or more employers for which basic  
36 salary is earned for ninety or more hours per calendar month which  
37 shall constitute a service credit month. Periods of employment by a  
38 member for one or more employers for which basic salary is earned for  
39 at least seventy hours but less than ninety hours per calendar month  
40 shall constitute one-half service credit month. Periods of employment



1 by a member for one or more employers for which basic salary is  
2 earned for less than seventy hours shall constitute a one-quarter  
3 service credit month.

4 ~~((+iii))~~ (b) Members of the retirement system who are elected or  
5 appointed to a state elective position may elect to continue to be  
6 members of this retirement system.

7 ~~((+iii))~~ (c) Service credit years of service shall be determined  
8 by dividing the total number of service credit months of service by  
9 twelve. Any fraction of a service credit year of service as so  
10 determined shall be taken into account in the computation of such  
11 retirement allowance or benefits.

12 ~~((+iv))~~ (d) If a member receives basic salary from two or more  
13 employers during any calendar month, the individual shall receive one  
14 service credit month's service credit during any calendar month in  
15 which multiple service for ninety or more hours is rendered; or one-  
16 half service credit month's service credit during any calendar month  
17 in which multiple service for at least seventy hours but less than  
18 ninety hours is rendered; or one-quarter service credit month during  
19 any calendar month in which multiple service for less than seventy  
20 hours is rendered.

21 ~~((+v))~~ (e) Reduction efforts such as furloughs, reduced work  
22 hours, mandatory leave without pay, temporary layoffs, or other  
23 similar situations as contemplated by subsection ~~((+15)(e))~~ (12)(b)  
24 (iii) of this section do not result in a reduction in service credit  
25 that otherwise would have been earned for that month of work, and the  
26 member shall receive the full service credit for the hours that were  
27 scheduled to be worked before the reduction.

28 ~~((+30))~~ (26) "Service credit month" means a full service credit  
29 month or an accumulation of partial service credit months that are  
30 equal to one.

31 ~~((+31))~~ (27) "Service credit year" means an accumulation of  
32 months of service credit which is equal to one when divided by  
33 twelve.

34 ~~((+32))~~ (28) "State actuary" or "actuary" means the person  
35 appointed pursuant to RCW 44.44.010(2).

36 ~~((+33))~~ (29) "State elective position" means any position held  
37 by any person elected or appointed to statewide office or elected or  
38 appointed as a member of the legislature.

1       (~~(34)~~) (30) "Surviving spouse" means the surviving widow or  
2 widower of a member. (~~("Surviving spouse" shall not include the~~  
3 ~~divorced spouse of a member except as provided in RCW 41.26.162.)~~)

4       **Sec. 203.** RCW 41.26.040 and 2012 c 117 s 39 are each amended to  
5 read as follows:

6       The Washington law enforcement officers' and firefighters'  
7 retirement system plan 2 is hereby created for firefighters and law  
8 enforcement officers.

9       (1) (~~(Notwithstanding RCW 41.26.030(20), all)~~) All firefighters  
10 and law enforcement officers employed as such on or after (~~(March 1,~~  
11 ~~1970)~~) October 1, 1977, on a full time fully compensated basis in  
12 this state shall be members of the retirement system established by  
13 this chapter with respect to all periods of service as such, to the  
14 exclusion of any pension system existing under any prior act.

15       (2) (~~(Any employee serving as a law enforcement officer or~~  
16 ~~firefighter on March 1, 1970, who is then making retirement~~  
17 ~~contributions under any prior act shall have his or her membership~~  
18 ~~transferred to the system established by this chapter as of such~~  
19 ~~date. Upon retirement for service or for disability, or death, of any~~  
20 ~~such employee, his or her retirement benefits earned under this~~  
21 ~~chapter shall be computed and paid. In addition, his or her benefits~~  
22 ~~under the prior retirement act to which he or she was making~~  
23 ~~contributions at the time of this transfer shall be computed as if he~~  
24 ~~or she had not transferred. For the purpose of such computations, the~~  
25 ~~employee's creditability of service and eligibility for service or~~  
26 ~~disability retirement and survivor and all other benefits shall~~  
27 ~~continue to be as provided in such prior retirement act, as if~~  
28 ~~transfer of membership had not occurred. The excess, if any, of the~~  
29 ~~benefits so computed, giving full value to survivor benefits, over~~  
30 ~~the benefits payable under this chapter shall be paid whether or not~~  
31 ~~the employee has made application under the prior act. If the~~  
32 ~~employee's prior retirement system was the Washington public~~  
33 ~~employees' retirement system, payment of such excess shall be made by~~  
34 ~~that system; if the employee's prior retirement system was the~~  
35 ~~statewide city employees' retirement system, payment of such excess~~  
36 ~~shall be made by the employer which was the member's employer when~~  
37 ~~his or her transfer of membership occurred: PROVIDED, That any death~~  
38 ~~in line of duty lump sum benefit payment shall continue to be the~~  
39 ~~obligation of that system as provided in RCW 41.44.210; in the case~~

1 of all other prior retirement systems, payment of such excess shall  
2 be made by the employer which was the member's employer when his or  
3 her transfer of membership occurred.

4 (3)) All funds held by any firefighters' or police officers'  
5 relief and pension fund shall remain in that fund for the purpose of  
6 paying the obligations of the fund. The municipality shall continue  
7 to levy the dollar rate as provided in RCW 41.16.060, and this dollar  
8 rate shall be used for the purpose of paying the benefits provided in  
9 chapters 41.16 and 41.18 RCW. The obligations of chapter 41.20 RCW  
10 shall continue to be paid from whatever financial sources the city  
11 has been using for this purpose.

12 **Sec. 204.** RCW 41.26.061 and 1997 c 103 s 1 are each amended to  
13 read as follows:

14 A member shall not receive a disability retirement benefit under  
15 RCW ((41.26.120, 41.26.125, 41.26.130, or)) 41.26.470 if the  
16 disability is the result of criminal conduct by the member committed  
17 after April 21, 1997.

### 18 **PART III**

#### 19 **RESTATED LEOFF RETIREMENT SYSTEM**

20 NEW SECTION. **Sec. 301.** APPLICATION OF CHAPTER. This chapter  
21 applies to members of the restated law enforcement officers' and  
22 firefighters' retirement system. Membership in the system is limited  
23 to those persons who were members of plan 1 of the law enforcement  
24 officers' and firefighters' retirement system under chapter 41.26 RCW  
25 prior to the effective date of this section.

26 NEW SECTION. **Sec. 302.** This chapter shall be known and cited as  
27 the "restated law enforcement officers' and firefighters' retirement  
28 system act."

29 NEW SECTION. **Sec. 303.** As used in this chapter, unless a  
30 different meaning is plainly required by the context:

31 (1) "Accumulated contributions" means the employee's  
32 contributions made by a member, including any amount paid under RCW  
33 41.50.165(2), plus accrued interest credited thereon.

34 (2) "Actuarial reserve" means a method of financing a pension or  
35 retirement plan wherein reserves are accumulated as the liabilities

1 for benefit payments are incurred in order that sufficient funds will  
2 be available on the date of retirement of each member to pay the  
3 member's future benefits during the period of retirement.

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

11 (4) "Basic salary" means the basic monthly rate of salary or  
12 wages, including longevity pay but not including overtime earnings or  
13 special salary or wages, upon which pension or retirement benefits  
14 will be computed and upon which employer contributions and salary  
15 deductions will be based.

16 (5) "Beneficiary" means any person in receipt of a retirement  
17 allowance, disability allowance, death benefit, or any other benefit  
18 described herein.

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

23 (i) A natural born child;

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

26 (iii) A posthumous child;

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

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

31 (b) A person shall also be deemed to be a child up to and  
32 including the age of twenty years and eleven months while attending  
33 any high school, college, or vocational or other educational  
34 institution accredited, licensed, or approved by the state, in which  
35 it is located, including the summer vacation months and all other  
36 normal and regular vacation periods at the particular educational  
37 institution after which the child returns to school.

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

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

1 (9) "Disability board" means either the county disability board  
2 or the city disability board established in section 320 of this act.

3 (10) "Disability leave" means the period of six months or any  
4 portion thereof during which a member is on leave at an allowance  
5 equal to the member's full salary prior to the commencement of  
6 disability retirement.

7 (11) "Disability retirement" means the period following  
8 termination of a member's disability leave, during which the member  
9 is in receipt of a disability retirement allowance.

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

12 (13) "Employee" means any law enforcement officer or firefighter  
13 as defined in subsections (17) and (19) of this section.

14 (14)(a) "Employer" means the legislative authority of any city,  
15 town, county, district, or regional fire protection service authority  
16 or the elected officials of any municipal corporation that employs  
17 any law enforcement officer and/or firefighter, any authorized  
18 association of such municipalities, and, except for the purposes of  
19 section 327 of this act, any labor guild, association, or  
20 organization, which represents the firefighters or law enforcement  
21 officers of at least seven cities of over 20,000 population and the  
22 membership of each local lodge or division of which is composed of at  
23 least sixty percent law enforcement officers or firefighters as  
24 defined in this chapter.

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

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

1 average of the greatest basic salaries payable to such member during  
2 any consecutive twenty-four month period within such member's last  
3 ten years of service for which service credit is allowed, computed by  
4 dividing the total basic salaries payable to such member during the  
5 selected twenty-four month period by twenty-four; (iii) in the case  
6 of disability of any member, the basic salary payable to such member  
7 at the time of disability retirement; (iv) in the case of a member  
8 who hereafter vests pursuant to section 317 of this act, the basic  
9 salary payable to such member at the time of vesting.

10 (b) In calculating final average salary under (a) of this  
11 subsection, the department of retirement systems shall include:

12 (i) Any compensation forgone by a member employed by a state  
13 agency or institution during the 2009-2011 fiscal biennium as a  
14 result of reduced work hours, mandatory or voluntary leave without  
15 pay, temporary reduction in pay implemented prior to December 11,  
16 2010, or temporary layoffs if the reduced compensation is an integral  
17 part of the employer's expenditure reduction efforts, as certified by  
18 the employer;

19 (ii) Any compensation forgone by a member employed by the state  
20 or a local government employer during the 2011-2013 fiscal biennium  
21 as a result of reduced work hours, mandatory leave without pay,  
22 temporary layoffs, or reductions to current pay if the reduced  
23 compensation is an integral part of the employer's expenditure  
24 reduction efforts, as certified by the employer. Reductions to  
25 current pay shall not include elimination of previously agreed upon  
26 future salary increases; and

27 (iii) Any compensation forgone by a member employed by the state  
28 or a local government employer during the 2019-2021 and 2021-2023  
29 fiscal biennia as a result of reduced work hours, mandatory leave  
30 without pay, temporary layoffs, furloughs, reductions to current pay,  
31 or other similar measures resulting from the COVID-19 budgetary  
32 crisis, if the reduced compensation is an integral part of the  
33 employer's expenditure reduction efforts, as certified by the  
34 employer. Reductions to current pay shall not include elimination of  
35 previously agreed upon future salary increases.

36 (16) "Fire department" includes a fire station operated by the  
37 department of social and health services or the department of  
38 corrections when employing firefighters serving a prison or civil  
39 commitment center on an island.

40 (17) "Firefighter" means:

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

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

7 (c) Supervisory firefighter personnel;

8 (d) Any full time executive secretary of an association of fire  
9 protection districts authorized under RCW 52.12.031;

10 (e) The executive secretary of a labor guild, association or  
11 organization (which is an employer under subsection (14) of this  
12 section), if such individual has five years previous membership in a  
13 retirement system established in chapter 41.16 or 41.18 RCW;

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

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

22 (h) Any person who is employed on a full-time, fully compensated  
23 basis by an employer as an emergency medical technician that meets  
24 the requirements of RCW 18.71.200 or 18.73.030(13), and whose duties  
25 include providing emergency medical services as defined in RCW  
26 18.73.030; and

27 (i) Personnel serving on a full-time, fully compensated basis as  
28 an employee of a fire department in positions that necessitate  
29 experience as a firefighter to perform the essential functions of  
30 those positions.

31 (18) "General authority law enforcement agency" means any agency,  
32 department, or division of a municipal corporation, political  
33 subdivision, or other unit of local government of this state, the  
34 government of a federally recognized tribe, and any agency,  
35 department, or division of state government, having as its primary  
36 function the detection and apprehension of persons committing  
37 infractions or violating the traffic or criminal laws in general, but  
38 not including the Washington state patrol. Such an agency,  
39 department, or division is distinguished from a limited authority law  
40 enforcement agency having as one of its functions the apprehension or

1 detection of persons committing infractions or violating the traffic  
2 or criminal laws relating to limited subject areas, including but not  
3 limited to, the state departments of natural resources and social and  
4 health services, the state gambling commission, the state lottery  
5 commission, the state parks and recreation commission, the state  
6 utilities and transportation commission, the state liquor and  
7 cannabis board, and the state department of corrections. A general  
8 authority law enforcement agency under this chapter does not include  
9 a government contractor.

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

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

17 (b) Only those deputy sheriffs, including those serving under a  
18 different title pursuant to county charter, who have successfully  
19 completed a civil service examination for deputy sheriff or the  
20 equivalent position, where a different title is used, and those  
21 persons serving in unclassified positions authorized by RCW 41.14.070  
22 except a private secretary will be considered law enforcement  
23 officers;

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

30 (d) The term "law enforcement officer" also includes the  
31 executive secretary of a labor guild, association or organization  
32 (which is an employer under subsection (14) of this section) if that  
33 individual has five years previous membership in the retirement  
34 system established in chapter 41.20 RCW;

35 (e) The term "law enforcement officer" also includes a person  
36 employed on or after January 1, 1993, as a public safety officer or  
37 director of public safety, so long as the job duties substantially  
38 involve only either police or fire duties, or both, and no other  
39 duties in a city or town with a population of less than ten thousand.  
40 The provisions of this subsection (19)(e) shall not apply to any



1 public safety officer or director of public safety who is receiving a  
2 retirement allowance under this chapter as of May 12, 1993;

3 (f) The term "law enforcement officer" also includes a person who  
4 is employed on or after January 1, 2024, on a full-time basis by the  
5 government of a federally recognized tribe within the state of  
6 Washington that meets the terms and conditions of RCW 41.26.565, is  
7 employed in a police department maintained by that tribe, and who is  
8 currently certified as a general authority peace officer under  
9 chapter 43.101 RCW; and

10 (g) Beginning July 1, 2024, the term "law enforcement officer"  
11 also includes any person who is commissioned and employed by an  
12 employer on a fully compensated basis to enforce the criminal laws of  
13 the state of Washington generally, on a less than full-time basis,  
14 with the qualifications in (a) through (e) of this subsection.

15 (20) "Medical services" shall include the following as minimum  
16 services to be provided. Reasonable charges for these services shall  
17 be paid in accordance with section 327 of this act.

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

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

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

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

28 (i) The fees of the following:

29 (A) A physician or surgeon licensed under the provisions of  
30 chapter 18.71 RCW;

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

33 (C) A chiropractor licensed under the provisions of chapter 18.25  
34 RCW.

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

38 (iii) The charges for the following medical services and  
39 supplies:

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

- 1 (B) Diagnostic X-ray and laboratory examinations;  
2 (C) X-ray, radium, and radioactive isotopes therapy;  
3 (D) Anesthesia and oxygen;  
4 (E) Rental of iron lung and other durable medical and surgical  
5 equipment;  
6 (F) Artificial limbs and eyes, and casts, splints, and trusses;  
7 (G) Professional ambulance service when used to transport the  
8 member to or from a hospital when injured by an accident or stricken  
9 by a disease;  
10 (H) Dental charges incurred by a member who sustains an  
11 accidental injury to his or her teeth and who commences treatment by  
12 a legally licensed dentist within ninety days after the accident;  
13 (I) Nursing home confinement or hospital extended care facility;  
14 (J) Physical therapy by a registered physical therapist;  
15 (K) Blood transfusions, including the cost of blood and blood  
16 plasma not replaced by voluntary donors;  
17 (L) An optometrist licensed under the provisions of chapter 18.53  
18 RCW.

19 (21) "Member" means any firefighter, law enforcement officer, or  
20 other person as would apply under subsection (17) or (19) of this  
21 section whose membership is transferred to the Washington law  
22 enforcement officers' and firefighters' retirement system on or after  
23 March 1, 1970, and every law enforcement officer and firefighter who  
24 is employed in that capacity on or after such date.

25 (22) "Plan 1" means the law enforcement officers' and  
26 firefighters' retirement system, plan 1 providing the benefits and  
27 funding provisions covering persons who first became members of the  
28 system prior to October 1, 1977.

29 (23) "Plan 2" means the law enforcement officers' and  
30 firefighters' retirement system, plan 2 providing the benefits and  
31 funding provisions covering persons who first became members of the  
32 system on and after October 1, 1977.

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

35 (25) "Regular interest" means such rate as the director may  
36 determine.

37 (26) "Retiree" for persons who establish membership in the  
38 retirement system on or after October 1, 1977, means any member in  
39 receipt of a retirement allowance or other benefit provided by this

1 chapter resulting from service rendered to an employer by such  
2 member.

3 (27) "Retirement fund" means the "Washington law enforcement  
4 officers' and firefighters' system plan 1 retirement fund" as  
5 provided for in RCW 41.50.075.

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

8 (29) "Service" means all periods of employment for an employer as  
9 a firefighter or law enforcement officer, for which compensation is  
10 paid, together with periods of suspension not exceeding thirty days  
11 in duration. For the purposes of this chapter service shall also  
12 include service in the armed forces of the United States as provided  
13 in section 333 of this act. Credit shall be allowed for all service  
14 credit months of service rendered by a member from and after the  
15 member's initial commencement of employment as a firefighter or law  
16 enforcement officer, during which the member worked for seventy or  
17 more hours, or was on disability leave or disability retirement. Only  
18 service credit months of service shall be counted in the computation  
19 of any retirement allowance or other benefit provided for in this  
20 chapter.

21 (a) For members retiring after May 21, 1971 who were employed  
22 under the coverage of a prior pension act before March 1, 1970,  
23 "service" shall also include (i) such military service not exceeding  
24 five years as was creditable to the member as of March 1, 1970, under  
25 the member's particular prior pension act, and (ii) such other  
26 periods of service as were then creditable to a particular member  
27 under the provisions of RCW 41.18.165, 41.20.160, or 41.20.170.  
28 However, in no event shall credit be allowed for any service rendered  
29 prior to March 1, 1970, where the member at the time of rendition of  
30 such service was employed in a position covered by a prior pension  
31 act, unless such service, at the time credit is claimed therefor, is  
32 also creditable under the provisions of such prior act.

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

36 (c) Reduction efforts such as furloughs, reduced work hours,  
37 mandatory leave without pay, temporary layoffs, or other similar  
38 situations as contemplated by subsection (15)(b)(iii) of this section  
39 do not result in a reduction in service credit that otherwise would  
40 have been earned for that month of work, and the member shall receive

1 the full service credit for the hours that were scheduled to be  
2 worked before the reduction.

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

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

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

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

13 (34) "Surviving spouse" means the surviving widow or widower of a  
14 member. "Surviving spouse" shall not include the divorced spouse of a  
15 member except as provided in section 330 of this act.

16 NEW SECTION. **Sec. 304.** The term "minimum medical and health  
17 standards" means minimum medical and health standards adopted by the  
18 department under this chapter.

19 NEW SECTION. **Sec. 305.** The restated law enforcement officers'  
20 and firefighters' retirement system is hereby created for  
21 firefighters and law enforcement officers.

22 (1) Notwithstanding section 303(21) of this act, all firefighters  
23 and law enforcement officers employed as such on or after March 1,  
24 1970, on a full time fully compensated basis in this state shall be  
25 members of the retirement system established by this chapter with  
26 respect to all periods of service as such, to the exclusion of any  
27 pension system existing under any prior act.

28 (2) Any employee serving as a law enforcement officer or  
29 firefighter on March 1, 1970, who is then making retirement  
30 contributions under any prior act shall have his or her membership  
31 transferred to the system established by this chapter as of such  
32 date. Upon retirement for service or for disability, or death, of any  
33 such employee, his or her retirement benefits earned under this  
34 chapter shall be computed and paid. In addition, his or her benefits  
35 under the prior retirement act to which he or she was making  
36 contributions at the time of this transfer shall be computed as if he  
37 or she had not transferred. For the purpose of such computations, the  
38 employee's creditability of service and eligibility for service or

1 disability retirement and survivor and all other benefits shall  
2 continue to be as provided in such prior retirement act, as if  
3 transfer of membership had not occurred. The excess, if any, of the  
4 benefits so computed, giving full value to survivor benefits, over  
5 the benefits payable under this chapter shall be paid whether or not  
6 the employee has made application under the prior act. If the  
7 employee's prior retirement system was the Washington public  
8 employees' retirement system, payment of such excess shall be made by  
9 that system; if the employee's prior retirement system was the  
10 statewide city employees' retirement system, payment of such excess  
11 shall be made by the employer which was the member's employer when  
12 his or her transfer of membership occurred: PROVIDED, That any death  
13 in line of duty lump sum benefit payment shall continue to be the  
14 obligation of that system as provided in RCW 41.44.210; in the case  
15 of all other prior retirement systems, payment of such excess shall  
16 be made by the employer which was the member's employer when his or  
17 her transfer of membership occurred.

18 (3) All funds held by any firefighters' or police officers'  
19 relief and pension fund shall remain in that fund for the purpose of  
20 paying the obligations of the fund. The municipality shall continue  
21 to levy the dollar rate as provided in RCW 41.16.060, and this dollar  
22 rate shall be used for the purpose of paying the benefits provided in  
23 chapters 41.16 and 41.18 RCW. The obligations of chapter 41.20 RCW  
24 shall continue to be paid from whatever financial sources the city  
25 has been using for this purpose.

26 NEW SECTION. **Sec. 306.** (1) Notwithstanding any other provision  
27 of law after February 19, 1974, no law enforcement officer or  
28 firefighter, may become eligible for coverage in the pension system  
29 established by this chapter, until the individual has met and has  
30 been certified as having met minimum medical and health standards:  
31 PROVIDED, That an elected sheriff or an appointed chief of police or  
32 fire chief, shall not be required to meet the age standard: PROVIDED  
33 FURTHER, That in cities and towns having not more than two law  
34 enforcement officers and/or not more than two firefighters and if one  
35 or more of such persons do not meet the minimum medical and health  
36 standards as required by the provisions of this chapter, then such  
37 person or persons may join any other pension system that the city has  
38 available for its other employees: AND PROVIDED FURTHER, That for one  
39 year after February 19, 1974, any such medical or health standard now

1 existing or hereinafter adopted, insofar as it establishes a maximum  
2 age beyond which an applicant is to be deemed ineligible for  
3 coverage, shall be waived as to any applicant for employment or  
4 reemployment who is otherwise eligible except for his or her age, who  
5 has been a member of any one or more of the retirement systems  
6 created by chapter 41.20 RCW and who has restored all contributions  
7 which he or she has previously withdrawn from any such system or  
8 systems.

9 (2) This section shall not apply to persons who initially  
10 establish membership in the retirement system on or after July 1,  
11 1979.

12 NEW SECTION. **Sec. 307.** By July 31, 1971, the director of  
13 retirement systems shall adopt minimum medical and health standards  
14 for membership coverage into the Washington law enforcement officers'  
15 and firefighters' retirement system. In adopting such standards the  
16 director of retirement systems shall consider existing standards  
17 recommended by the international association of chiefs of police and  
18 the international association of firefighters, and shall adopt equal  
19 or higher standards, together with appropriate standards and  
20 procedures to ensure uniform compliance with this chapter. The  
21 standards when adopted shall be published and distributed to each  
22 employer, and each employer shall adopt certification procedures and  
23 such other procedures as are required to ensure that no law  
24 enforcement officer or firefighter receives membership coverage  
25 unless and until he or she has actually met minimum medical and  
26 health standards: PROVIDED, That an elected sheriff or an appointed  
27 chief of police, fire chief, or director of public safety shall not  
28 be required to meet the age standard. The director of retirement  
29 systems may amend the minimum medical and health standards as  
30 experience indicates, even if the standards as so amended are lower  
31 or less rigid than those recommended by the international  
32 associations mentioned above. The cost of the medical examination  
33 contemplated by this section is to be paid by the employer.

34 NEW SECTION. **Sec. 308.** Nothing in sections 304, 306, and 307 of  
35 this act shall apply to any firefighters or law enforcement officers  
36 who are employed as such on or before August 1, 1971, as long as they  
37 continue in such employment; nor to promotional appointments after  
38 becoming a member in the police or fire department of any employer

1 nor to the reemployment of a law enforcement officer or firefighter  
2 by the same or a different employer within six months after the  
3 termination of his or her employment, nor to the reinstatement of a  
4 law enforcement officer or firefighter who has been on military or  
5 disability leave, disability retirement status, or leave of absence  
6 status. Nothing in this chapter shall be deemed to prevent any  
7 employer from adopting higher medical and health standards than those  
8 which are adopted by the director of retirement systems.

9 NEW SECTION. **Sec. 309.** (1) A two hundred fourteen thousand  
10 dollar death benefit shall be paid to the member's estate, or such  
11 person or persons, trust or organization as the member shall have  
12 nominated by written designation duly executed and filed with the  
13 department. If there be no such designated person or persons still  
14 living at the time of the member's death, such member's death benefit  
15 shall be paid to the member's surviving spouse or domestic partner as  
16 if in fact such spouse or domestic partner had been nominated by  
17 written designation, or if there be no such surviving spouse or  
18 domestic partner, then to such member's legal representatives.

19 (2) The benefit under this section shall be paid only when death  
20 occurs: (a) As a result of injuries sustained in the course of  
21 employment; or (b) as a result of an occupational disease or  
22 infection that arises naturally and proximately out of employment  
23 covered under this chapter. The determination of eligibility for the  
24 benefit shall be made consistent with Title 51 RCW by the department  
25 of labor and industries. There is no statute of limitations for this  
26 benefit. The department of labor and industries shall notify the  
27 department of retirement systems by order under RCW 51.52.050.

28 (3) The department of labor and industries shall determine  
29 eligibility under subsection (2) of this section for the special  
30 death benefit for any beneficiaries who were denied the special death  
31 benefit for failing to meet the statute of limitations under Title 51  
32 RCW. If the department of labor and industries determines the  
33 beneficiary is eligible for the special death benefit, the department  
34 must provide the beneficiary an option to reelect their pension  
35 benefit under RCW 41.26.510(2) and if the member elects an ongoing  
36 pension benefit, the department must pay the beneficiary retroactive  
37 to the date of the member's death.

38 (4)(a) Beginning July 1, 2010, and every year thereafter, the  
39 department shall determine the following information:

1 (i) The index for the 2008 calendar year, to be known as "index  
2 A";  
3 (ii) The index for the calendar year prior to the date of  
4 determination, to be known as "index B;" and  
5 (iii) The ratio obtained when index B is divided by index A.  
6 (b) The value of the ratio obtained shall be the annual  
7 adjustment to the original death benefit and shall be applied  
8 beginning every July 1st. In no event, however, shall the annual  
9 adjustment:  
10 (i) Produce a benefit which is lower than two hundred fourteen  
11 thousand dollars;  
12 (ii) Exceed three percent in the initial annual adjustment; or  
13 (iii) Differ from the previous year's annual adjustment by more  
14 than three percent.  
15 (c) For the purposes of this section, "index" means, for any  
16 calendar year, that year's average consumer price index — Seattle,  
17 Washington area for urban wage earners and clerical workers, all  
18 items, compiled by the bureau of labor statistics, United States  
19 department of labor.

20 NEW SECTION. **Sec. 310.** (1) Subject to subsections (2) and (3)  
21 of this section, the right of a person to a retirement allowance,  
22 disability allowance, or death benefit, to the return of accumulated  
23 contributions, the retirement, disability, or death allowance itself,  
24 any optional benefit, any other right accrued or accruing to any  
25 person under the provisions of this chapter, and the moneys in the  
26 fund created under this chapter, are hereby exempt from any state,  
27 county, municipal, or other local tax and shall not be subject to  
28 execution, garnishment, attachment, the operation of bankruptcy or  
29 insolvency laws, or any other process of law whatsoever, whether the  
30 same be in actual possession of the person or be deposited or loaned  
31 and shall be unassignable.

32 (2) On the written request of any person eligible to receive  
33 benefits under this section, the department may deduct from such  
34 payments the premiums for life, health, or other insurance. The  
35 request on behalf of any child or children shall be made by the legal  
36 guardian of such child or children. The department may provide for  
37 such persons one or more plans of group insurance, through contracts  
38 with regularly constituted insurance carriers or health care service  
39 contractors.



1           (3) Subsection (1) of this section shall not prohibit the  
2 department from complying with (a) a wage assignment order for child  
3 support issued pursuant to chapter 26.18 RCW, (b) an order to  
4 withhold and deliver issued pursuant to chapter 74.20A RCW, (c) an  
5 income withholding order issued pursuant to RCW 26.23.060, (d) a  
6 mandatory benefits assignment order issued by the department, (e) a  
7 court order directing the department of retirement systems to pay  
8 benefits directly to an obligee under a dissolution order as defined  
9 in RCW 41.50.500(3) which fully complies with RCW 41.50.670 and  
10 41.50.700, or (f) any administrative or court order expressly  
11 authorized by federal law.

12           NEW SECTION.   **Sec. 311.** No bond of any kind shall be required of  
13 a claimant appealing to the superior court, the court of appeals, or  
14 the supreme court from a decision of the director affecting such  
15 claimant's right to retirement or disability benefits.

16           NEW SECTION.   **Sec. 312.** (1) The annual compensation taken into  
17 account in calculating retiree benefits under this system shall not  
18 exceed the limits imposed by section 401(a)(17) of the federal  
19 internal revenue code for qualified trusts.

20           (2) The department shall adopt rules as necessary to implement  
21 this section.

22           NEW SECTION.   **Sec. 313.** Notwithstanding any provision to the  
23 contrary, persons who fail to:

24           (1) Establish allowable membership service not previously  
25 credited;

26           (2) Restore all or a part of that previously credited membership  
27 service represented by withdrawn contributions; or

28           (3) Restore service credit represented by a lump sum payment in  
29 lieu of benefits, before the deadline established by statute, may do  
30 so under the conditions set forth in RCW 41.50.165.

31           NEW SECTION.   **Sec. 314.** A member shall not receive a disability  
32 retirement benefit under section 322, 323, or 324 of this act if the  
33 disability is the result of criminal conduct by the member committed  
34 after April 21, 1997.

1        NEW SECTION.    **Sec. 315.**    Any employer, member or beneficiary who  
2 shall knowingly make false statements or shall falsify or permit to  
3 be falsified any record or records of the retirement system in an  
4 attempt to defraud the retirement system, is guilty of a class B  
5 felony punishable according to chapter 9A.20 RCW.

6        NEW SECTION.    **Sec. 316.**    (1) Except as set forth under subsection  
7 (2) of this section, the total liability of the plan 1 system shall  
8 be funded as follows:

9        (a) Every plan 1 member shall have deducted from each payroll a  
10 sum equal to six percent of his or her basic salary for each pay  
11 period.

12        (b) Every employer shall contribute monthly a sum equal to six  
13 percent of the basic salary of each plan 1 employee who is a member  
14 of this retirement system. The employer shall transmit the employee  
15 and employer contributions with a copy of the payroll to the  
16 retirement system monthly.

17        (c) The remaining liabilities of the plan 1 system shall be  
18 funded as provided in chapter 41.45 RCW.

19        (d) Every member shall be deemed to consent and agree to the  
20 contribution made and provided for herein, and shall receipt in full  
21 for his or her salary or compensation. Payment less said  
22 contributions shall be a complete discharge of all claims and demands  
23 whatsoever for the services rendered by such person during the period  
24 covered by such payments, except his or her claim to the benefits to  
25 which he or she may be entitled under the provisions of this chapter.

26        (2) No employer or member contribution is required after June 30,  
27 2000, unless the most recent valuation study for law enforcement  
28 officers' and firefighters' retirement system plan 1 indicates the  
29 plan has unfunded liabilities. The legislature clarifies the  
30 enactment of section 907, chapter 1, Laws of 2000 2nd sp. sess. and  
31 affirms the suspension of employer and member contributions to plan 1  
32 of the law enforcement officers' and firefighters' retirement system,  
33 effective June 30, 2000, as provided in this subsection. The  
34 legislature intends this 2007 amendment of this subsection to be  
35 curative, remedial, and retrospectively applicable to June 30, 2000.

36        NEW SECTION.    **Sec. 317.**    Retirement of a member for service shall  
37 be made by the department as follows:

1 (1) Any member having five or more service credit years of  
2 service and having attained the age of fifty years shall be eligible  
3 for a service retirement allowance and shall be retired upon the  
4 member's written request effective the first day following the date  
5 upon which the member is separated from service.

6 (2) Any member having five or more service credit years of  
7 service, who terminates his or her employment with any employer, may  
8 leave his or her contributions in the fund. Any employee who so  
9 elects, upon attaining age fifty, shall be eligible to apply for and  
10 receive a service retirement allowance based on his or her years of  
11 service, commencing on the first day following his or her attainment  
12 of age fifty.

13 (3) Any member selecting optional vesting under subsection (2) of  
14 this section with less than twenty service credit years of service  
15 shall not be covered by the provisions of section 327 of this act,  
16 and the member's survivors shall not be entitled to the benefits of  
17 section 328 of this act unless his or her death occurs after he or  
18 she has attained the age of fifty years. Those members selecting this  
19 optional vesting with twenty or more years service shall not be  
20 covered by the provisions of section 327 of this act until the  
21 attainment of the age of fifty years. A member selecting this  
22 optional vesting, with less than twenty service credit years of  
23 service credit, who dies prior to attaining the age of fifty years,  
24 shall have paid from the Washington law enforcement officers' and  
25 firefighters' retirement fund, to such member's surviving spouse, if  
26 any, otherwise to such beneficiary as the member shall have  
27 designated in writing, or if no such designation has been made, to  
28 the personal representative of his or her estate, a lump sum which is  
29 equal to the amount of such member's accumulated contributions plus  
30 accrued interest. If the vested member has twenty or more service  
31 credit years of service credit the surviving spouse or children shall  
32 then become eligible for the benefits of section 328 of this act  
33 regardless of the member's age at the time of his or her death, to  
34 the exclusion of the lump sum amount provided by this subsection.

35 (4) Any member who has attained the age of sixty years shall be  
36 retired on the first day of the calendar month next succeeding that  
37 in which said member shall have attained the age of sixty and may not  
38 thereafter be employed as a law enforcement officer or firefighter:  
39 PROVIDED, That for any member who is elected or appointed to the  
40 office of sheriff, chief of police, or fire chief, his or her

1 election or appointment shall be considered as a waiver of the age  
2 sixty provision for retirement and nonemployment for whatever number  
3 of years remain in his or her present term of office and any  
4 succeeding periods for which he or she may be so elected or  
5 appointed. The provisions of this subsection shall not apply to any  
6 member who is employed as a law enforcement officer or firefighter on  
7 March 1, 1970.

8 NEW SECTION. **Sec. 318.** (1) A member upon retirement for service  
9 shall receive a monthly retirement allowance computed according to  
10 his or her completed creditable service credit years of service as  
11 follows: Five years but under ten years, one-twelfth of one percent  
12 of his or her final average salary for each month of service; ten  
13 years but under twenty years, one-twelfth of one and one-half percent  
14 of his or her final average salary for each month of service; and  
15 twenty years and over one-twelfth of two percent of his or her final  
16 average salary for each month of service: PROVIDED, That the  
17 recipient of a retirement allowance who shall return to service as a  
18 law enforcement officer or firefighter shall be considered to have  
19 terminated his or her retirement status and he or she shall  
20 immediately become a member of the retirement system with the status  
21 of membership he or she had as of the date of retirement. Retirement  
22 benefits shall be suspended during the period of his or her return to  
23 service and he or she shall make contributions and receive service  
24 credit. Such a member shall have the right to again retire at any  
25 time and his or her retirement allowance shall be recomputed, and  
26 paid, based upon additional service rendered and any change in final  
27 average salary.

28 (2) Beginning four months after the effective date of this  
29 section, a member with fewer than five years of service shall, upon  
30 retirement for service, receive a monthly retirement allowance of  
31 one-twelfth of one percent of his or her final average salary for  
32 each month of service. This subsection serves to fully vest all  
33 members.

34 NEW SECTION. **Sec. 319.** (1) At the time of retirement, plan 1  
35 members may purchase an optional actuarially equivalent life annuity  
36 benefit from the Washington law enforcement officers' and  
37 firefighters' retirement system plan 1 retirement fund established in

1 RCW 41.50.075. A minimum payment of twenty-five thousand dollars is  
2 required.

3 (2) Subject to rules adopted by the department, a member  
4 purchasing an annuity under this section must pay all of the cost  
5 with an eligible rollover, direct rollover, or trustee-to-trustee  
6 transfer from an eligible retirement plan.

7 (a) The department shall adopt rules to ensure that all eligible  
8 rollovers and transfers comply with the requirements of the internal  
9 revenue code and regulations adopted by the internal revenue service.  
10 The rules adopted by the department may condition the acceptance of a  
11 rollover or transfer from another plan on the receipt of information  
12 necessary to enable the department to determine the eligibility of  
13 any transferred funds for tax-free rollover treatment or other  
14 treatment under federal income tax law.

15 (b) "Eligible retirement plan" means a tax qualified plan offered  
16 by a governmental employer.

17 (3) Plan 1 members whose retirement was effective prior to June  
18 9, 2016, may purchase an annuity under this section between January  
19 1, 2017, and June 1, 2017.

20 NEW SECTION. **Sec. 320.** (1) All claims for disability shall be  
21 acted upon and either approved or disapproved by either type of  
22 disability board authorized to be created in this section.

23 (a) Each city having a population of twenty thousand or more  
24 shall establish a disability board having jurisdiction over all  
25 members employed by those cities and composed of the following five  
26 members: Two members of the city legislative body to be appointed by  
27 the mayor; one active or retired firefighter employed by or retired  
28 from the city to be elected by the firefighters employed by or  
29 retired from the city who are subject to the jurisdiction of the  
30 board; one active or retired law enforcement officer employed by or  
31 retired from the city to be elected by the law enforcement officers  
32 employed by or retired from the city who are subject to the  
33 jurisdiction of the board; and one member from the public at large  
34 who resides within the city to be appointed by the other four members  
35 designated in this subsection. Only those active or retired  
36 firefighters and law enforcement officers who are subject to the  
37 jurisdiction of the board have the right to elect under this section.  
38 All firefighters and law enforcement officers employed by or retired  
39 from the city are eligible for election. Each of the elected members

1 shall serve a two year term. If there are either no firefighters or  
2 law enforcement officers under the jurisdiction of the board eligible  
3 to vote, a second eligible employee representative shall be elected  
4 by the law enforcement officers or firefighters eligible to vote. The  
5 members appointed pursuant to this subsection shall serve for two  
6 year terms: PROVIDED, That cities of the first class only, shall  
7 retain existing firefighters' pension boards established pursuant to  
8 RCW 41.16.020 and existing boards of trustees of the relief and  
9 pension fund of the police department as established pursuant to RCW  
10 41.20.010 which such boards shall have authority to act upon and  
11 approve or disapprove claims for disability by firefighters or law  
12 enforcement officers as provided under the Washington law enforcement  
13 officers' and firefighters' retirement system act.

14 (b) If no eligible active or retired firefighter or law  
15 enforcement officer is willing or able to be elected to the board  
16 under (a) of this subsection, then the following individuals may be  
17 elected to the board under (a) of this subsection:

18 (i) Any active or retired firefighter under this chapter or  
19 chapters 41.16, 41.18, and 52.26 RCW or law enforcement officers  
20 under this chapter or chapter 41.20 RCW who resides within the  
21 jurisdiction served by the board;

22 (ii) The surviving spouse or domestic partner of a firefighter or  
23 law enforcement officer subject to the jurisdiction of the board.

24 (c) Each county shall establish a disability board having  
25 jurisdiction over all members employed by or retired from an employer  
26 within the county and not employed by a city in which a disability  
27 board is established. The county disability board so created shall be  
28 composed of five members to be chosen as follows: One member of the  
29 legislative body of the county to be appointed by the county  
30 legislative body; one member of a city or town legislative body  
31 located within the county which does not contain a city disability  
32 board established pursuant to (a) of this subsection to be chosen by  
33 a majority of the mayors of such cities and towns within the county  
34 which does not contain a city disability board; one active  
35 firefighter or retired firefighter employed by or retired from an  
36 employer within the county to be elected by the firefighters employed  
37 or retired from an employer within the county who are subject to the  
38 jurisdiction of that board; one law enforcement officer or retired  
39 law enforcement officer employed by or retired from an employer  
40 within the county to be elected by the law enforcement officers

1 employed in or retired from an employer within the county who are  
2 subject to the jurisdiction of that board; and one member from the  
3 public at large who resides within the county but does not reside  
4 within a city in which a city disability board is established, to be  
5 appointed by the other four members designated in this subsection.  
6 However, in counties with a population less than sixty thousand, the  
7 member of the disability board appointed by a majority of the mayors  
8 of the cities and towns within the county that do not contain a city  
9 disability board must be a resident of one of the cities and towns  
10 but need not be a member of a city or town legislative body. Only  
11 those active or retired firefighters and law enforcement officers who  
12 are subject to the jurisdiction of the board have the right to elect  
13 under this section. All firefighters and law enforcement officers  
14 employed by or retired from an employer within the county are  
15 eligible for election. All members appointed or elected pursuant to  
16 this subsection shall serve for two year terms. If there are no  
17 firefighters under the jurisdiction of the board eligible to vote, a  
18 second eligible employee representative shall be elected by the law  
19 enforcement officers eligible to vote. If there are no law  
20 enforcement officers under the jurisdiction of the board eligible to  
21 vote, a second eligible representative shall be elected by the  
22 firefighters eligible to vote.

23 (d) If no eligible active or retired firefighter or law  
24 enforcement officer is willing or able to be elected to the board  
25 under (c) of this subsection, then the following individuals may be  
26 elected to the board under (c) of this subsection:

27 (i) Any active or retired firefighter under this chapter or  
28 chapters 41.16, 41.18, and 52.26 RCW or law enforcement officers  
29 under this chapter or chapter 41.20 RCW who resides within the  
30 jurisdiction served by the board;

31 (ii) The surviving spouse or domestic partner of a firefighter or  
32 law enforcement officer subject to the jurisdiction of the board.

33 (2) The members of both the county and city disability boards  
34 shall not receive compensation for their service upon the boards but  
35 the members shall be reimbursed by their respective county or city  
36 for all expenses incidental to such service as to the amount  
37 authorized by law.

38 (3) The disability boards authorized for establishment by this  
39 section shall perform all functions, exercise all powers, and make  
40 all such determinations as specified in this chapter.

1        NEW SECTION.    **Sec. 321.**    (1) The director of retirement systems  
2 shall adopt rules, in accordance with chapter 34.05 RCW, under which  
3 each disability board shall execute its disability retirement duties  
4 under this chapter. The rules shall include, but not be limited to,  
5 the following:

6        (a) Standards governing the type and manner of presentation of  
7 medical, employability, and other evidence before disability boards;  
8 and

9        (b) Standards governing the necessity and frequency of medical  
10 and employability reexaminations of persons receiving disability  
11 benefits.

12        (2) If the director determines that an order or determination of  
13 a disability board was not processed in accordance with the rules  
14 established under this section, the director may remand the order or  
15 determination for further proceedings consistent with the rules.

16        NEW SECTION.    **Sec. 322.**    Any member, regardless of age or years  
17 of service may be retired by the disability board, subject to  
18 approval by the director, for any disability incurred in the line of  
19 duty which has been continuous since his or her discontinuance of  
20 service and which renders the member unable to continue service. No  
21 disability retirement allowance shall be paid until the expiration of  
22 a period of six months after the discontinuance of service during  
23 which period the member, if found to be physically or mentally unfit  
24 for duty by the disability board following receipt of his or her  
25 application for disability retirement, shall be granted a disability  
26 leave by the disability board and shall receive an allowance equal to  
27 the full monthly salary and shall continue to receive all other  
28 benefits provided to active employees from the employer for such  
29 period. However, if, at any time during the initial six-month period,  
30 the disability board finds the beneficiary is no longer disabled, the  
31 disability leave allowance shall be canceled and the member shall be  
32 restored to duty in the same rank or position, if any, held by the  
33 beneficiary at the time the member became disabled. Applications for  
34 disability retirement shall be processed in accordance with the  
35 following procedures:

36        (1) Any member who believes he or she is or is believed to be  
37 physically or mentally disabled shall be examined by such medical  
38 authority as the disability board shall employ, upon application of  
39 the member, or a person acting in his or her behalf, stating that the



1 member is disabled, either physically or mentally: PROVIDED, That no  
2 such application shall be considered unless the member or someone in  
3 his or her behalf, in case of the incapacity of a member, shall have  
4 filed the application within a period of one year from and after the  
5 discontinuance of service of the member.

6 (2) If the examination shows, to the satisfaction of the  
7 disability board, that the member is physically or mentally disabled  
8 from the further performance of duty, that such disability was  
9 incurred in the line of duty, and that such disability has been  
10 continuous from the discontinuance of service, the disability board  
11 shall enter its written decision and order, accompanied by  
12 appropriate findings of fact and by conclusions evidencing compliance  
13 with this chapter, granting the member a disability retirement  
14 allowance; otherwise, if the member is not found by the disability  
15 board to be so disabled, the application shall be denied pursuant to  
16 a similar written decision and order, subject to appeal to the  
17 director in accordance with section 339 of this act: PROVIDED, That  
18 in any order granting a duty disability retirement allowance, the  
19 disability board shall make a finding that the disability was  
20 incurred in line of duty.

21 (3) Every order of a disability board granting a duty disability  
22 retirement allowance shall immediately be reviewed by the director  
23 except the finding that the disability was incurred in the line of  
24 duty. The director may affirm the decision of the disability board or  
25 remand the case for further proceedings, or the director may reverse  
26 the decision of the disability board if the director finds the  
27 disability board's findings, inferences, conclusions, or decisions  
28 are:

- 29 (a) In violation of constitutional provisions;
- 30 (b) In excess of the statutory authority or jurisdiction of the  
31 disability board;
- 32 (c) Made upon unlawful procedure;
- 33 (d) Affected by other error of law;
- 34 (e) Clearly erroneous in view of the entire record as submitted  
35 and the public policy contained in this chapter; or
- 36 (f) Arbitrary or capricious.

37 (4) Every member who can establish, to the disability board, that  
38 he or she is physically or mentally disabled from the further  
39 performance of duty, that such disability was incurred in the line of  
40 duty, and that such disability will be in existence for a period of

1 at least six months may waive the six-month period of disability  
2 leave and be immediately granted a duty disability retirement  
3 allowance, subject to the approval of the director as provided in  
4 subsection (3) of this section.

5 NEW SECTION. **Sec. 323.** Any member, regardless of age or years  
6 of service, may be retired by the disability board, subject to  
7 approval by the director as provided in this section, for any  
8 disability not incurred in the line of duty which has been continuous  
9 since discontinuance of service and which renders the member unable  
10 to continue service. No disability retirement allowance may be paid  
11 until the expiration of a period of six months after the  
12 discontinuance of service during which period the member, if found to  
13 be physically or mentally unfit for duty by the disability board  
14 following receipt of the member's application for disability  
15 retirement, shall be granted a disability leave by the disability  
16 board and shall receive an allowance equal to the member's full  
17 monthly salary and shall continue to receive all other benefits  
18 provided to active employees from the member's employer for the  
19 period. However, if, at any time during the initial six-month period,  
20 the disability board finds the beneficiary is no longer disabled, the  
21 disability leave allowance shall be canceled and the member shall be  
22 restored to duty in the same rank or position, if any, held by the  
23 member at the time the member became disabled. Applications for  
24 disability retirement shall be processed in accordance with the  
25 following procedures:

26 (1) Any member who believes he or she is, or is believed to be,  
27 physically or mentally disabled shall be examined by such medical  
28 authority as the disability board shall employ, upon application of  
29 the member, or a person acting in the member's behalf, stating that  
30 the member is disabled, either physically or mentally: PROVIDED, That  
31 no such application shall be considered unless the member or someone  
32 acting in the member's behalf, in case of the incapacity of a member,  
33 has filed the application within a period of one year from and after  
34 the discontinuance of service of the member.

35 (2) If the examination shows, to the satisfaction of the  
36 disability board, that the member is physically or mentally disabled  
37 from the further performance of duty, that such disability was not  
38 incurred in the line of duty, and that such disability had been  
39 continuous from the discontinuance of service, the disability board

1 shall enter its written decision and order, accompanied by  
2 appropriate findings of fact and by conclusions evidencing compliance  
3 with this chapter, granting the member a disability retirement  
4 allowance. Otherwise, if the member is not found by the disability  
5 board to be so disabled, the application shall be denied pursuant to  
6 a similar written decision and order, subject to appeal to the  
7 director in accordance with section 339 of this act: PROVIDED, That  
8 in any order granting a nonduty disability retirement allowance, the  
9 disability board shall make a finding that the disability was not  
10 incurred in the line of duty.

11 (3) Every order of a disability board granting a nonduty  
12 disability retirement allowance shall immediately be reviewed by the  
13 director except the finding that the disability was not incurred in  
14 the line of duty. The director may affirm the decision of the  
15 disability board or remand the case for further proceedings, or the  
16 director may reverse the decision of the disability board if the  
17 director finds the disability board's findings, inferences,  
18 conclusions, or decisions are:

19 (a) In violation of constitutional provisions;

20 (b) In excess of the statutory authority or jurisdiction of the  
21 disability board;

22 (c) Made upon unlawful procedure;

23 (d) Affected by other error of law;

24 (e) Clearly erroneous in view of the entire record as submitted  
25 and the public policy contained in this chapter; or

26 (f) Arbitrary or capricious.

27 (4) Every member who can establish to the disability board that  
28 the member is physically or mentally disabled from the further  
29 performance of duty, that such disability was not incurred in the  
30 line of duty, and that such disability will be in existence for a  
31 period of at least six months, may waive the six-month period of  
32 disability leave and be immediately granted a nonduty disability  
33 retirement allowance, subject to the approval of the director as  
34 provided in subsection (3) of this section.

35 NEW SECTION. **Sec. 324.** (1) Upon retirement for disability a  
36 member shall be entitled to receive a monthly retirement allowance  
37 computed as follows: (a) A basic amount of fifty percent of final  
38 average salary at time of disability retirement, and (b) an  
39 additional five percent of final average salary for each child as

1 defined in section 303(6) of this act, (c) the combined total of (a)  
2 and (b) of this subsection shall not exceed a maximum of sixty  
3 percent of final average salary.

4 (2) A disabled member shall begin receiving the disability  
5 retirement allowance as of the expiration of his or her six month  
6 period of disability leave or, if his or her application was filed  
7 after the sixth month of discontinuance of service but prior to the  
8 one year time limit, the member's disability retirement allowance  
9 shall be retroactive to the end of the sixth month.

10 (3) Benefits under this section will be payable until the member  
11 recovers from the disability or dies. If at the time that the  
12 disability ceases the member is over the age of fifty, he or she  
13 shall then receive either disability retirement allowance or  
14 retirement for service allowance, whichever is greater.

15 (4) Benefits under this section for a disability that is incurred  
16 while in other employment will be reduced by any amount the member  
17 receives or is entitled to receive from workers' compensation, social  
18 security, group insurance, other pension plan, or any other similar  
19 source provided by another employer on account of the same  
20 disability.

21 (5) A member retired for disability shall be subject to periodic  
22 examinations by a physician approved by the disability board prior to  
23 attainment of age fifty, pursuant to rules adopted by the director  
24 under section 321 of this act. Examinations of members who retired  
25 for disability prior to July 26, 1981, shall not exceed two medical  
26 examinations per year.

27 NEW SECTION. **Sec. 325.** (1) A disabled member who believes that  
28 his or her disability has ceased in accordance with section 324(3) of  
29 this act may make application to the disability board which  
30 originally found the member to be disabled, for a determination that  
31 the disability has ceased.

32 (2) Every order of a disability board determining that a member's  
33 disability has ceased pursuant to section 324(3) of this act shall  
34 immediately be reviewed by the director. The director may affirm the  
35 decision of the disability board or remand the case for further  
36 proceedings if the director finds the disability board's findings,  
37 inferences, conclusions, or decisions are:

38 (a) In violation of constitutional provisions;

1 (b) In excess of the statutory authority or jurisdiction of the  
2 disability board;

3 (c) Made upon unlawful procedure;

4 (d) Affected by other error of law;

5 (e) Clearly erroneous in view of the entire record as submitted  
6 and the public policy contained in this chapter; or

7 (f) Arbitrary or capricious.

8 (3) Determinations of whether a disability has ceased under  
9 section 324(3) of this act and this section shall be made in  
10 accordance with the same procedures and standards governing other  
11 cancellations of disability retirement.

12 NEW SECTION. **Sec. 326.** (1) Upon the basis of reexaminations of  
13 members on disability retirement as provided in section 324 of this  
14 act, the disability board shall determine whether such disability  
15 beneficiary is still unable to perform his or her duties either  
16 physically or mentally for service in the department where he or she  
17 was employed.

18 (2) If the disability board determines that the beneficiary is  
19 not so incapacitated the retirement allowance shall be canceled and  
20 the member shall be restored to duty in the same civil service rank,  
21 if any, held by the beneficiary at the time of his or her retirement  
22 or if unable to perform the duties of that rank, then, at his or her  
23 request, in such other like or lesser rank as may be or become open  
24 and available, the duties of which he or she is then able to perform.  
25 In no event, shall a beneficiary previously drawing a disability  
26 allowance be returned or be restored to duty at a salary or rate of  
27 pay less than the current salary attached to the rank or position  
28 held by the beneficiary at the date of retirement for disability. If  
29 the disability board determines that the beneficiary is able to  
30 return to service he or she shall be entitled to notice and a  
31 hearing, both the notice and the hearing shall comply with the  
32 requirements of chapter 34.05 RCW.

33 (3) Should a disability beneficiary reenter service and be  
34 eligible for membership in the retirement system, the retirement  
35 allowance shall be canceled and he or she shall immediately become a  
36 member of the retirement system.

37 (4) Should any disability beneficiary under age fifty refuse to  
38 submit to examination, the retirement allowance shall be discontinued

1 until withdrawal of such refusal, and should such refusal continue  
2 for one year or more, the retirement allowance shall be canceled.

3 (5) Should the disability retirement allowance of any disability  
4 beneficiary be canceled for any cause other than reentrance into  
5 service or retirement for service, he or she shall be paid the  
6 excess, if any, of the accumulated contributions at the time of  
7 retirement over all payments made on his or her behalf under this  
8 chapter.

9 (6) Any person feeling aggrieved by an order of a disability  
10 board determining that a beneficiary's disability has not ceased,  
11 pursuant to section 324(3) of this act has the right to appeal the  
12 order or determination to the director. The director shall have no  
13 jurisdiction to entertain the appeal unless a notice of appeal is  
14 filed with the director within thirty days following the rendition of  
15 the order by the disability board. A copy of the notice of appeal  
16 shall be served upon the director and the applicable disability board  
17 and, within ninety days thereof, the disability board shall certify  
18 its decision and order which shall include findings of fact and  
19 conclusions of law, together with a transcript of all proceedings in  
20 connection therewith, to the director for review. Upon review of the  
21 record, the director may affirm the order of the disability board or  
22 may remand the case for further proceedings if the director finds  
23 that the disability board's findings, inferences, conclusions, or  
24 decisions are:

25 (a) In violation of constitutional provisions;

26 (b) In excess of the statutory authority or jurisdiction of the  
27 disability board;

28 (c) Made upon unlawful procedure;

29 (d) Affected by other error of law;

30 (e) Clearly erroneous in view of the entire record as submitted  
31 and the public policy contained in this chapter; or

32 (f) Arbitrary or capricious.

33 NEW SECTION. **Sec. 327.** (1) Whenever any active member, or any  
34 member hereafter retired, on account of service, sickness, or  
35 disability, not caused or brought on by dissipation or abuse, of  
36 which the disability board shall be judge, is confined in any  
37 hospital or in home, and whether or not so confined, requires medical  
38 services, the employer shall pay for the active or retired member the  
39 necessary medical services not payable from some other source as

1 provided for in subsection (2) of this section. In the case of active  
2 or retired firefighters the employer may make the payments provided  
3 for in this section from the firefighters' pension fund established  
4 pursuant to RCW 41.16.050 where the fund had been established prior  
5 to March 1, 1970. If this pension fund is depleted, the employer  
6 shall have the obligation to pay all benefits payable under chapters  
7 41.16 and 41.18 RCW.

8 (a) The disability board in all cases may have the active or  
9 retired member suffering from such sickness or disability examined at  
10 any time by a licensed physician or physicians, to be appointed by  
11 the disability board, for the purpose of ascertaining the nature and  
12 extent of the sickness or disability, the physician or physicians to  
13 report to the disability board the result of the examination within  
14 three days thereafter. Any active or retired member who refuses to  
15 submit to such examination or examinations shall forfeit all rights  
16 to benefits under this section for the period of the refusal.

17 (b) The disability board shall designate the medical services  
18 available to any sick or disabled member.

19 (2) The medical services payable under this section will be  
20 reduced by any amount received or eligible to be received by the  
21 member under workers' compensation, social security including the  
22 changes incorporated under Public Law 89-97, insurance provided by  
23 another employer, other pension plan, or any other similar source.  
24 Failure to apply for coverage if otherwise eligible under the  
25 provisions of Public Law 89-97 shall not be deemed a refusal of  
26 payment of benefits thereby enabling collection of charges under the  
27 provisions of this chapter.

28 (3) Upon making the payments provided for in subsection (1) of  
29 this section, the employer shall be subrogated to all rights of the  
30 member against any third party who may be held liable for the  
31 member's injuries or for payment of the cost of medical services in  
32 connection with a member's sickness or disability to the extent  
33 necessary to recover the amount of payments made by the employer.

34 (4) Any employer under this chapter, either singly, or jointly  
35 with any other such employer or employers through an association  
36 thereof as provided for in chapter 48.21 RCW, may provide for all or  
37 part of one or more plans of group hospitalization and medical aid  
38 insurance to cover any of its employees who are members of the  
39 restated law enforcement officers' and firefighters' retirement  
40 system, and/or retired former employees who were, before retirement,

1 members of the retirement system, through contracts with regularly  
2 constituted insurance carriers, with health maintenance organizations  
3 as defined in chapter 48.46 RCW, or with health care service  
4 contractors as defined in chapter 48.44 RCW. Benefits payable under  
5 the plan or plans shall be deemed to be amounts received or eligible  
6 to be received by the active or retired member under subsection (2)  
7 of this section.

8 (5) Any employer under this chapter may, at its discretion, elect  
9 to reimburse a retired former employee under this chapter for  
10 premiums the retired former employee has paid for medical insurance  
11 that supplements medicare, including premiums the retired former  
12 employee has paid for medicare part B coverage.

13 NEW SECTION. **Sec. 328.** (1) In the event of the duty connected  
14 death of any member who is in active service, or who has vested under  
15 the provisions of section 317 of this act with twenty or more service  
16 credit years of service, or who is on duty connected disability leave  
17 or retired for duty connected disability, or upon the death of a  
18 member who has left the employ of an employer due to service in the  
19 national guard or military reserves and dies while honorably serving  
20 in the national guard or military reserves during a period of war as  
21 defined in RCW 41.04.005, the surviving spouse shall become entitled,  
22 subject to section 330 of this act, to receive a monthly allowance  
23 equal to fifty percent of the final average salary at the date of  
24 death if active, or the amount of retirement allowance the vested  
25 member would have received at age fifty, or the amount of the  
26 retirement allowance such retired member was receiving at the time of  
27 death if retired for duty connected disability. The amount of this  
28 allowance will be increased five percent of final average salary for  
29 each child as defined in section 303(6) of this act, subject to a  
30 maximum combined allowance of sixty percent of final average salary:  
31 PROVIDED, That if the child or children is or are in the care of a  
32 legal guardian, payment of the increase attributable to each child  
33 will be made to the child's legal guardian or, in the absence of a  
34 legal guardian and if the member has created a trust for the benefit  
35 of the child or children, payment of the increase attributable to  
36 each child will be made to the trust.

37 (2) If at the time of the duty connected death of a vested member  
38 with twenty or more service credit years of service as provided in  
39 subsection (1) of this section or a member retired for duty connected



1 disability, or at the time of the death of a member who has left the  
2 employ of an employer due to service in the national guard or  
3 military reserves and dies while honorably serving in the national  
4 guard or military reserves during a period of war as defined in RCW  
5 41.04.005, the surviving spouse has not been lawfully married to such  
6 member for one year prior to retirement or separation from service if  
7 a vested member, the surviving spouse shall not be eligible to  
8 receive the benefits under this section: PROVIDED, That if a member  
9 dies as a result of a disability incurred in the line of duty or  
10 while honorably serving in the national guard or military reserves  
11 during a period of war as defined in RCW 41.04.005, then if he or she  
12 was married at the time he or she was disabled or left the employ of  
13 an employer due to service in the national guard or military reserves  
14 during a period of war as defined in RCW 41.04.005, the surviving  
15 spouse shall be eligible to receive the benefits under this section.

16 (3) If there be no surviving spouse eligible to receive benefits  
17 at the time of such member's duty connected death, then the child or  
18 children of such member shall receive a monthly allowance equal to  
19 thirty percent of final average salary for one child and an  
20 additional ten percent for each additional child subject to a maximum  
21 combined payment, under this subsection, of sixty percent of final  
22 average salary. When there cease to be any eligible children as  
23 defined in section 303(6) of this act, there shall be paid to the  
24 legal heirs of the member the excess, if any, of accumulated  
25 contributions of the member at the time of death over all payments  
26 made to survivors on his or her behalf under this chapter: PROVIDED,  
27 That payments under this subsection to children shall be prorated  
28 equally among the children, if more than one. If the member has  
29 created a trust for the benefit of the child or children, the payment  
30 shall be made to the trust.

31 (4) In the event that there is no surviving spouse eligible to  
32 receive benefits under this section, and that there be no child or  
33 children eligible to receive benefits under this section, then the  
34 accumulated contributions shall be paid to the estate of the member.

35 (5) If a surviving spouse receiving benefits under this section  
36 remarries after June 13, 2002, the surviving spouse shall continue to  
37 receive the benefits under this section.

38 (6) If a surviving spouse receiving benefits under the provisions  
39 of this section thereafter dies and there are children as defined in  
40 section 303(6) of this act, payment to the spouse shall cease and the

1 child or children shall receive the benefits as provided in  
2 subsection (3) of this section.

3 (7) The payment provided by this section shall become due the day  
4 following the date of death and payments shall be retroactive to that  
5 date.

6 NEW SECTION. **Sec. 329.** (1) In the event of the nonduty  
7 connected death of any member who is in active service, or who has  
8 vested under section 317 of this act with twenty or more service  
9 credit years of service, or who is on disability leave or retired,  
10 whether for nonduty connected disability or service, the surviving  
11 spouse shall become entitled to receive a monthly allowance equal to  
12 fifty percent of the final average salary at the date of death if  
13 active, or the amount of retirement allowance the vested member would  
14 have received at age fifty, or the amount of the retirement allowance  
15 such retired member was receiving at the time of death if retired for  
16 service or nonduty connected disability. The amount of this allowance  
17 will be increased five percent of final average salary for each child  
18 as defined in section 303(6) of this act, subject to a maximum  
19 combined allowance of sixty percent of final average salary:  
20 PROVIDED, That if the child or children is or are in the care of a  
21 legal guardian, payment of the increase attributable to each child  
22 will be made to the child's legal guardian or, in the absence of a  
23 legal guardian and if the member has created a trust for the benefit  
24 of the child or children, payment of the increase attributable to  
25 each child will be made to the trust.

26 (2) If at the time of the death of a vested member with twenty or  
27 more service credit years of service as provided in subsection (1) of  
28 this section or a member retired for service or disability, the  
29 surviving spouse has not been lawfully married to such member for one  
30 year prior to retirement or separation from service if a vested  
31 member, the surviving spouse shall not be eligible to receive the  
32 benefits under this section.

33 (3) If there be no surviving spouse eligible to receive benefits  
34 at the time of such member's death, then the child or children of  
35 such member shall receive a monthly allowance equal to thirty percent  
36 of final average salary for one child and an additional ten percent  
37 for each additional child subject to a maximum combined payment,  
38 under this subsection, of sixty percent of final average salary. When  
39 there cease to be any eligible children as defined in section 303(6)

1 of this act, there shall be paid to the legal heirs of the member the  
2 excess, if any, of accumulated contributions of the member at the  
3 time of death over all payments made to survivors on his or her  
4 behalf under this chapter: PROVIDED, That payments under this  
5 subsection to children shall be prorated equally among the children,  
6 if more than one. If the member has created a trust for the benefit  
7 of the child or children, the payment shall be made to the trust.

8 (4) In the event that there is no surviving spouse eligible to  
9 receive benefits under this section, and that there be no child or  
10 children eligible to receive benefits under this section, then the  
11 accumulated contributions shall be paid to the estate of the member.

12 (5) If a surviving spouse receiving benefits under this section  
13 remarries after June 13, 2002, the surviving spouse shall continue to  
14 receive the benefits under this section.

15 (6) If a surviving spouse receiving benefits under the provisions  
16 of this section thereafter dies and there are children as defined in  
17 section 303(6) of this act, payment to the spouse shall cease and the  
18 child or children shall receive the benefits as provided in  
19 subsection (3) of this section.

20 (7) The payment provided by this section shall become due the day  
21 following the date of death and payments shall be retroactive to that  
22 date.

23 NEW SECTION. **Sec. 330.** (1) An ex spouse of a law enforcement  
24 officers' and firefighters' retirement system retiree shall qualify  
25 as surviving spouse under section 328 or 329 of this act if the ex  
26 spouse has been provided benefits under any currently effective court  
27 decree of dissolution or legal separation or in any court order or  
28 court-approved property settlement agreement incident to any court  
29 decree of dissolution or legal separation. Such an ex spouse shall  
30 continue to receive the court-awarded portion of the member's benefit  
31 after the member's death as if the member was still alive.

32 (2) An ex spouse whose benefit resumes as a result of chapter 62,  
33 Laws of 2005 shall receive an initial payment equivalent to that  
34 portion of the member's benefit received prior to its suspension. The  
35 benefit will not be adjusted under section 342 of this act for the  
36 period the allowance was suspended.

37 (3) Chapter 62, Laws of 2005 shall not result in the payment of  
38 benefits for the period during which benefits were suspended.

39 (4) This section shall apply retroactively.

1        NEW SECTION.    **Sec. 331.**    (1) No later than July 1, 2005, the  
2 department shall adopt rules to allow a member who meets the criteria  
3 set forth in subsection (2) of this section to choose an actuarially  
4 equivalent benefit that pays the member a reduced retirement  
5 allowance and upon death, such portion of the member's reduced  
6 retirement allowance as the department by rule designates shall be  
7 continued throughout the life of a spouse ineligible for survivor  
8 benefits under section 328 or 329 of this act.

9        (2) To choose an actuarially equivalent benefit according to  
10 subsection (1) of this section, a member shall:

11        (a) Have a portion of the retirement allowance payable to the  
12 retiree that is not subject to periodic payments pursuant to a  
13 property division obligation as provided for in RCW 41.50.670; and

14        (b) Choose an actuarially reduced benefit equivalent to that  
15 portion not subject to periodic payments under (a) of this subsection  
16 during a one-year period beginning one year after the date of  
17 marriage to the survivor benefit-ineligible spouse.

18        (3)(a) A member who married a spouse ineligible for survivor  
19 benefits under section 328 or 329 of this act prior to the effective  
20 date of the rules adopted under this section and satisfies subsection  
21 (2)(a) of this section has one year to designate their spouse as a  
22 survivor beneficiary following the adoption of the rules.

23        (b) A member who married a spouse ineligible for survivor  
24 benefits under section 328 or 329 of this act, has been married to  
25 that spouse for at least two years prior to September 1, 2015, and  
26 satisfies subsection (2)(a) of this section has one year from  
27 September 1, 2015, to designate their spouse as a survivor  
28 beneficiary. The office of the state actuary must provide the  
29 department with administrative factors to ensure that the benefits  
30 provided under this section are actuarially equivalent.

31        (c) A deceased member's spouse who was eligible to be provided a  
32 survivor benefit under subsection (1) of this section but the member  
33 did not select a survivor benefit, and who prior to March 1, 2015,  
34 exhausted all administrative remedies with the department for  
35 establishing eligibility for a benefit under this section, is  
36 eligible beginning August 1, 2015, for a retirement allowance equal  
37 to two-thirds of the gross monthly retirement allowance the retired  
38 member received at the time of death.

39        (4) No benefit provided to a child survivor beneficiary under  
40 section 328 or 329 of this act is affected or reduced by the member's

1 selection of the actuarially reduced spousal survivor benefit  
2 provided by this section.

3 (5) (a) Any member who chose to receive a reduced retirement  
4 allowance under subsection (1) of this section is entitled to receive  
5 a retirement allowance adjusted in accordance with (b) of this  
6 subsection if:

7 (i) The retiree's survivor spouse designated in subsection (1) of  
8 this section predeceases the retiree; and

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

11 (b) The retirement allowance payable to the retiree from the  
12 beginning of the month following the date of the beneficiary's death  
13 shall be increased by the following:

14 (i) One hundred percent multiplied by the result of (b) (ii) of  
15 this subsection converted to a percent;

16 (ii) Subtract one from the reciprocal of the appropriate joint  
17 and survivor option factor.

18 NEW SECTION. **Sec. 332.** (1) Should service of a member be  
19 discontinued except by death, disability, or retirement, the member  
20 shall, upon application therefor, be paid the accumulated  
21 contributions within sixty days after the day of application and the  
22 rights to all benefits as a member shall cease: PROVIDED, That any  
23 member with at least five years' service may elect the provisions of  
24 section 317(2) of this act.

25 (2) Any member whose contributions have been paid in accordance  
26 with subsection (1) of this section and who reenters the service of  
27 an employer shall upon the restoration of withdrawn contributions,  
28 which restoration must be completed within a total period of five  
29 years of service following resumption of employment, then receive  
30 credit toward retirement for the period of previous service which  
31 these contributions are to cover.

32 (3) If the member fails to meet the time limitations of  
33 subsection (2) of this section, the member may make the payment  
34 required under RCW 41.50.165(2) prior to retirement. The member shall  
35 then receive credit toward retirement for the period of previous  
36 service that the withdrawn contributions cover.

37 NEW SECTION. **Sec. 333.** Each person affected by this chapter who  
38 at the time of entering the armed services was a member of this

1 system, and has honorably served in the armed services of the United  
2 States, shall have added to the period of service as computed under  
3 this chapter, the period of service in the armed forces: PROVIDED,  
4 That such credited service shall not exceed five years.

5 NEW SECTION. **Sec. 334.** If a member of this retirement system  
6 served as a law enforcement officer or firefighter under a prior  
7 pension system and that service is not creditable to this retirement  
8 system because the member withdrew his or her contributions plus  
9 accrued interest from the prior pension system, the member's prior  
10 service as a law enforcement officer shall be credited to this  
11 retirement system if the member pays to the retirement system the  
12 amount under RCW 41.50.165(2) prior to retirement.

13 NEW SECTION. **Sec. 335.** If a member's prior service as a law  
14 enforcement officer or firefighter under a prior pension system is  
15 not creditable because, although employed in a position covered by a  
16 prior pension act, the member had not yet become a member of the  
17 pension system governed by the act, the member's prior service as a  
18 law enforcement officer or firefighter shall be creditable, if the  
19 member pays to the plan the amount set forth under RCW 41.50.165(2)  
20 prior to retirement.

21 NEW SECTION. **Sec. 336.** Any member of the teachers' retirement  
22 system plans 1, 2, or 3, the public employees' retirement system  
23 plans 1, 2, or 3, the public safety employees' retirement system plan  
24 2, the school employees' retirement system plans 2 or 3, or the  
25 Washington state patrol retirement system plans 1 or 2 who has  
26 previously established service credit in the law enforcement  
27 officers' and firefighters' retirement system plan 1 may make an  
28 irrevocable election to have such service transferred to their  
29 current retirement system and plan subject to the following  
30 conditions:

31 (1) If the individual is employed by an employer in an eligible  
32 position, as of July 1, 1997, the election to transfer service must  
33 be filed in writing with the department no later than July 1, 1998.  
34 If the individual is not employed by an employer in an eligible  
35 position, as of July 1, 1997, the election to transfer service must  
36 be filed in writing with the department no later than one year from  
37 the date they are employed by an employer in an eligible position.

1 (2) An individual transferring service under this section  
2 forfeits the rights to all benefits as a member of the law  
3 enforcement officers' and firefighters' retirement system plan 1 and  
4 will be permanently excluded from membership.

5 (3) Any individual choosing to transfer service under this  
6 section will have transferred to their current retirement system and  
7 plan: (a) All the individual's accumulated contributions; (b) an  
8 amount sufficient to ensure that the employer contribution rate in  
9 the individual's current system and plan will not increase due to the  
10 transfer; and (c) all applicable months of service, as defined in  
11 section 303(29) of this act.

12 (4) If an individual has withdrawn contributions from the law  
13 enforcement officers' and firefighters' retirement system plan 1, the  
14 individual may restore the contributions, together with interest as  
15 determined by the director, and recover the service represented by  
16 the contributions for the sole purpose of transferring service under  
17 this section. The contributions must be restored before the transfer  
18 can occur and the restoration must be completed within the time  
19 limitations specified in subsection (1) of this section.

20 (5) Service transferred under this section is applicable for  
21 meeting the total service required for military service credit as  
22 defined in RCW 41.40.170(3) but is not applicable for meeting the  
23 total service credit required for military service credit under RCW  
24 43.43.260(3). This subsection applies to members who retired on or  
25 after January 1, 1998.

26 (6) If an individual does not meet the time limitations of  
27 subsection (1) of this section, the individual may elect to restore  
28 any withdrawn contributions and transfer service under this section  
29 by paying the amount required under subsection (3)(b) of this section  
30 less any employee contributions transferred.

31 NEW SECTION. **Sec. 337.** (1) A member who is on a paid leave of  
32 absence authorized by a member's employer shall continue to receive  
33 service credit as provided under the provisions of this chapter.

34 (2) A member who receives compensation from an employer while on  
35 an authorized leave of absence to serve as an elected official of a  
36 labor organization, and whose employer is reimbursed by the labor  
37 organization for the compensation paid to the member during the  
38 period of absence, may also be considered to be on a paid leave of  
39 absence. This subsection shall only apply if the member's leave of

1 absence is authorized by a collective bargaining agreement that  
2 provides that the member retains seniority rights with the employer  
3 during the period of leave. The basic salary reported for a member  
4 who establishes service credit under this subsection may not be  
5 greater than the salary paid to the highest paid job class covered by  
6 the collective bargaining agreement.

7 NEW SECTION. **Sec. 338.** (1) A member eligible to retire under  
8 section 317 of this act may, at the time of filing a written  
9 application for retirement with the department, apply to the  
10 department to make a one-time purchase of up to five years of  
11 additional service credit.

12 (2) To purchase additional service credit under this section, a  
13 member shall pay the actuarial equivalent value of the resulting  
14 increase in the member's benefit.

15 (3) Subject to rules adopted by the department, a member  
16 purchasing additional service credit under this section may pay all  
17 or part of the cost with a lump sum payment, eligible rollover,  
18 direct rollover, or trustee-to-trustee transfer from an eligible  
19 retirement plan. The department shall adopt rules to ensure that all  
20 lump sum payments, rollovers, and transfers comply with the  
21 requirements of the internal revenue code and regulations adopted by  
22 the internal revenue service. The rules adopted by the department may  
23 condition the acceptance of a rollover or transfer from another plan  
24 on the receipt of information necessary to enable the department to  
25 determine the eligibility of any transferred funds for tax-free  
26 rollover treatment or other treatment under federal income tax law.

27 (4) Additional service credit purchased under this section is not  
28 membership service and shall be used exclusively to provide the  
29 member with a monthly annuity that is paid in addition to the  
30 member's retirement allowance.

31 NEW SECTION. **Sec. 339.** Any person feeling aggrieved by any  
32 order or determination of a disability board denying disability leave  
33 or disability retirement, or canceling a previously granted  
34 disability retirement allowance, shall have the right to appeal the  
35 order or determination to the director. The director shall have no  
36 jurisdiction to entertain the appeal unless a notice of appeal is  
37 filed with the director within thirty days following the rendition of  
38 the order by the applicable disability board. A copy of the notice of



1 appeal shall be served upon the director and the applicable  
2 disability board and, within ninety days thereof, the disability  
3 board shall certify its decision and order which shall include  
4 findings of fact and conclusions of law, together with a transcript  
5 of all proceedings in connection therewith, to the director for  
6 review. Upon review of the record, the director may affirm the order  
7 of the disability board or may remand the case for such further  
8 proceedings as he or she may direct, in accordance with such rules of  
9 procedure as the director shall adopt.

10 NEW SECTION. **Sec. 340.** Any person aggrieved by any final  
11 decision of the director must, before petitioning for judicial  
12 review, file with the director of the retirement system by mail or  
13 personally within sixty days from the day the decision was  
14 communicated to the person, a notice for a hearing. The notice of  
15 hearing shall set forth in full detail the grounds upon which such  
16 person considers such decision unjust or unlawful and shall include  
17 every issue to be considered, and it must contain a detailed  
18 statement of facts upon which such person relies in support thereof.  
19 Such persons shall be deemed to have waived all objections or  
20 irregularities concerning the matter on which such appeal is taken  
21 other than those specifically set forth in the notice of hearing or  
22 appearing in the records of the retirement system.

23 NEW SECTION. **Sec. 341.** A hearing shall be held by the director,  
24 or the director's duly authorized representative, in the county of  
25 the residence of the claimant at a time and place designated by the  
26 director. Such hearing shall be de novo and shall conform to the  
27 provisions of chapter 34.05 RCW. The disability board and the  
28 department shall be entitled to appear in all such proceedings and  
29 introduce testimony in support of the decision. Judicial review of  
30 any final decision by the director shall be governed by the  
31 provisions of chapter 34.05 RCW.

32 NEW SECTION. **Sec. 342.** For purposes of this section:  
33 (1) "Index" shall mean, for any calendar year, that year's  
34 average Consumer Price Index—Seattle, Washington area for urban wage  
35 earners and clerical workers, all items (1957-1959=100), compiled by  
36 the Bureau of Labor Statistics, United States Department of Labor;

1 (2) "Retirement allowance" shall mean the retirement allowance  
2 provided for in sections 318 and 324 of this act, and the monthly  
3 allowance provided for in section 328 of this act.

4 Effective April 1 of 1971, and of each succeeding year, every  
5 retirement allowance which has been in effect for more than one year  
6 shall be adjusted to that dollar amount which exceeds its original  
7 dollar amount by the percentage difference which the department finds  
8 to exist between the index for the previous calendar year and the  
9 index for the calendar year prior to the effective retirement date of  
10 the person to whom, or on behalf of whom, such retirement allowance  
11 is being paid.

12 For the purposes of this section, basic allowance shall mean that  
13 portion of a total retirement allowance, and any cost-of-living  
14 adjustment thereon, attributable to a member (individually) and shall  
15 not include the increased amounts attributable to the existence of a  
16 child or children. In those cases where a child ceases to be  
17 qualified as an eligible child, so as to lessen the total allowance,  
18 the allowance shall, at that time, be reduced to the basic allowance  
19 plus the amount attributable for the appropriate number of eligible  
20 children. In those cases where a child qualifies as an eligible child  
21 subsequent to the retirement of a member so as to increase the total  
22 allowance payable, such increased allowance shall at the time of the  
23 next and appropriate subsequent cost-of-living adjustments, be  
24 considered the original dollar amount of the allowance.

25 NEW SECTION. **Sec. 343.** All benefits presently payable pursuant  
26 to the provisions of RCW 41.20.050, 41.20.060, and 41.20.080 as such  
27 RCW sections existed prior to the effective date of the amendment of  
28 such RCW sections by sections 1, 2, 3, chapter 191, Laws of 1961 to  
29 persons who retired prior to the effective date of the 1961  
30 amendatory act, shall be increased annually as provided in this  
31 section. The local pension board shall meet subsequent to March 31st  
32 but prior to June 30th of each year for the purpose of adjusting  
33 benefit allowances payable pursuant to RCW 41.20.050, 41.20.060, and  
34 41.20.080. The local board shall determine the increase in the  
35 consumer price index between January 1st and December 31st of the  
36 previous year and increase in dollar amount the benefits payable  
37 subsequent to July 1st of the year in which the board makes such  
38 determination by a dollar amount proportionate to the increase in the  
39 consumer price index: PROVIDED, That regardless of the change in the

1 consumer price index, such increase shall be at least two percent  
2 each year such adjustment is made.

3 Each year effective with the July payment all benefits specified  
4 in this section, shall be increased as authorized by this section.  
5 This benefit increase shall be paid monthly as part of the regular  
6 pension payment and shall be cumulative.

7 For the purpose of this section the term "consumer price index"  
8 shall mean, for any calendar year, the consumer price index for the  
9 Seattle, Washington area as compiled by the bureau of labor  
10 statistics of the United States department of labor.

11 NEW SECTION. **Sec. 344.** All benefits presently payable pursuant  
12 to the provisions of RCW 41.20.085 which are not related to the  
13 amount of current salary attached to the position held by the  
14 deceased member, shall be increased annually in the same manner and  
15 to the same extent as provided for pursuant to section 343 of this  
16 act.

17 NEW SECTION. **Sec. 345.** The legislature of the state of  
18 Washington hereby declares that the relationship between members of  
19 the restated law enforcement officers' and firefighters' retirement  
20 system and their governmental employers is similar to that of workers  
21 to their employers and that the sure and certain relief granted by  
22 this chapter is desirable, and as beneficial to such law enforcement  
23 officers and firefighters as workers' compensation coverage is to  
24 persons covered by Title 51 RCW. The legislature further declares  
25 that removal of law enforcement officers and firefighters from  
26 workers' compensation coverage under Title 51 RCW necessitates the  
27 (1) continuance of sure and certain relief for personal injuries  
28 incurred in the course of employment or occupational disease, which  
29 the legislature finds to be accomplished by the provisions of this  
30 chapter and (2) protection for the governmental employer from actions  
31 at law; and to this end the legislature further declares that the  
32 benefits and remedies conferred by this chapter upon law enforcement  
33 officers and firefighters covered under this chapter, shall be to the  
34 exclusion of any other remedy, proceeding, or compensation for  
35 personal injuries or sickness, caused by the governmental employer  
36 except as otherwise provided by this chapter; and to that end all  
37 civil actions and civil causes of actions by such law enforcement  
38 officers and firefighters against their governmental employers for

1 personal injuries or sickness are hereby abolished, except as  
2 otherwise provided in this chapter.

3 NEW SECTION. **Sec. 346.** If injury or death results to a member  
4 from the intentional or negligent act or omission of a member's  
5 governmental employer, the member, the widow, widower, child, or  
6 dependent of the member shall have the privilege to benefit under  
7 this chapter and also have cause of action against the governmental  
8 employer as otherwise provided by law, for any excess of damages over  
9 the amount received or receivable under this chapter.

10 NEW SECTION. **Sec. 347.** (1) Law enforcement officers' and  
11 firefighters' plan 1 active members, term-vested members, retirees,  
12 and survivors eligible for benefits under the plan 1 provisions of  
13 this chapter on June 9, 2022, shall be eligible to receive the plan 1  
14 lump sum defined benefit of \$100 per service credit month payable by  
15 January 31, 2023.

16 (a) Members who retired for an in the line of duty disability  
17 under section 322 of this act shall receive the greater of the lump  
18 sum defined benefit of \$100 per service credit month or a lump sum  
19 defined benefit of \$20,000.

20 (b) A member's beneficiary is eligible for an in the line of duty  
21 death benefit under section 309 of this act. If there is more than  
22 one eligible beneficiary the lump sum defined benefit will be  
23 distributed in accordance with section 309 of this act.

24 (c) If the member is deceased the member's survivor beneficiary  
25 under section 328 of this act is eligible for this lump sum defined  
26 benefit.

27 (2) If a member is active or term-vested, interest on the lump  
28 sum defined benefit as determined by the director of retirement  
29 systems shall accumulate from January 1, 2023, until distribution to  
30 the participant upon retirement from service or for disability. For  
31 the purposes of this section, a "term-vested member" is a member who  
32 has rendered five years of service, has not withdrawn his or her  
33 member contributions, and who has not applied for retirement.

34 (3) If a member dies after June 9, 2022, but before distribution  
35 of the lump sum defined benefit created in this section occurs, the  
36 distribution shall be made according to the member's beneficiary  
37 designation under this chapter.

1 (4) The lump sum defined benefit created in this section is  
2 subject to section 310 of this act.

3 NEW SECTION. **Sec. 348.** To the extent that the provisions of  
4 this act are inconsistent with the provisions of any other law, the  
5 provisions of this act shall be controlling.

6 **PART IV**  
7 **CONFORMING AMENDMENTS**

8 **Sec. 401.** RCW 2.10.155 and 1990 c 274 s 14 are each amended to  
9 read as follows:

10 (1) No judge shall be eligible to receive the judge's monthly  
11 service or disability retirement allowance if the retired judge is  
12 employed:

13 (a) For more than eight hundred ten hours in a calendar year as a  
14 pro tempore judge; or

15 (b) In an eligible position as defined in RCW 41.40.010 or  
16 41.32.010, or as a law enforcement officer or firefighter as defined  
17 in RCW 41.26.030 or section 303 of this act.

18 (2) Subsection (1) of this section notwithstanding, a previously  
19 elected judge of the superior court who retired before June 7, 1990,  
20 leaving a pending case in which the judge had made discretionary  
21 rulings may hear the pending case as a judge pro tempore without  
22 having his or her retirement allowance suspended.

23 (3) If a retired judge's benefits have been suspended under this  
24 section, his or her benefits shall be reinstated when the retiree  
25 terminates the employment that caused his or her benefits to be  
26 suspended. Upon reinstatement, the retired judge's benefits shall be  
27 actuarially recomputed pursuant to the rules adopted by the  
28 department.

29 (4) The department shall adopt rules implementing this section.

30 **Sec. 402.** RCW 6.15.020 and 2011 c 162 s 3 are each amended to  
31 read as follows:

32 (1) It is the policy of the state of Washington to ensure the  
33 well-being of its citizens by protecting retirement income to which  
34 they are or may become entitled. For that purpose generally and  
35 pursuant to the authority granted to the state of Washington under 11

1 U.S.C. Sec. 522(b)(2), the exemptions in this section relating to  
2 retirement benefits are provided.

3 (2) Unless otherwise provided by federal law, any money received  
4 by any citizen of the state of Washington as a pension from the  
5 government of the United States, whether the same be in the actual  
6 possession of such person or be deposited or loaned, shall be exempt  
7 from execution, attachment, garnishment, or seizure by or under any  
8 legal process whatever, and when a debtor dies, or absconds, and  
9 leaves his or her family any money exempted by this subsection, the  
10 same shall be exempt to the family as provided in this subsection.  
11 This subsection shall not apply to child support collection actions  
12 issued under chapter 26.18, 26.23, or 74.20A RCW, if otherwise  
13 permitted by federal law.

14 (3) The right of a person to a pension, annuity, or retirement  
15 allowance or disability allowance, or death benefits, or any optional  
16 benefit, or any other right accrued or accruing to any citizen of the  
17 state of Washington under any employee benefit plan, and any fund  
18 created by such a plan or arrangement, shall be exempt from  
19 execution, attachment, garnishment, or seizure by or under any legal  
20 process whatever. This subsection shall not apply to child support  
21 collection actions issued under chapter 26.18, 26.23, or 74.20A RCW  
22 if otherwise permitted by federal law. This subsection shall permit  
23 benefits under any such plan or arrangement to be payable to a  
24 spouse, former spouse, child, or other dependent of a participant in  
25 such plan to the extent expressly provided for in a qualified  
26 domestic relations order that meets the requirements for such orders  
27 under the plan, or, in the case of benefits payable under a plan  
28 described in 26 U.S.C. Sec. 403(b) or 408 of the internal revenue  
29 code of 1986, as amended, or section 409 of such code as in effect  
30 before January 1, 1984, to the extent provided in any order issued by  
31 a court of competent jurisdiction that provides for maintenance or  
32 support. This subsection does not prohibit actions against an  
33 employee benefit plan, or fund for valid obligations incurred by the  
34 plan or fund for the benefit of the plan or fund.

35 (4) For the purposes of this section, the term "employee benefit  
36 plan" means any plan or arrangement that is described in RCW  
37 49.64.020, including any Keogh plan, whether funded by a trust or by  
38 an annuity contract, and in 26 U.S.C. Sec. 401(a) or 403(a) of the  
39 internal revenue code of 1986, as amended; or that is a tax-sheltered  
40 annuity or a custodial account described in section 403(b) of such

1 code or an individual retirement account or an individual retirement  
2 annuity described in section 408 of such code; or a Roth individual  
3 retirement account described in section 408A of such code; or a  
4 medical savings account or a health savings account described in  
5 sections 220 and 223, respectively, of such code; or a retirement  
6 bond described in section 409 of such code as in effect before  
7 January 1, 1984. The term "employee benefit plan" shall not include  
8 any employee benefit plan that is established or maintained for its  
9 employees by the government of the United States, by the state of  
10 Washington under chapter 2.10, 2.12, 41.26, 41.--- (the new chapter  
11 created in section 504 of this act), 41.32, 41.34, 41.35, 41.37,  
12 41.40, or 43.43 RCW or RCW 41.50.770, or by any agency or  
13 instrumentality of the government of the United States.

14 (5) An employee benefit plan shall be deemed to be a spendthrift  
15 trust, regardless of the source of funds, the relationship between  
16 the trustee or custodian of the plan and the beneficiary, or the  
17 ability of the debtor to withdraw or borrow or otherwise become  
18 entitled to benefits from the plan before retirement. This subsection  
19 shall not apply to child support collection actions issued under  
20 chapter 26.18, 26.23, or 74.20A RCW, if otherwise permitted by  
21 federal law. This subsection shall permit benefits under any such  
22 plan or arrangement to be payable to a spouse, former spouse, child,  
23 or other dependent of a participant in such plan to the extent  
24 expressly provided for in a qualified domestic relations order that  
25 meets the requirements for such orders under the plan, or, in the  
26 case of benefits payable under a plan described in 26 U.S.C. Sec.  
27 403(b) or 408 of the internal revenue code of 1986, as amended, or  
28 section 409 of such code as in effect before January 1, 1984, to the  
29 extent provided in any order issued by a court of competent  
30 jurisdiction that provides for maintenance or support.

31 (6) Unless prohibited by federal law, nothing contained in  
32 subsection (3), (4), or (5) of this section shall be construed as a  
33 termination or limitation of a spouse's community property interest  
34 in an employee benefit plan held in the name of or on account of the  
35 other spouse, who is the participant or the account holder spouse.  
36 Unless prohibited by applicable federal law, at the death of the  
37 nonparticipant, nonaccount holder spouse, the nonparticipant,  
38 nonaccount holder spouse may transfer or distribute the community  
39 property interest of the nonparticipant, nonaccount holder spouse in  
40 the participant or account holder spouse's employee benefit plan to

1 the nonparticipant, nonaccount holder spouse's estate, testamentary  
2 trust, inter vivos trust, or other successor or successors pursuant  
3 to the last will of the nonparticipant, nonaccount holder spouse or  
4 the law of intestate succession, and that distributee may, but shall  
5 not be required to, obtain an order of a court of competent  
6 jurisdiction, including a nonjudicial binding agreement or order  
7 entered under chapter 11.96A RCW, to confirm the distribution. For  
8 purposes of subsection (3) of this section, the distributee of the  
9 nonparticipant, nonaccount holder spouse's community property  
10 interest in an employee benefit plan shall be considered a person  
11 entitled to the full protection of subsection (3) of this section.  
12 The nonparticipant, nonaccount holder spouse's consent to a  
13 beneficiary designation by the participant or account holder spouse  
14 with respect to an employee benefit plan shall not, absent clear and  
15 convincing evidence to the contrary, be deemed a release, gift,  
16 relinquishment, termination, limitation, or transfer of the  
17 nonparticipant, nonaccount holder spouse's community property  
18 interest in an employee benefit plan. For purposes of this  
19 subsection, the term "nonparticipant, nonaccount holder spouse" means  
20 the spouse of the person who is a participant in an employee benefit  
21 plan or in whose name an individual retirement account is maintained.  
22 As used in this subsection, an order of a court of competent  
23 jurisdiction entered under chapter 11.96A RCW includes an agreement,  
24 as that term is used under RCW 11.96A.220.

25 **Sec. 403.** RCW 26.09.138 and 1991 c 365 s 24 are each amended to  
26 read as follows:

27 (1) Any obligee of a court order or decree establishing a spousal  
28 maintenance obligation may seek a mandatory benefits assignment order  
29 under chapter 41.50 RCW if any spousal maintenance payment is more  
30 than fifteen days past due and the total of such past due payments is  
31 equal to or greater than one hundred dollars, or if the obligor  
32 requests a withdrawal of accumulated contributions from the  
33 department of retirement systems.

34 (2) Any court order or decree establishing a spousal maintenance  
35 obligation may state that, if any spousal maintenance payment is more  
36 than fifteen days past due and the total of such past due payments is  
37 equal to or greater than one hundred dollars, or if the obligor  
38 requests a withdrawal of accumulated contributions from the  
39 department of retirement systems, the obligee may seek a mandatory



1 benefits assignment order under chapter 41.50 RCW without prior  
2 notice to the obligor. Any such court order or decree may also, or in  
3 the alternative, contain a provision that would allow the department  
4 to make a direct payment of all or part of a withdrawal of  
5 accumulated contributions pursuant to RCW 41.50.550(3). Failure to  
6 include this provision does not affect the validity of the court  
7 order or decree establishing the spousal maintenance, nor does such  
8 failure affect the general applicability of RCW 41.50.500 through  
9 41.50.650 to such obligations.

10 (3) The remedies in RCW 41.50.530 through 41.50.630 are the  
11 exclusive provisions of law enforceable against the department of  
12 retirement systems in connection with any action for enforcement of a  
13 spousal maintenance obligation ordered pursuant to a divorce,  
14 dissolution, or legal separation, and no other remedy ordered by a  
15 court under this chapter shall be enforceable against the department  
16 of retirement systems for collection of spousal maintenance.

17 (4) (a) Nothing in this section regarding mandatory assignment of  
18 benefits to enforce a spousal maintenance obligation shall abridge  
19 the right of an ex spouse to receive direct payment of retirement  
20 benefits payable pursuant to: (i) A court decree of dissolution or  
21 legal separation; or (ii) any court order or court-approved property  
22 settlement agreement; or (iii) incident to any court decree of  
23 dissolution or legal separation, if such dissolution orders fully  
24 comply with RCW 41.50.670 and 41.50.700, or as applicable, RCW  
25 2.10.180, 2.12.090, 41.04.310, 41.04.320, 41.04.330, (~~41.26.180,~~)  
26 41.26.053, section 310 of this act, 41.32.052, 41.40.052, or  
27 43.43.310 as those statutes existed before July 1, 1987, and as those  
28 statutes exist on and after July 28, 1991.

29 (b) Persons whose dissolution orders as defined in RCW  
30 41.50.500(3) were entered between July 1, 1987, and July 28, 1991,  
31 shall be entitled to receive direct payments of retirement benefits  
32 to satisfy court-ordered property divisions if the dissolution orders  
33 filed with the department comply or are amended to comply with RCW  
34 41.50.670 through 41.50.720 and, as applicable, RCW 2.10.180,  
35 2.12.090, (~~41.26.180,~~) 41.26.053, section 310 of this act,  
36 41.32.052, 41.40.052, or 43.43.310.

37 **Sec. 404.** RCW 28B.15.380 and 2019 c 144 s 1 are each amended to  
38 read as follows:

1 Subject to the limitations of RCW 28B.15.910, the governing  
2 boards of the state universities, the regional universities, and The  
3 Evergreen State College shall exempt the following students from the  
4 payment of all tuition fees and services and activities fees:

5 (1) Children of any law enforcement officer as defined in chapter  
6 41.26 or 41.--- (the new chapter created in section 504 of this act)  
7 RCW, firefighter as defined in chapter 41.26, 41.--- (the new chapter  
8 created in section 504 of this act), or 41.24 RCW, highway worker, or  
9 Washington state patrol officer who lost his or her life or became  
10 totally disabled in the line of duty while employed by any public law  
11 enforcement agency or full-time or volunteer fire department in this  
12 state, or was a highway worker while either employed by a general  
13 contractor or subcontractor, on a transportation project or employed  
14 by a transportation agency: PROVIDED, That such persons may receive  
15 the exemption only if they begin their course of study at a state-  
16 supported college or university within ten years of their graduation  
17 from high school; and

18 (2) Surviving spouses of any law enforcement officer as defined  
19 in chapter 41.26 or 41.--- (the new chapter created in section 504 of  
20 this act) RCW, firefighter as defined in chapter 41.26, 41.--- (the  
21 new chapter created in section 504 of this act), or 41.24 RCW,  
22 highway worker, or Washington state patrol officer who lost his or  
23 her life or became totally disabled in the line of duty while  
24 employed by any public law enforcement agency or full-time or  
25 volunteer fire department in this state, or was a highway worker  
26 while either employed by a general contractor or subcontractor, on a  
27 transportation project or employed by a transportation agency.

28 (3) The governing boards of the state universities, the regional  
29 universities, and The Evergreen State College shall report to the  
30 education data center on the annual cost of tuition fees and services  
31 and activities fees waived for surviving spouses and children under  
32 this section. The education data center shall consolidate the reports  
33 of the waived fees and annually report to the appropriate fiscal and  
34 policy committees of the legislature.

35 (4) As used in this section, "transportation agency" means any  
36 agency, department, or division of a municipal corporation, political  
37 subdivision, or other unit of local government in this state, and any  
38 agency, department, or division of state government, having as its  
39 primary function the construction and maintenance of the highways and  
40 roads within the state of Washington. Such an agency, department, or

1 division is distinguished from a transit agency having as one of its  
2 functions the highway maintenance, including but not limited to the  
3 state department of transportation. A transportation agency under  
4 this section does not include a government contractor.

5 **Sec. 405.** RCW 28B.15.520 and 2015 c 55 s 217 are each amended to  
6 read as follows:

7 Subject to the limitations of RCW 28B.15.910, the governing  
8 boards of the community and technical colleges:

9 (1) May waive all or a portion of tuition fees and services and  
10 activities fees for students nineteen years of age or older who are  
11 eligible for resident tuition and fee rates as defined in RCW  
12 28B.15.012 through 28B.15.015, who enroll in a course of study or  
13 program which will enable them to finish their high school education  
14 and obtain a high school diploma or certificate, but who are not  
15 eligible students as defined by RCW 28A.600.405;

16 (2) (a) Shall waive all of tuition fees and services and  
17 activities fees for:

18 (i) Children of any law enforcement officer as defined in chapter  
19 41.26 or 41.--- (the new chapter created in section 504 of this act)  
20 RCW, firefighter as defined in chapter 41.26, 41.--- (the new chapter  
21 created in section 504 of this act), or 41.24 RCW, or Washington  
22 state patrol officer who lost his or her life or became totally  
23 disabled in the line of duty while employed by any public law  
24 enforcement agency or full time or volunteer fire department in this  
25 state: PROVIDED, That such persons may receive the waiver only if  
26 they begin their course of study at a community or technical college  
27 within ten years of their graduation from high school; and

28 (ii) Surviving spouses of any law enforcement officer as defined  
29 in chapter 41.26 or 41.--- (the new chapter created in section 504 of  
30 this act) RCW, firefighter as defined in chapter 41.26, 41.--- (the  
31 new chapter created in section 504 of this act), or 41.24 RCW, or  
32 Washington state patrol officer who lost his or her life or became  
33 totally disabled in the line of duty while employed by any public law  
34 enforcement agency or full time or volunteer fire department in this  
35 state.

36 (b) For the purposes of this section, "totally disabled" means a  
37 person who has become totally and permanently disabled for life by  
38 bodily injury or disease, and is thereby prevented from performing  
39 any occupation or gainful pursuit.

1 (c) The governing boards of the community and technical colleges  
2 shall report to the state board for community and technical colleges  
3 on the annual cost of tuition fees and services and activities fees  
4 waived for surviving spouses and children under (a) of this  
5 subsection. The state board for community and technical colleges  
6 shall consolidate the reports of the waived fees and annually report  
7 to the appropriate fiscal and policy committees of the legislature;  
8 and

9 (3) May waive all or a portion of the nonresident tuition fees  
10 differential for:

11 (a) Nonresident students enrolled in a community or technical  
12 college course of study or program which will enable them to finish  
13 their high school education and obtain a high school diploma or  
14 certificate but who are not eligible students as defined by RCW  
15 28A.600.405. The waiver shall be in effect only for those courses  
16 which lead to a high school diploma or certificate; and

17 (b) Up to forty percent of the students enrolled in the regional  
18 education program for deaf students, subject to federal funding of  
19 such program.

20 **Sec. 406.** RCW 35.21.935 and 2015 c 288 s 1 are each amended to  
21 read as follows:

22 (1) Any city or town may establish the position of warrant  
23 officer.

24 (2) If any city or town establishes the position of warrant  
25 officer, the position shall be maintained by the city or town within  
26 the city or town police department. The number and qualifications of  
27 warrant officers shall be fixed by ordinance and their compensation  
28 shall be paid by the city or town. The chief of police of the city or  
29 town must establish training requirements consistent with the job  
30 description of warrant officer established in that city or town.  
31 Training requirements must be approved by the criminal justice  
32 training commission.

33 (3) Warrant officers shall be vested only with the special  
34 authority identified in ordinance, which may include the authority to  
35 make arrests authorized by warrants and other authority related to  
36 service of civil and criminal process.

37 (4) Process issuing from any court that is directed to a police  
38 department in which a warrant officer position is maintained may be

1 served or enforced by the warrant officer, if within the warrant  
2 officer's authority as identified in ordinance.

3 (5) Warrant officers shall not be entitled to death, disability,  
4 or retirement benefits pursuant to chapter 41.26 or 41.--- (the new  
5 chapter created in section 504 of this act) RCW on the basis of  
6 service as a warrant officer as described in this section.

7 **Sec. 407.** RCW 35A.21.380 and 2015 c 288 s 2 are each amended to  
8 read as follows:

9 (1) Any code city may establish the position of warrant officer.

10 (2) If any code city establishes the position of warrant officer,  
11 the position shall be maintained by the city within the city police  
12 department. The number and qualifications of warrant officers shall  
13 be fixed by ordinance, and their compensation shall be paid by the  
14 city. The chief of police of the city must establish training  
15 requirements consistent with the job description of warrant officer  
16 established in that city. Training requirements must be approved by  
17 the criminal justice training commission.

18 (3) Warrant officers shall be vested only with the special  
19 authority identified in ordinance, which may include the authority to  
20 make arrests authorized by warrants and other authority related to  
21 service of civil and criminal process.

22 (4) Process issuing from any court that is directed to a police  
23 department in which a warrant officer position is maintained may be  
24 served or enforced by the warrant officer, if within the warrant  
25 officer's authority as identified in ordinance.

26 (5) Warrant officers shall not be entitled to death, disability,  
27 or retirement benefits pursuant to chapter 41.26 or 41.--- (the new  
28 chapter created in section 504 of this act) RCW on the basis of  
29 service as a warrant officer as described in this section.

30 **Sec. 408.** RCW 36.28A.010 and 1975 1st ex.s. c 172 s 1 are each  
31 amended to read as follows:

32 The Washington association of sheriffs and police chiefs is  
33 hereby declared to be a combination of units of local government:  
34 PROVIDED, That such association shall not be considered an "employer"  
35 within the meaning of RCW 41.26.030(~~((2))~~), section 303 of this act,  
36 or 41.40.010(~~((4))~~): PROVIDED FURTHER, That no compensation received  
37 as an employee of the association shall be considered salary for  
38 purposes of the provisions of any retirement system created pursuant

1 to the general laws of this state: PROVIDED FURTHER, That such  
2 association shall not qualify for inclusion under the unallocated two  
3 mills of the property tax of any political subdivision: PROVIDED  
4 FURTHER, That the association shall not have the authority to assess  
5 any excess levy or bond measure.

6 **Sec. 409.** RCW 41.04.205 and 2018 c 260 s 21 are each amended to  
7 read as follows:

8 (1) Notwithstanding the provisions of RCW 41.04.180, the  
9 employees, with their dependents, of any county, municipality, or  
10 other political subdivision of this state shall be eligible to  
11 participate in any insurance or self-insurance program for employees  
12 administered under chapter 41.05 RCW if the legislative authority of  
13 any such county, municipality, or other political subdivisions of  
14 this state determines, subject to collective bargaining under  
15 applicable statutes, a transfer to an insurance or self-insurance  
16 program administered under chapter 41.05 RCW should be made. In the  
17 event of a special district employee transfer pursuant to this  
18 section, members of the governing authority shall be eligible to be  
19 included in such transfer if such members are authorized by law as of  
20 June 25, 1976 to participate in the insurance program being  
21 transferred from and subject to payment by such members of all costs  
22 of insurance for members.

23 (2) When the legislative authority of a county, municipality, or  
24 other political subdivision determines to so transfer, the state  
25 health care authority shall:

26 (a) Establish the conditions for participation; and

27 (b) Have the sole right to reject the application, except a group  
28 application from a county or other political subdivision of the state  
29 with fewer than five thousand employees must be approved.

30 Approval of the application by the state health care authority  
31 shall effect a transfer of the employees involved to the insurance,  
32 self-insurance, or health care program applied for.

33 (3) Any application of this section to members of the law  
34 enforcement officers' and firefighters' retirement system under  
35 chapter 41.26 or 41.--- (the new chapter created in section 504 of  
36 this act) RCW is subject to chapter 41.56 RCW.

37 (4) Until December 31, 2019, school districts may voluntarily  
38 transfer to the public employees' benefits board, except that all  
39 eligible employees in a bargaining unit of a school district may

1 transfer only as a unit and all nonrepresented employees in a  
2 district may transfer only as a unit.

3 **Sec. 410.** RCW 41.04.270 and 2006 c 309 s 3 are each amended to  
4 read as follows:

5 (1) Except as provided in chapter 2.10, 2.12, 41.26, 41.--- (the  
6 new chapter created in section 504 of this act), 41.28, 41.32, 41.35,  
7 41.37, 41.40, or 43.43 RCW, on and after March 19, 1976, any member  
8 or former member who (a) receives a retirement allowance earned by  
9 the former member as deferred compensation from any public retirement  
10 system authorized by the general laws of this state, or (b) is  
11 eligible to receive a retirement allowance from any public retirement  
12 system listed in RCW 41.50.030, but chooses not to apply, or (c) is  
13 the beneficiary of a disability allowance from any public retirement  
14 system listed in RCW 41.50.030 shall be estopped from becoming a  
15 member of or accruing any contractual rights whatsoever in any other  
16 public retirement system listed in RCW 41.50.030: PROVIDED, That (a)  
17 and (b) of this subsection shall not apply to persons who have  
18 accumulated less than fifteen years service credit in any such  
19 system.

20 (2) Nothing in this section is intended to apply to any  
21 retirement system except those listed in RCW 41.50.030 and the city  
22 employee retirement systems for Seattle, Tacoma, and Spokane.  
23 Subsection (1)(b) of this section does not apply to a dual member as  
24 defined in RCW 41.54.010.

25 **Sec. 411.** RCW 41.04.350 and 1979 ex.s. c 159 s 1 are each  
26 amended to read as follows:

27 (1) Notwithstanding any other provisions of law, no employee of  
28 the state of Washington or any of its political subdivisions or any  
29 institution supported in total or in part by the state or any of its  
30 political subdivisions, other than employees covered by chapters  
31 41.26, 41.--- (the new chapter created in section 504 of this act),  
32 and 43.43 RCW, shall be compelled to retire solely on the basis of  
33 age prior to attaining seventy years of age.

34 (2) All compulsory retirement provisions relating to public  
35 employees, other than employees covered by chapters 41.26, 41.---  
36 (the new chapter created in section 504 of this act), and 43.43 RCW,  
37 may be waived for individuals attaining seventy years of age by the  
38 individual's employer.

1       **Sec. 412.** RCW 41.04.393 and 2006 c 309 s 5 are each amended to  
2 read as follows:

3       Retirement benefits paid under chapter 41.26, 41.--- (the new  
4 chapter created in section 504 of this act), 41.37, 41.40, or 43.43  
5 RCW to beneficiaries of public safety officers who die in the line of  
6 duty shall be paid in accordance with Title 26 U.S.C. Sec. 101(h) as  
7 amended by the Fallen Hero Survivor Benefit Fairness Act of 2001.

8       **Sec. 413.** RCW 41.04.400 and 1984 c 184 s 22 are each amended to  
9 read as follows:

10       It is the purpose of RCW 41.04.405 through 41.04.430 to govern  
11 the retirement rights of persons whose employment status is altered  
12 when: (1) Two or more units of local government of this state, at  
13 least one of which is a first-class city with its own retirement  
14 system, enter into an agreement for the consolidated performance of a  
15 governmental service, activity, or undertaking; (2) the service,  
16 activity, or undertaking is to be performed either by one of the  
17 participating local governmental units or by a newly established  
18 separate legal entity; and (3) the employees of the participating  
19 local governmental units are not all members of the same Washington  
20 public retirement system.

21       RCW 41.04.405 through 41.04.430 are not intended to and do not  
22 govern retirement rights of any members of the retirement systems  
23 established by chapter 41.16, 41.18, 41.20, (~~(or)~~) 41.26, or 41.---  
24 (the new chapter created in section 504 of this act) RCW, or of  
25 employees described in RCW 35.58.265, 35.58.390, or 70.08.070. To the  
26 extent there is any conflict between RCW 41.04.405 through 41.04.430  
27 and RCW 41.04.110, the provisions of RCW 41.04.405 through 41.04.430  
28 shall govern.

29       **Sec. 414.** RCW 41.04.440 and 2007 c 492 s 3 are each amended to  
30 read as follows:

31       (1) The sole purpose of RCW 41.04.445 and 41.04.450 is to allow  
32 the members of the retirement systems created in chapters 2.10, 2.12,  
33 41.26, 41.--- (the new chapter created in section 504 of this act),  
34 41.32, 41.35, 41.37, 41.40, 41.34, and 43.43 RCW to enjoy the tax  
35 deferral benefits allowed under 26 U.S.C. 414(h). Chapter 227, Laws  
36 of 1984 does not alter in any manner the provisions of RCW 41.45.060,  
37 41.45.061, and 41.45.067 which require that the member contribution



1 rates shall be set so as to provide fifty percent of the cost of the  
2 respective retirement plans.

3 (2) Should the legislature revoke any benefit allowed under 26  
4 U.S.C. 414(h), no affected employee shall be entitled thereafter to  
5 receive such benefit as a matter of contractual right.

6 **Sec. 415.** RCW 41.04.450 and 2007 c 492 s 5 are each amended to  
7 read as follows:

8 (1) Employers of those members under chapters 41.26, 41.--- (the  
9 new chapter created in section 504 of this act), 41.34, 41.35, 41.37,  
10 and 41.40 RCW who are not specified in RCW 41.04.445 may choose to  
11 implement the employer pick up of all member contributions without  
12 exception under RCW (~~(41.26.080(1)(a),~~) 41.26.450, section 316(1)(a)  
13 of this act, 41.40.330(1), 41.45.060, 41.45.061, and 41.45.067 and  
14 chapter 41.34 RCW. If the employer does so choose, the employer and  
15 members shall be subject to the conditions and limitations of RCW  
16 41.04.445 (3), (4), and (5) and 41.04.455.

17 (2) An employer exercising the option under this section may  
18 later choose to withdraw from and/or reestablish the employer pick up  
19 of member contributions only once in a calendar year following forty-  
20 five days prior notice to the director of the department of  
21 retirement systems.

22 **Sec. 416.** RCW 41.04.803 and 2012 c 236 s 7 are each amended to  
23 read as follows:

24 (1) Chapter 236, Laws of 2012 is curative and remedial and is  
25 applicable to any future determination of eligibility for membership  
26 in a retirement system under chapters 41.26, 41.--- (the new chapter  
27 created in section 504 of this act), 41.32, 41.35, 41.37, and 41.40  
28 RCW.

29 (2) Chapter 236, Laws of 2012 does not apply to or contravene any  
30 prior final decision of the state supreme court regarding the  
31 interpretation of the statutes addressed in chapter 236, Laws of  
32 2012.

33 **Sec. 417.** RCW 41.05.011 and 2023 c 164 s 1, 2023 c 51 s 3, and  
34 2023 c 13 s 2 are each reenacted and amended to read as follows:

35 The definitions in this section apply throughout this chapter  
36 unless the context clearly requires otherwise.

37 (1) "Authority" means the Washington state health care authority.

1 (2) "Board" means the public employees' benefits board  
2 established under RCW 41.05.055 and the school employees' benefits  
3 board established under RCW 41.05.740.

4 (3) "Dependent care assistance program" means a benefit plan  
5 whereby employees and school employees may pay for certain employment  
6 related dependent care with pretax dollars as provided in the salary  
7 reduction plan under this chapter pursuant to 26 U.S.C. Sec. 129 or  
8 other sections of the internal revenue code.

9 (4) "Director" means the director of the authority.

10 (5) "Emergency service personnel killed in the line of duty"  
11 means law enforcement officers and firefighters as defined in RCW  
12 41.26.030 or section 303 of this act, members of the Washington state  
13 patrol retirement fund as defined in RCW 43.43.120, and reserve  
14 officers and firefighters as defined in RCW 41.24.010 who die as a  
15 result of injuries sustained in the course of employment as  
16 determined consistent with Title 51 RCW by the department of labor  
17 and industries.

18 (6)(a) "Employee" for the public employees' benefits board  
19 program includes all employees of the state, whether or not covered  
20 by civil service; elected and appointed officials of the executive  
21 branch of government, including full-time members of boards,  
22 commissions, or committees; justices of the supreme court and judges  
23 of the court of appeals and the superior courts; and members of the  
24 state legislature. Pursuant to contractual agreement with the  
25 authority, "employee" may also include: (i) Employees of a county,  
26 municipality, or other political subdivision of the state and members  
27 of the legislative authority of any county, city, or town who are  
28 elected to office after February 20, 1970, if the legislative  
29 authority of the county, municipality, or other political subdivision  
30 of the state submits application materials to the authority to  
31 provide any of its insurance programs by contract with the authority,  
32 as provided in RCW 41.04.205 and 41.05.021(1)(g); (ii) employees of  
33 employee organizations representing state civil service employees, at  
34 the option of each such employee organization; (iii) through December  
35 31, 2019, employees of a school district if the authority agrees to  
36 provide any of the school districts' insurance programs by contract  
37 with the authority as provided in RCW 28A.400.350; (iv) employees of  
38 a tribal government, if the governing body of the tribal government  
39 seeks and receives the approval of the authority to provide any of  
40 its insurance programs by contract with the authority, as provided in

1 RCW 41.05.021(1) (f) and (g); (v) employees of the Washington health  
2 benefit exchange if the governing board of the exchange established  
3 in RCW 43.71.020 seeks and receives approval of the authority to  
4 provide any of its insurance programs by contract with the authority,  
5 as provided in RCW 41.05.021(1) (g) and (n); and (vi) through  
6 December 31, 2019, employees of a charter school established under  
7 chapter 28A.710 RCW. "Employee" does not include: Adult family home  
8 providers; unpaid volunteers; patients of state hospitals; inmates;  
9 students of institutions of higher education as determined by their  
10 institution; and any others not expressly defined as employees under  
11 this chapter or by the authority under this chapter.

12 (b) Effective January 1, 2020, "school employee" for the school  
13 employees' benefits board program includes:

14 (i) All employees of school districts and charter schools  
15 established under chapter 28A.710 RCW;

16 (ii) Represented employees of educational service districts;

17 (iii) Effective January 1, 2024, all employees of educational  
18 service districts; and

19 (iv) Effective January 1, 2024, pursuant to contractual agreement  
20 with the authority, "school employee" may also include: (A) Employees  
21 of employee organizations representing school employees, at the  
22 option of each such employee organization; and (B) employees of a  
23 tribal school as defined in RCW 28A.715.010, if the governing body of  
24 the tribal school seeks and receives the approval of the authority to  
25 provide any of its insurance programs by contract with the authority,  
26 as provided in RCW 41.05.021(1) (f) and (g).

27 (7) "Employee group" means employees of a similar employment  
28 type, such as administrative, represented classified, nonrepresented  
29 classified excluding such employees in educational service districts  
30 until December 31, 2023, confidential, represented certificated, or  
31 nonrepresented certificated excluding such employees in educational  
32 service districts until December 31, 2023, within a school employees'  
33 benefits board organization.

34 (8)(a) "Employer" for the public employees' benefits board  
35 program means the state of Washington.

36 (b) "Employer" for the school employees' benefits board program  
37 means school districts and educational service districts and charter  
38 schools established under chapter 28A.710 RCW.

39 (9)(a) "Employer group" for the public employees' benefits board  
40 program means those counties, municipalities, political subdivisions,

1 the Washington health benefit exchange, tribal governments, and  
2 employee organizations representing state civil service employees  
3 obtaining employee benefits through a contractual agreement with the  
4 authority to participate in benefit plans developed by the public  
5 employees' benefits board.

6 (b) "Employer group" for the school employees' benefits board  
7 program means an employee organization representing school employees  
8 and a tribal school as defined in RCW 28A.715.010, obtaining employee  
9 benefits through a contractual agreement with the authority to  
10 participate in benefit plans developed by the school employees'  
11 benefits board.

12 (10)(a) "Employing agency" for the public employees' benefits  
13 board program means a division, department, or separate agency of  
14 state government, including an institution of higher education; a  
15 county, municipality, or other political subdivision; and a tribal  
16 government covered by this chapter.

17 (b) "Employing agency" for the school employees' benefits board  
18 program means school districts, educational service districts, and  
19 charter schools.

20 (11) "Faculty" means an academic employee of an institution of  
21 higher education whose workload is not defined by work hours but  
22 whose appointment, workload, and duties directly serve the  
23 institution's academic mission, as determined under the authority of  
24 its enabling statutes, its governing body, and any applicable  
25 collective bargaining agreement.

26 (12) "Flexible benefit plan" means a benefit plan that allows  
27 public employees to choose the level of health care coverage provided  
28 and the amount of employee or school employee contributions from  
29 among a range of choices offered by the authority.

30 (13) "Flexible spending arrangement" means a benefit plan whereby  
31 public employees may reduce their salary before taxes to pay for  
32 medical expenses not reimbursed by insurance as provided in the  
33 salary reduction plan under this chapter pursuant to 26 U.S.C. Sec.  
34 125 or other sections of the internal revenue code.

35 (14) "Insuring entity" means an insurer as defined in chapter  
36 48.01 RCW, a health care service contractor as defined in chapter  
37 48.44 RCW, or a health maintenance organization as defined in chapter  
38 48.46 RCW.

1 (15) "Participant" means an individual who fulfills the  
2 eligibility and enrollment requirements under the salary reduction  
3 plan.

4 (16) "Plan year" means the time period established by the  
5 authority.

6 (17) "Premium payment plan" means a benefit plan whereby public  
7 employees may pay their share of group health plan premiums with  
8 pretax dollars as provided in the salary reduction plan under this  
9 chapter pursuant to 26 U.S.C. Sec. 125 or other sections of the  
10 internal revenue code.

11 (18) "Public employee" has the same meaning as employee and  
12 school employee.

13 (19) "Retired or disabled school employee" means:

14 (a) Persons who separated from employment with a school district  
15 or educational service district and are receiving a retirement  
16 allowance under chapter 41.32 or 41.40 RCW as of September 30, 1993;

17 (b) Persons who separate from employment with a school district,  
18 educational service district, or charter school on or after October  
19 1, 1993, and immediately upon separation receive a retirement  
20 allowance under chapter 41.32, 41.35, or 41.40 RCW;

21 (c) Persons who separate from employment with a school district,  
22 educational service district, or charter school due to a total and  
23 permanent disability, and are eligible to receive a deferred  
24 retirement allowance under chapter 41.32, 41.35, or 41.40 RCW.

25 (20) "Salary" means a public employee's monthly salary or wages.

26 (21) "Salary reduction plan" means a benefit plan whereby public  
27 employees may agree to a reduction of salary on a pretax basis to  
28 participate in the dependent care assistance program, flexible  
29 spending arrangement, or premium payment plan offered pursuant to 26  
30 U.S.C. Sec. 125 or other sections of the internal revenue code.

31 (22) "School employees' benefits board organization" means a  
32 public school district or educational service district or charter  
33 school established under chapter 28A.710 RCW that is required to  
34 participate in benefit plans provided by the school employees'  
35 benefits board.

36 (23) "School year" means school year as defined in RCW  
37 28A.150.203(11).

38 (24) "Seasonal employee" means a state employee hired to work  
39 during a recurring, annual season with a duration of three months or  
40 more, and anticipated to return each season to perform similar work.

1 (25) "Separated employees" means persons who separate from  
2 employment with an employer as defined in:

3 (a) (i) RCW 41.32.010(17) on or after July 1, 1996; or

4 (ii) RCW 41.35.010 on or after September 1, 2000; or

5 (iii) RCW 41.40.010 on or after March 1, 2002;

6 and who are at least age fifty-five and have at least ten years of  
7 service under the teachers' retirement system plan 3 as defined in  
8 RCW 41.32.010(33), the Washington school employees' retirement system  
9 plan 3 as defined in RCW 41.35.010, or the public employees'  
10 retirement system plan 3 as defined in RCW 41.40.010; or

11 (b) For the purposes of RCW 41.05.080:

12 (i) RCW 41.32.010 on or after January 1, 2024; or

13 (ii) RCW 41.35.010 on or after January 1, 2024; or

14 (iii) RCW 41.40.010 on or after January 1, 2024; and who are at  
15 least age 55 and have at least 20 years of service under the  
16 teachers' retirement system plan 2 as defined in RCW 41.32.010, the  
17 Washington school employees' retirement system plan 2 as defined in  
18 RCW 41.35.010, or the public employees' retirement system plan 2 as  
19 defined in RCW 41.40.010.

20 (26) "State purchased health care" or "health care" means medical  
21 and behavioral health care, pharmaceuticals, and medical equipment  
22 purchased with state and federal funds by the department of social  
23 and health services, the department of health, the basic health plan,  
24 the state health care authority, the department of labor and  
25 industries, the department of corrections, the department of veterans  
26 affairs, and local school districts.

27 (27) "Tribal government" means an Indian tribal government as  
28 defined in section 3(32) of the employee retirement income security  
29 act of 1974, as amended, or an agency or instrumentality of the  
30 tribal government, that has government offices principally located in  
31 this state.

32 **Sec. 418.** RCW 41.05.320 and 2023 c 51 s 17 are each amended to  
33 read as follows:

34 (1) Elected officials and permanent employees and school  
35 employees are eligible to participate in the salary reduction plan  
36 and reduce their salary by agreement with the authority. The  
37 authority may adopt rules to: (a) Limit the participation of  
38 employing agencies and their employees in the plan; and (b) permit

1 participation in the plan by temporary employees and school  
2 employees.

3 (2) Persons eligible under subsection (1) of this section may  
4 enter into salary reduction agreements with the state.

5 (3) (a) An eligible person may become a participant of the salary  
6 reduction plan for a full plan year with annual benefit plan  
7 selection for each new plan year made before the beginning of the  
8 plan year, as determined by the authority, or upon becoming eligible.

9 (b) Once an eligible person elects to participate in the salary  
10 reduction plan and determines the amount his or her gross salary  
11 shall be reduced and the benefit plan for which the funds are to be  
12 used during the plan year, the agreement shall be irrevocable and may  
13 not be amended during the plan year except as provided in (c) of this  
14 subsection. Prior to making an election to participate in the salary  
15 reduction plan, the eligible person shall be informed in writing of  
16 all the benefits and reductions that will occur as a result of such  
17 election.

18 (c) The authority shall provide in the salary reduction plan that  
19 a participant may enroll, terminate, or change his or her election  
20 after the plan year has begun if there is a significant change in a  
21 participant's status, as provided by 26 U.S.C. Sec. 125 and the  
22 regulations adopted under that section and defined by the authority.

23 (4) The authority shall establish as part of the salary reduction  
24 plan the procedures for and effect of withdrawal from the plan by  
25 reason of retirement, death, leave of absence, or termination of  
26 employment. To the extent possible under federal law, the authority  
27 shall protect participants from forfeiture of rights under the plan.

28 (5) Any reduction of salary under the salary reduction plan shall  
29 not reduce the reportable compensation for the purpose of computing  
30 the state retirement and pension benefits earned by the public  
31 employee pursuant to chapters 41.26, 41.--- (the new chapter created  
32 in section 504 of this act), 41.32, 41.35, 41.37, 41.40, and 43.43  
33 RCW.

34 **Sec. 419.** RCW 41.16.020 and 2020 c 107 s 2 are each amended to  
35 read as follows:

36 (1) There is hereby created in each city and town a municipal  
37 firefighters' pension board to consist of the following five members,  
38 ex officio, the mayor, or in a city of the first class, the mayor or  
39 a designated representative who shall be an elected official of the

1 city, who shall be chairperson of the board, the city comptroller or  
2 clerk, the chairperson of finance of the city council, or if there is  
3 no chairperson of finance, the city treasurer, and in addition, two  
4 regularly employed or retired firefighters elected by secret ballot  
5 of those employed and retired firefighters who are subject to the  
6 jurisdiction of the board. The members to be elected by the  
7 firefighters shall be elected annually for a two year term. The two  
8 firefighters elected as members shall, in turn, select a third  
9 eligible member who shall serve as an alternate in the event of an  
10 absence of one of the regularly elected members. In case a vacancy  
11 occurs in the membership of the firefighters or retired members, the  
12 members shall in the same manner elect a successor to serve the  
13 unexpired term. The board may select and appoint a secretary who may,  
14 but need not be, a member of the board. In case of absence or  
15 inability of the chairperson to act, the board may select a  
16 chairperson pro tempore who shall during such absence or inability  
17 perform the duties and exercise the powers of the chairperson. A  
18 majority of the members of the board shall constitute a quorum and  
19 have power to transact business.

20 (2) If no eligible regularly employed or retired firefighters are  
21 willing or able to be elected to the board under subsection (1) of  
22 this section, then the following individuals may be elected to the  
23 board under subsection (1) of this section:

24 (a) Any active or retired firefighters who reside within the  
25 jurisdiction served by the board. This includes active and retired  
26 firefighters under this chapter and chapters 41.18, 41.26, 41.---  
27 (the new chapter created in section 504 of this act), and 52.26 RCW;

28 (b) The widow or widower of a firefighter subject to the  
29 jurisdiction of the board.

30 **Sec. 420.** RCW 41.16.060 and 2019 c 320 s 1 are each amended to  
31 read as follows:

32 (1) It is the duty of the legislative authority of each  
33 municipality, each year as a part of its annual tax levy, to levy and  
34 place in the fund a tax of twenty-two and one-half cents per thousand  
35 dollars of assessed value against all the taxable property of such  
36 municipality: PROVIDED, That if a report by a qualified actuary on  
37 the condition of the fund establishes that the whole or any part of  
38 said dollar rate is not necessary to maintain the actuarial soundness  
39 of the fund, the levy of said twenty-two and one-half cents per



1 thousand dollars of assessed value may be omitted, or the whole or  
2 any part of such dollar rate may be levied and used for any other  
3 municipal purpose.

4 (2) It is the duty of the legislative authority of each  
5 municipality, each year as a part of its annual tax levy and in  
6 addition to the city levy limit set forth in RCW 84.52.043, to levy  
7 and place in the fund an additional tax of twenty-two and one-half  
8 cents per thousand dollars of assessed value against all taxable  
9 property of such municipality: PROVIDED, That if a report by a  
10 qualified actuary establishes that all or any part of the additional  
11 twenty-two and one-half cents per thousand dollars of assessed value  
12 levy is unnecessary to meet the estimated demands on the fund under  
13 this chapter for the ensuing budget year, the levy of said additional  
14 twenty-two and one-half cents per thousand dollars of assessed value  
15 may be omitted, or the whole or any part of such dollar rate may be  
16 levied and used for any other municipal purpose, subject to  
17 subsection (4) of this section: PROVIDED FURTHER, That cities that  
18 have annexed to library districts according to RCW 27.12.360 through  
19 27.12.395 and/or fire protection districts according to RCW 52.04.061  
20 through 52.04.081 may not levy this additional tax to the extent that  
21 it causes the combined levies to exceed the statutory or  
22 constitutional limits.

23 (3) The amount of a levy under this section allocated to the  
24 pension fund may be reduced in the same proportion as the regular  
25 property tax levy of the municipality is reduced by chapter 84.55  
26 RCW.

27 (4) If a municipality no longer has any beneficiaries receiving  
28 benefits under this chapter, the whole or any part of such additional  
29 levy under subsection (2) of this section may continue to be levied  
30 for the payment of benefits provided under ((RCW 41.26.150(1)))  
31 section 327(1) of this act or other municipal purpose until such time  
32 that the municipality no longer has any beneficiaries receiving  
33 benefits under ((RCW 41.26.150(1))) section 327(1) of this act,  
34 however the proceeds of the additional levy must be annually expended  
35 for payment of benefits provided under ((RCW 41.26.150(1))) section  
36 327(1) of this act prior to being spent for any other purpose.

37 **Sec. 421.** RCW 41.16.145 and 2007 c 218 s 30 are each amended to  
38 read as follows:

1       The amount of all benefits payable under the provisions of RCW  
2 41.16.080, 41.16.120, 41.16.130, 41.16.140 and 41.16.230 shall be  
3 increased annually as hereafter in this section provided. The local  
4 pension board shall meet subsequent to March 31st but prior to June  
5 30th of each year for the purposes of adjusting benefit allowances  
6 payable pursuant to the aforementioned sections. The local board  
7 shall determine the increase in the consumer price index between  
8 January 1st and December 31st of the previous year and increase in  
9 dollar amount the benefits payable subsequent to July 1st of the year  
10 in which said board makes such determination by a dollar amount  
11 proportionate to the increase in the consumer price index: PROVIDED,  
12 That regardless of the change in the consumer price index, such  
13 increase shall be at least two percent each year such adjustment is  
14 made.

15       Each year effective with the July payment all benefits specified  
16 herein, shall be increased by this section. This benefit increase  
17 shall be paid monthly as part of the regular pension payment and  
18 shall be cumulative. The increased benefits authorized by this  
19 section shall not affect any benefit payable under the provisions of  
20 this chapter (~~(41.16-RCW)~~) in which the benefit payment is attached  
21 to a current salary of the rank held at time of retirement. A  
22 beneficiary of benefit increases provided for pursuant to this  
23 section is hereby authorized to appeal a decision on such increases  
24 or the failure of the local pension board to order such increased  
25 benefits or the amount of such benefits to the (~~(Washington law~~  
26 ~~enforcement officers' and firefighters' system retirement board~~  
27 ~~provided for in RCW 41.26.050)~~) director of retirement systems.

28       For the purpose of this section the term "consumer price index"  
29 shall mean, for any calendar year, the consumer price index for the  
30 Seattle, Washington area as compiled by the bureau of labor  
31 statistics of the United States department of labor.

32       **Sec. 422.** RCW 41.18.015 and 2020 c 107 s 4 are each amended to  
33 read as follows:

34       (1) There is hereby created in each fire protection district  
35 which qualifies under this chapter, a firefighters' pension board to  
36 consist of the following five members, the chairperson of the fire  
37 commissioners for said district who shall be chairperson of the  
38 board, the county auditor, county treasurer, and in addition, two  
39 regularly employed or retired firefighters elected by secret ballot

1 of the employed and retired firefighters. Retired members who are  
2 subject to the jurisdiction of the pension board have both the right  
3 to elect and the right to be elected under this section. The first  
4 members to be elected by the firefighters shall be elected annually  
5 for a two-year term. The two firefighter elected members shall, in  
6 turn, select a third eligible member who shall serve in the event of  
7 an absence of one of the regularly elected members. In case a vacancy  
8 occurs in the membership of the firefighter or retired members, the  
9 members shall in the same manner elect a successor to serve the  
10 unexpired term. The board may select and appoint a secretary who may,  
11 but need not be a member of the board. In case of absence or  
12 inability of the chairperson to act, the board may select a  
13 chairperson pro tempore who shall during such absence or inability  
14 perform the duties and exercise the powers of the chairperson. A  
15 majority of the members of said board shall constitute a quorum and  
16 have power to transact business.

17 (2) If no eligible regularly employed or retired firefighters are  
18 willing or able to be elected to the board under subsection (1) of  
19 this section, then the following individuals may be elected to the  
20 board under subsection (1) of this section:

21 (a) Any active or retired firefighters who reside within the  
22 jurisdiction served by the board. This includes active and retired  
23 firefighters under this chapter and chapters 41.16, 41.26, 41.---  
24 (the new chapter created in section 504 of this act), and 52.26 RCW;

25 (b) The widow or widower of a firefighter subject to the  
26 jurisdiction of the board.

27 **Sec. 423.** RCW 41.18.104 and 1975-'76 2nd ex.s. c 44 s 2 are each  
28 amended to read as follows:

29 The amount of all benefits payable under the provisions of RCW  
30 41.18.040, 41.18.080, 41.18.100 and 41.18.200 as now or hereafter  
31 amended, shall be increased annually as hereafter in this section  
32 provided. The local pension board shall meet subsequent to March 31st  
33 but prior to June 30th of each year for the purpose of adjusting  
34 benefit allowances payable pursuant to the aforementioned sections.  
35 The local board shall determine the increase in the consumer price  
36 index between January 1st and December 31st of the previous year and  
37 increase in dollar amount the benefits payable subsequent to July 1st  
38 of the year in which said board makes such determination by a dollar  
39 amount proportionate to the increase in the consumer price index:

1 PROVIDED, That regardless of the change in the consumer price index,  
2 such increase shall be at least two percent each year such adjustment  
3 is made.

4 Each year effective with the July payment all benefits specified  
5 herein, shall be increased as authorized by this section. This  
6 benefit increase shall be paid monthly as part of the regular pension  
7 payment and shall be cumulative. The increased benefits authorized by  
8 this section shall not affect any benefit payable under the  
9 provisions of chapter 41.18 RCW in which the benefit payment is  
10 attached to a current salary of the rank held at time of retirement.  
11 A beneficiary of benefit increases provided for pursuant to this  
12 section is hereby authorized to appeal a decision on such increases  
13 or the failure of the local pension board to order such increased  
14 benefits or the amount of such benefits to the ((Washington law  
15 enforcement officers' and firefighters' system retirement board  
16 provided for in RCW 41.26.050)) director of retirement systems.

17 For the purpose of this section the term  
18 "Consumer price index" shall mean, for any calendar year, the  
19 consumer price index for the Seattle, Washington area as compiled by  
20 the bureau of labor statistics of the United States department of  
21 labor.

22 **Sec. 424.** RCW 41.18.210 and 2007 c 218 s 61 are each amended to  
23 read as follows:

24 Any former employee of a department of a city of the first class,  
25 who (1) was a member of the employees' retirement system of such  
26 city, and (2) is now employed within the fire department of such  
27 city, may transfer his or her former membership credit from the city  
28 employees' retirement system to the firefighter's pension system  
29 created by this chapter and chapter((s)) 41.16 ((and 41.18)) RCW by  
30 filing a written request with the board of administration and the  
31 municipal firefighters' pension board, respectively.

32 Upon the receipt of such request, the transfer of membership to  
33 the city's firefighter's pension system shall be made, together with  
34 a transfer of all accumulated contributions credited to such member.  
35 The board of administration shall transmit to the municipal  
36 firefighters' pension board a record of service credited to such  
37 member which shall be computed and credited to such member as a part  
38 of his or her period of employment in the city's firefighter's  
39 pension system. For the purpose of the transfer contemplated by this

1 section, those affected individuals who have formerly withdrawn funds  
2 from the city employees' retirement system shall be allowed to  
3 restore contributions withdrawn from that retirement system directly  
4 to the firefighter's pension system and receive credit in the  
5 firefighter's pension system for their former membership service in  
6 the prior system.

7 Any employee so transferring shall have all the rights, benefits,  
8 and privileges that he or she would have been entitled to had he or  
9 she been a member of the city's firefighter's pension system from the  
10 beginning of his or her employment with the city.

11 No person so transferring shall thereafter be entitled to any  
12 other public pension, except that provided by chapter 41.26 or 41.---  
13 (the new chapter created in section 504 of this act) RCW or social  
14 security, which is based upon such service with the city.

15 The right of any employee to file a written request for transfer  
16 of membership as set forth in this section shall expire December 31,  
17 1974.

18 **Sec. 425.** RCW 41.20.010 and 2020 c 107 s 5 are each amended to  
19 read as follows:

20 (1) The mayor or his or her designated representative who shall  
21 be an elected official of the city, and the clerk, treasurer,  
22 president of the city council or mayor pro tem of each city of the  
23 first class, or in case any such city has no city council, the  
24 commissioner who has supervision of the police department, together  
25 with three active or retired members of the police department, to be  
26 elected as herein provided, in addition to the duties now required of  
27 them, are constituted a board of trustees of the relief and pension  
28 fund of the police department of each such city, and shall provide  
29 for the disbursement of the fund, and designate the beneficiaries  
30 thereof.

31 (2) The police department and the retired law enforcement  
32 officers of each city of the first class shall elect three members to  
33 act as members of the board. Members shall be elected for three year  
34 terms. Existing members shall continue in office until replaced as  
35 provided for in this section.

36 (3) Such election shall be held in the following manner. Not more  
37 than thirty nor less than fifteen days preceding the first day of  
38 June in each year, written notice of the nomination of any member or  
39 retired member of the department for membership on the board may be

1 filed with the secretary of the board. Each notice of nomination  
2 shall be signed by not less than five members or retired members of  
3 the department, and nothing herein contained shall prevent any member  
4 or retired member of the department from signing more than one notice  
5 of nomination. The election shall be held on a date to be fixed by  
6 the secretary during the month of June. Notice of the dates upon  
7 which notice of nomination may be filed and of the date fixed for the  
8 election of such members of the board shall be given by the secretary  
9 of the board by posting written notices thereof in a prominent place  
10 in the police headquarters. For the purpose of such election, the  
11 secretary of the board shall prepare and furnish printed or  
12 typewritten ballots in the usual form, containing the names of all  
13 persons regularly nominated for membership and shall furnish a ballot  
14 box for the election. Each member and each retired member of the  
15 police department shall be entitled to vote at the election for one  
16 nominee as a member of the board. The chief of the department shall  
17 appoint two members to act as officials of the election, who shall be  
18 allowed their regular wages for the day, but shall receive no  
19 additional compensation therefor. The election shall be held in the  
20 police headquarters of the department and the polls shall open at  
21 7:30 a.m. and close at 8:30 p.m. The one nominee receiving the  
22 highest number of votes shall be declared elected to the board and  
23 his or her term shall commence on the first day of July succeeding  
24 the election. In the first election the nominee receiving the  
25 greatest number of votes shall be elected to the three year term, the  
26 second greatest to the two year term and the third greatest to the  
27 one year term. Retired members who are subject to the jurisdiction of  
28 the board have both the right to elect and the right to be elected  
29 under this section. Ballots shall contain all names of those  
30 nominated, both active and retired. Notice of nomination and voting  
31 by retired members shall be conducted by the board.

32 (4) If no eligible active or retired members of the police  
33 department are willing or able to be elected to the board under  
34 subsection (3) of this section, then the following individuals may be  
35 elected to the board under subsection (3) of this section:

36 (a) Any active or retired law enforcement officers who reside  
37 within the jurisdiction served by the board. This includes active and  
38 retired law enforcement officers under this chapter and chapters  
39 41.26 and 41.--- (the new chapter created in section 504 of this act)  
40 RCW;

1 (b) The widow or widower of a law enforcement officer subject to  
2 the jurisdiction of the board.

3 **Sec. 426.** RCW 41.20.170 and 2012 c 117 s 35 are each amended to  
4 read as follows:

5 Any former employee of a department of a city of the first class  
6 who (1) was a member of the employees' retirement system of such  
7 city, and (2) is now employed within the police department of such  
8 city, may transfer his or her membership from the city employees'  
9 retirement system to the city's police relief and pension fund system  
10 by filing a written request with the board of administration and the  
11 board of trustees, respectively, of the two systems.

12 Upon the receipt of such request, the transfer of membership to  
13 the city's police relief and pension fund system shall be made,  
14 together with a transfer of all accumulated contributions credited to  
15 such member. The board of administration of the city's employees'  
16 retirement system shall transmit to the board of trustees of the  
17 city's police relief and pension fund system a record of service  
18 credited to such member which shall be computed and credited to such  
19 member as a part of his or her period of employment in the city's  
20 police relief and pension fund system. For the purpose of the  
21 transfer contemplated by this section, the affected individuals shall  
22 be allowed to restore withdrawn contributions to the city employees'  
23 retirement system and reinstate their membership service records.

24 Any employee so transferring shall have all the rights, benefits  
25 and privileges that he or she would have been entitled to had he or  
26 she been a member of the city's police relief and pension fund system  
27 from the beginning of his or her employment with the city.

28 No person so transferring shall thereafter be entitled to any  
29 other public pension, except that provided by chapter 41.26 or 41.---  
30 (the new chapter created in section 504 of this act) RCW or social  
31 security, which is based upon service with the city.

32 The right of any employee to file a written request for transfer  
33 of membership as set forth herein shall expire December 31, 1973.

34 **Sec. 427.** RCW 41.20.175 and 2012 c 117 s 36 are each amended to  
35 read as follows:

36 A former employee of a fire department of a city of the first  
37 class who (1) was a member of the firefighters' pension system  
38 created by chapter((s)) 41.16 or 41.18 RCW, and (2) is now employed

1 within the police department of such city, will be regarded as having  
2 received membership service credit for such service to the fire  
3 department in the city's police and relief pension system at the time  
4 he or she recovers such service credit by paying withdrawn  
5 contributions to the Washington law enforcement officers' and  
6 firefighters' retirement system pursuant to RCW 41.26.030(~~((+28))~~)  
7 (25) or section 303(29) of this act.

8 **Sec. 428.** RCW 41.24.400 and 2007 c 492 s 7 are each amended to  
9 read as follows:

10 (1) Except as provided in subsection (2) of this section, any  
11 municipality may make provision by appropriate legislation and  
12 payment of fees required by RCW 41.24.030(~~((+1))~~) (2) solely for the  
13 purpose of enabling any reserve officer to enroll under the  
14 retirement pension provisions of this chapter or fees required under  
15 RCW 41.24.030(~~((+1))~~) (2) to pay for the costs of extending the relief  
16 provisions of this chapter to its reserve officers.

17 (2) A reserve officer is not eligible to receive a benefit under  
18 the retirement provisions of this chapter for service under chapter  
19 41.26, 41.--- (the new chapter created in section 504 of this act),  
20 41.32, 41.35, 41.37, or 41.40 RCW.

21 (3) Every municipality shall make provisions for the collection  
22 and payment of the fees required under this chapter, and shall  
23 continue to make provisions for all reserve officers who come under  
24 this chapter as long as they continue to be employed as reserve  
25 officers.

26 (4) Except as provided under RCW 41.24.450, a reserve officer is  
27 not eligible to receive a benefit under the relief provisions of this  
28 chapter.

29 **Sec. 429.** RCW 41.32.800 and 2011 1st sp.s. c 47 s 11 are each  
30 amended to read as follows:

31 (1) Except as provided in RCW 41.32.802, no retiree under the  
32 provisions of plan 2 shall be eligible to receive such retiree's  
33 monthly retirement allowance if he or she is employed in an eligible  
34 position as defined in RCW 41.40.010, 41.32.010, 41.37.010, or  
35 41.35.010, or as a law enforcement officer or firefighter as defined  
36 in RCW 41.26.030 or section 303 of this act, or in a position covered  
37 by annuity and retirement income plans offered by institutions of  
38 higher education pursuant to RCW 28B.10.400.



1 If a retiree's benefits have been suspended under this section,  
2 his or her benefits shall be reinstated when the retiree terminates  
3 the employment that caused his or her benefits to be suspended. Upon  
4 reinstatement, the retiree's benefits shall be actuarially recomputed  
5 pursuant to the rules adopted by the department.

6 (2) The department shall adopt rules implementing this section.

7 **Sec. 430.** RCW 41.32.802 and 2023 c 410 s 3 are each amended to  
8 read as follows:

9 (1)(a) If a retiree enters employment with an employer sooner  
10 than one calendar month after his or her accrual date, the retiree's  
11 monthly retirement allowance will be reduced by five and one-half  
12 percent for every seven hours worked during that month. This  
13 reduction will be applied each month until the retiree remains absent  
14 from employment with an employer for one full calendar month.

15 (b) The benefit reduction provided in (a) of this subsection will  
16 accrue for a maximum of one hundred forty hours per month. Any  
17 benefit reduction over one hundred percent will be applied to the  
18 benefit the retiree is eligible to receive in subsequent months.

19 (2)(a) A retiree who has satisfied the break in employment  
20 requirement of subsection (1) of this section, may work up to eight  
21 hundred sixty-seven hours per calendar year in an eligible position,  
22 as defined in RCW 41.32.010, 41.35.010, 41.37.010, or 41.40.010, or  
23 as a firefighter or law enforcement officer, as defined in RCW  
24 41.26.030 or section 303 of this act, or in a position covered by  
25 annuity and retirement income plans offered by institutions of higher  
26 education pursuant to RCW 28B.10.400, without suspension of his or  
27 her benefit.

28 (b)(i) Between March 23, 2022, and July 1, 2025, a retiree who  
29 reenters employment more than one month after his or her accrual  
30 date, and who enters service in a school district in a  
31 nonadministrative position shall continue to receive pension payments  
32 while engaged in such service, until the retiree has rendered service  
33 for more than 1,040 hours in a calendar year.

34 (ii) Between March 23, 2022, and July 1, 2025, a retiree that  
35 retired before January 1, 2022, and who enters service in a second-  
36 class school district, as defined in RCW 28A.300.065, as either a  
37 district superintendent or an in-school administrator shall continue  
38 to receive pension payments while engaged in such service, until the

1 retiree has rendered service for more than 1,040 hours in a calendar  
2 year.

3 (iii) The legislature reserves the right to amend or repeal this  
4 subsection (2)(b) in the future and no member or beneficiary has a  
5 contractual right to be employed for more than 867 hours in a  
6 calendar year without a reduction of his or her pension.

7 (3) If the retiree opts to reestablish membership under RCW  
8 41.32.044, he or she terminates his or her retirement status and  
9 immediately becomes a member. Retirement benefits shall not accrue  
10 during the period of membership and the individual shall make  
11 contributions and receive membership credit. Such a member shall have  
12 the right to again retire if eligible.

13 **Sec. 431.** RCW 41.32.860 and 2011 1st sp.s. c 47 s 13 are each  
14 amended to read as follows:

15 (1) Except under RCW 41.32.862, no retiree shall be eligible to  
16 receive such retiree's monthly retirement allowance if he or she is  
17 employed in an eligible position as defined in RCW 41.40.010,  
18 41.32.010, 41.35.010, or 41.37.010, or as a law enforcement officer  
19 or firefighter as defined in RCW 41.26.030 or section 303 of this  
20 act, or in a position covered by annuity and retirement income plans  
21 offered by institutions of higher education pursuant to RCW  
22 28B.10.400.

23 (2) If a retiree's benefits have been suspended under this  
24 section, his or her benefits shall be reinstated when the retiree  
25 terminates the employment that caused the suspension of benefits.  
26 Upon reinstatement, the retiree's benefits shall be actuarially  
27 recomputed pursuant to the rules adopted by the department.

28 **Sec. 432.** RCW 41.32.862 and 2023 c 410 s 4 are each amended to  
29 read as follows:

30 (1)(a) If a retiree enters employment with an employer sooner  
31 than one calendar month after his or her accrual date, the retiree's  
32 monthly retirement allowance will be reduced by five and one-half  
33 percent for every seven hours worked during that month. This  
34 reduction will be applied each month until the retiree remains absent  
35 from employment with an employer for one full calendar month.

36 (b) The benefit reduction provided in (a) of this subsection will  
37 accrue for a maximum of one hundred forty hours per month. Any

1 benefit reduction over one hundred percent will be applied to the  
2 benefit the retiree is eligible to receive in subsequent months.

3 (2) (a) A retiree who has satisfied the break in employment  
4 requirement of subsection (1) of this section, may work up to eight  
5 hundred sixty-seven hours per calendar year in an eligible position,  
6 as defined in RCW 41.32.010, 41.35.010, 41.37.010, or 41.40.010, or  
7 as a firefighter or law enforcement officer, as defined in RCW  
8 41.26.030 or section 303 of this act, or in a position covered by  
9 annuity and retirement income plans offered by institutions of higher  
10 education pursuant to RCW 28B.10.400, without suspension of his or  
11 her benefit.

12 (b) (i) Between March 23, 2022, and July 1, 2025, a retired  
13 teacher or retired administrator who reenters employment more than  
14 one month after his or her accrual date, and who enters service in a  
15 school district in a nonadministrative position shall continue to  
16 receive pension payments while engaged in such service, until the  
17 retiree has rendered service for more than 1,040 hours in a calendar  
18 year.

19 (ii) Between March 23, 2022, and July 1, 2025, a retiree that  
20 retired before January 1, 2022, and who enters service in a second-  
21 class school district, as defined in RCW 28A.300.065, as either a  
22 district superintendent or an in-school administrator shall continue  
23 to receive pension payments while engaged in such service, until the  
24 retiree has rendered service for more than 1,040 hours in a calendar  
25 year.

26 (iii) The legislature reserves the right to amend or repeal this  
27 subsection (2) (b) in the future and no member or beneficiary has a  
28 contractual right to be employed for more than 867 hours in a  
29 calendar year without a reduction of his or her pension.

30 (3) If the retiree opts to reestablish membership under RCW  
31 41.32.044, he or she terminates his or her retirement status and  
32 immediately becomes a member. Retirement benefits shall not accrue  
33 during the period of membership and the individual shall make  
34 contributions and receive membership credit. Such a member shall have  
35 the right to again retire if eligible.

36 **Sec. 433.** RCW 41.35.060 and 2023 c 410 s 6 are each amended to  
37 read as follows:

38 (1) (a) If a retiree enters employment with an employer sooner  
39 than one calendar month after his or her accrual date, the retiree's

1 monthly retirement allowance will be reduced by five and one-half  
2 percent for every eight hours worked during that month. This  
3 reduction will be applied each month until the retiree remains absent  
4 from employment with an employer for one full calendar month.

5 (b) The benefit reduction provided in (a) of this subsection will  
6 accrue for a maximum of one hundred sixty hours per month. Any  
7 benefit reduction over one hundred percent will be applied to the  
8 benefit the retiree is eligible to receive in subsequent months.

9 (2)(a) A retiree who has satisfied the break in employment  
10 requirement of subsection (1) of this section may work up to eight  
11 hundred sixty-seven hours per calendar year in an eligible position,  
12 as defined in RCW 41.32.010, 41.35.010, 41.37.010, or 41.40.010, or  
13 as a firefighter or law enforcement officer, as defined in RCW  
14 41.26.030 or section 303 of this act, or in a position covered by  
15 annuity and retirement income plans offered by institutions of higher  
16 education pursuant to RCW 28B.10.400, without suspension of his or  
17 her benefit.

18 (b) Between March 23, 2022, and July 1, 2025, a retiree,  
19 including a retiree who has retired under the alternate early  
20 retirement provisions of RCW 41.35.420(3)(b) or 41.35.680(3)(b), who  
21 reenters employment more than one month after his or her accrual  
22 date, and who enters service in a school district in a  
23 nonadministrative position shall continue to receive pension payments  
24 while engaged in such service, until the retiree has rendered service  
25 for more than 1,040 hours in a calendar year. The legislature  
26 reserves the right to amend or repeal this subsection (2)(b) in the  
27 future and no member or beneficiary has a contractual right to be  
28 employed for more than 867 hours in a calendar year without a  
29 reduction of his or her pension.

30 (3) If the retiree opts to reestablish membership under RCW  
31 41.35.030, he or she terminates his or her retirement status and  
32 becomes a member. Retirement benefits shall not accrue during the  
33 period of membership and the individual shall make contributions and  
34 receive membership credit. Such a member shall have the right to  
35 again retire if eligible in accordance with RCW 41.35.420 or  
36 41.35.680. However, if the right to retire is exercised to become  
37 effective before the member has rendered two uninterrupted years of  
38 service, the retirement formula and survivor options the member had  
39 at the time of the member's previous retirement shall be reinstated.

1       **Sec. 434.** RCW 41.35.230 and 2011 1st sp.s. c 47 s 16 are each  
2 amended to read as follows:

3       (1) Except as provided in RCW 41.35.060, no retiree under the  
4 provisions of plan 2 shall be eligible to receive such retiree's  
5 monthly retirement allowance if he or she is employed in an eligible  
6 position as defined in RCW 41.35.010, 41.40.010, 41.37.010, or  
7 41.32.010, or as a law enforcement officer or firefighter as defined  
8 in RCW 41.26.030 or section 303 of this act, or in a position covered  
9 by annuity and retirement income plans offered by institutions of  
10 higher education pursuant to RCW 28B.10.400, except that a retiree  
11 who ends his or her membership in the retirement system pursuant to  
12 RCW 41.40.023(3)(b) is not subject to this section if the retiree's  
13 only employment is as an elective official.

14       (2) If a retiree's benefits have been suspended under this  
15 section, his or her benefits shall be reinstated when the retiree  
16 terminates the employment that caused his or her benefits to be  
17 suspended. Upon reinstatement, the retiree's benefits shall be  
18 actuarially recomputed pursuant to the rules adopted by the  
19 department.

20       (3) The department shall adopt rules implementing this section.

21       **Sec. 435.** RCW 41.37.050 and 2023 c 99 s 1 are each amended to  
22 read as follows:

23       (1)(a) If a retiree enters employment in an eligible position  
24 with an employer as defined in this chapter sooner than one calendar  
25 month after his or her accrual date, the retiree's monthly retirement  
26 allowance will be reduced by five and one-half percent for every  
27 eight hours worked during that month. This reduction will be applied  
28 each month until the retiree remains absent from employment with an  
29 employer for one full calendar month.

30       (b) If a retiree enters employment in an eligible position with  
31 an employer as defined in chapter 41.32, 41.35, or 41.40 RCW sooner  
32 than one calendar month after his or her accrual date, the retiree's  
33 monthly retirement allowance will be reduced by five and one-half  
34 percent for every eight hours worked during that month. This  
35 reduction will be applied each month until the retiree remains absent  
36 from employment with an employer for one full calendar month.

37       (c) The benefit reduction provided in (a) and (b) of this  
38 subsection will accrue for a maximum of one hundred sixty hours per  
39 month. Any benefit reduction over one hundred percent will be applied

1 to the benefit the retiree is eligible to receive in subsequent  
2 months.

3 (2)(a) A retiree who has satisfied the break in employment  
4 requirement of subsection (1) of this section may work up to eight  
5 hundred sixty-seven hours per calendar year in an eligible position  
6 as defined in RCW 41.32.010, 41.35.010, or 41.40.010, or as a law  
7 enforcement officer or firefighter as defined in RCW 41.26.030 or  
8 section 303 of this act, or in a position covered by annuity and  
9 retirement income plans offered by institutions of higher education  
10 pursuant to RCW 28B.10.400, without suspension of his or her benefit.

11 (b) Between April 14, 2023, and July 1, 2026, a retiree who has  
12 satisfied the break in employment requirement of subsection (1) of  
13 this section, and who enters service in a nonadministrative position  
14 as a licensed nurse for a state agency, shall continue to receive  
15 pension payments while engaged in such service, until the retiree has  
16 rendered service for more than 1,040 hours in a calendar year.

17 (3) If the retiree opts to reestablish membership under this  
18 chapter, he or she terminates his or her retirement status and  
19 becomes a member. Retirement benefits shall not accrue during the  
20 period of membership and the individual shall make contributions and  
21 receive membership credit. Such a member shall have the right to  
22 again retire if eligible in accordance with this chapter. However, if  
23 the right to retire is exercised to become effective before the  
24 member has rendered two uninterrupted years of service, the  
25 retirement formula and survivor options the member had at the time of  
26 the member's previous retirement shall be reinstated.

27 (4) The department shall collect and provide the state actuary  
28 with information relevant to the use of this section for the select  
29 committee on pension policy.

30 **Sec. 436.** RCW 41.37.180 and 2004 c 242 s 24 are each amended to  
31 read as follows:

32 (1) Except as provided in RCW 41.37.050, a retiree shall not be  
33 eligible to receive the retiree's monthly retirement allowance if he  
34 or she is employed in an eligible position as defined in RCW  
35 41.37.010, or RCW 41.35.010, 41.40.010, or 41.32.010, or as a law  
36 enforcement officer or firefighter as defined in RCW 41.26.030 or  
37 section 303 of this act, except that a retiree who ends his or her  
38 membership in the retirement system pursuant to RCW 41.37.020(2)(b)

1 is not subject to this section if the retiree's only employment is as  
2 an elective official.

3 (2) If a retiree's benefits have been suspended under this  
4 section, his or her benefits shall be reinstated when the retiree  
5 terminates the employment that caused his or her benefits to be  
6 suspended. Upon reinstatement, the retiree's benefits shall be  
7 actuarially recomputed pursuant to the rules adopted by the  
8 department.

9 (3) The department shall adopt rules implementing this section.

10 **Sec. 437.** RCW 41.40.010 and 2024 c 151 s 3 are each amended to  
11 read as follows:

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

14 (1) "Accumulated contributions" means the sum of all  
15 contributions standing to the credit of a member in the member's  
16 individual account, including any amount paid under RCW 41.50.165(2),  
17 together with the regular interest thereon.

18 (2) "Actuarial equivalent" means a benefit of equal value when  
19 computed upon the basis of such mortality and other tables as may be  
20 adopted by the director.

21 (3) "Adjustment ratio" means the value of index A divided by  
22 index B.

23 (4) "Annual increase" means, initially, 59 cents per month per  
24 year of service which amount shall be increased each July 1st by  
25 three percent, rounded to the nearest cent.

26 (5) "Annuity" means payments for life derived from accumulated  
27 contributions of a member. All annuities shall be paid in monthly  
28 installments.

29 (6) (a) "Average final compensation" for plan 1 members, means the  
30 annual average of the greatest compensation earnable by a member  
31 during any consecutive two year period of service credit months for  
32 which service credit is allowed; or if the member has less than two  
33 years of service credit months then the annual average compensation  
34 earnable during the total years of service for which service credit  
35 is allowed.

36 (b) "Average final compensation" for plan 2 and plan 3 members,  
37 means the member's average compensation earnable of the highest  
38 consecutive sixty months of service credit months prior to such  
39 member's retirement, termination, or death. Periods constituting

1 authorized leaves of absence may not be used in the calculation of  
2 average final compensation except under RCW 41.40.710(2) or (c) of  
3 this subsection.

4 (c) In calculating average final compensation under this  
5 subsection for a member of plan 1, 2, or 3, the department of  
6 retirement systems shall include:

7 (i) Any compensation forgone by the member during the 2009-2011  
8 fiscal biennium as a result of reduced work hours, voluntary leave  
9 without pay, temporary reduction in pay implemented prior to December  
10 11, 2010, or temporary furloughs if the reduced compensation is an  
11 integral part of the employer's expenditure reduction efforts, as  
12 certified by the employer;

13 (ii) Any compensation forgone by a member employed by the state  
14 or a local government during the 2011-2013 fiscal biennium as a  
15 result of reduced work hours, mandatory leave without pay, temporary  
16 layoffs, or reductions to current pay if the reduced compensation is  
17 an integral part of the employer's expenditure reduction efforts, as  
18 certified by the employer. Reductions to current pay shall not  
19 include elimination of previously agreed upon future salary  
20 increases; and

21 (iii) Any compensation forgone by a member during the 2019-2021  
22 and 2021-2023 fiscal biennia as a result of reduced work hours,  
23 mandatory leave without pay, temporary layoffs, furloughs, reductions  
24 to current pay, or other similar measures resulting from the COVID-19  
25 budgetary crisis, if the reduced compensation is an integral part of  
26 the employer's expenditure reduction efforts, as certified by the  
27 employer. Reductions to current pay shall not include elimination of  
28 previously agreed upon future salary increases.

29 (7)(a) "Beneficiary" for plan 1 members, means any person in  
30 receipt of a retirement allowance, pension or other benefit provided  
31 by this chapter.

32 (b) "Beneficiary" for plan 2 and plan 3 members, means any person  
33 in receipt of a retirement allowance or other benefit provided by  
34 this chapter resulting from service rendered to an employer by  
35 another person.

36 (8)(a) "Compensation earnable" for plan 1 members, means salaries  
37 or wages earned during a payroll period for personal services and  
38 where the compensation is not all paid in money, maintenance  
39 compensation shall be included upon the basis of the schedules  
40 established by the member's employer.



1 (i) "Compensation earnable" for plan 1 members also includes the  
2 following actual or imputed payments, which are not paid for personal  
3 services:

4 (A) Retroactive payments to an individual by an employer on  
5 reinstatement of the employee in a position, or payments by an  
6 employer to an individual in lieu of reinstatement in a position  
7 which are awarded or granted as the equivalent of the salary or wage  
8 which the individual would have earned during a payroll period shall  
9 be considered compensation earnable and the individual shall receive  
10 the equivalent service credit;

11 (B) If a leave of absence is taken by an individual for the  
12 purpose of serving in the state legislature, the salary which would  
13 have been received for the position from which the leave of absence  
14 was taken, shall be considered as compensation earnable if the  
15 employee's contribution is paid by the employee and the employer's  
16 contribution is paid by the employer or employee;

17 (C) Assault pay only as authorized by RCW 27.04.100, 72.01.045,  
18 and 72.09.240;

19 (D) Compensation that a member would have received but for a  
20 disability occurring in the line of duty only as authorized by RCW  
21 41.40.038;

22 (E) Compensation that a member receives due to participation in  
23 the leave sharing program only as authorized by RCW 41.04.650 through  
24 41.04.670; and

25 (F) Compensation that a member receives for being in standby  
26 status. For the purposes of this section, a member is in standby  
27 status when not being paid for time actually worked and the employer  
28 requires the member to be prepared to report immediately for work, if  
29 the need arises, although the need may not arise.

30 (ii) "Compensation earnable" does not include:

31 (A) Remuneration for unused sick leave authorized under RCW  
32 41.04.340, 28A.400.210, or 28A.310.490;

33 (B) Remuneration for unused annual leave in excess of 240 hours.

34 (b) "Compensation earnable" for plan 2 and plan 3 members, means  
35 salaries or wages earned by a member during a payroll period for  
36 personal services, including overtime payments, and shall include  
37 wages and salaries deferred under provisions established pursuant to  
38 sections 403(b), 414(h), and 457 of the United States Internal  
39 Revenue Code, but shall exclude nonmoney maintenance compensation and  
40 lump sum or other payments for deferred annual sick leave, unused

1 accumulated vacation, unused accumulated annual leave, or any form of  
2 severance pay.

3 "Compensation earnable" for plan 2 and plan 3 members also  
4 includes the following actual or imputed payments, which are not paid  
5 for personal services:

6 (i) Retroactive payments to an individual by an employer on  
7 reinstatement of the employee in a position, or payments by an  
8 employer to an individual in lieu of reinstatement in a position  
9 which are awarded or granted as the equivalent of the salary or wage  
10 which the individual would have earned during a payroll period shall  
11 be considered compensation earnable to the extent provided above, and  
12 the individual shall receive the equivalent service credit;

13 (ii) In any year in which a member serves in the legislature, the  
14 member shall have the option of having such member's compensation  
15 earnable be the greater of:

16 (A) The compensation earnable the member would have received had  
17 such member not served in the legislature; or

18 (B) Such member's actual compensation earnable received for  
19 nonlegislative public employment and legislative service combined.  
20 Any additional contributions to the retirement system required  
21 because compensation earnable under (b)(ii)(A) of this subsection is  
22 greater than compensation earnable under (b)(ii)(B) of this  
23 subsection shall be paid by the member for both member and employer  
24 contributions;

25 (iii) Assault pay only as authorized by RCW 27.04.100, 72.01.045,  
26 and 72.09.240;

27 (iv) Compensation that a member would have received but for a  
28 disability occurring in the line of duty only as authorized by RCW  
29 41.40.038;

30 (v) Compensation that a member receives due to participation in  
31 the leave sharing program only as authorized by RCW 41.04.650 through  
32 41.04.670; and

33 (vi) Compensation that a member receives for being in standby  
34 status. For the purposes of this section, a member is in standby  
35 status when not being paid for time actually worked and the employer  
36 requires the member to be prepared to report immediately for work, if  
37 the need arises, although the need may not arise.

38 (9) "Department" means the department of retirement systems  
39 created in chapter 41.50 RCW.

40 (10) "Director" means the director of the department.

1 (11) "Eligible position" means:

2 (a) Any position that, as defined by the employer, normally  
3 requires five or more months of service a year for which regular  
4 compensation for at least seventy hours is earned by the occupant  
5 thereof. For purposes of this chapter an employer shall not define  
6 "position" in such a manner that an employee's monthly work for that  
7 employer is divided into more than one position;

8 (b) Any position occupied by an elected official or person  
9 appointed directly by the governor, or appointed by the chief justice  
10 of the supreme court under RCW 2.04.240(2) or 2.06.150(2), for which  
11 compensation is paid.

12 (12) "Employee" or "employed" means a person who is providing  
13 services for compensation to an employer, unless the person is free  
14 from the employer's direction and control over the performance of  
15 work. The department shall adopt rules and interpret this subsection  
16 consistent with common law.

17 (13)(a) "Employer" for plan 1 members, means every branch,  
18 department, agency, commission, board, and office of the state, any  
19 political subdivision or association of political subdivisions of the  
20 state admitted into the retirement system, and legal entities  
21 authorized by RCW 35.63.070 and 36.70.060 or chapter 39.34 RCW; and  
22 the term shall also include any labor guild, association, or  
23 organization the membership of a local lodge or division of which is  
24 comprised of at least forty percent employees of an employer (other  
25 than such labor guild, association, or organization) within this  
26 chapter. The term may also include any city of the first class that  
27 has its own retirement system.

28 (b) "Employer" for plan 2 and plan 3 members, means every branch,  
29 department, agency, commission, board, and office of the state, and  
30 any political subdivision and municipal corporation of the state  
31 admitted into the retirement system, including public agencies  
32 created pursuant to RCW 35.63.070, 36.70.060, and 39.34.030; except  
33 that after August 31, 2000, school districts and educational service  
34 districts will no longer be employers for the public employees'  
35 retirement system plan 2.

36 (c) Except as otherwise specifically provided in this chapter,  
37 "employer" does not include a government contractor. For purposes of  
38 this subsection, a "government contractor" is any entity, including a  
39 partnership, limited liability company, for-profit or nonprofit  
40 corporation, or person, that provides services pursuant to a contract

1 with an "employer." The determination whether an employer-employee  
2 relationship has been established is not based on the relationship  
3 between a government contractor and an "employer," but is based  
4 solely on the relationship between a government contractor's employee  
5 and an "employer" under this chapter.

6 (d) "Employer" does not include a comprehensive cancer center  
7 participating in a collaborative arrangement as defined in RCW  
8 28B.10.930 that is operated in conformance with RCW 28B.10.930.

9 (14) "Final compensation" means the annual rate of compensation  
10 earnable by a member at the time of termination of employment.

11 (15) "Index" means, for any calendar year, that year's annual  
12 average consumer price index, Seattle, Washington area, for urban  
13 wage earners and clerical workers, all items, compiled by the bureau  
14 of labor statistics, United States department of labor.

15 (16) "Index A" means the index for the year prior to the  
16 determination of a postretirement adjustment.

17 (17) "Index B" means the index for the year prior to index A.

18 (18) "Index year" means the earliest calendar year in which the  
19 index is more than 60 percent of index A.

20 (19) "Ineligible position" means any position which does not  
21 conform with the requirements set forth in subsection (11) of this  
22 section.

23 (20) "Leave of absence" means the period of time a member is  
24 authorized by the employer to be absent from service without being  
25 separated from membership.

26 (21) "Member" means any employee included in the membership of  
27 the retirement system, as provided for in RCW 41.40.023. ((RCW  
28 ~~41.26.045~~)) Section 306 of this act does not prohibit a person  
29 otherwise eligible for membership in the retirement system from  
30 establishing such membership effective when he or she first entered  
31 an eligible position.

32 (22) "Member account" or "member's account" for purposes of plan  
33 3 means the sum of the contributions and earnings on behalf of the  
34 member in the defined contribution portion of plan 3.

35 (23) "Membership service" means:

36 (a) All service rendered, as a member, after October 1, 1947;

37 (b) All service after October 1, 1947, to any employer prior to  
38 the time of its admission into the retirement system for which member  
39 and employer contributions, plus interest as required by RCW  
40 41.50.125, have been paid under RCW 41.40.056 or 41.40.057;

1 (c) Service not to exceed six consecutive months of probationary  
2 service rendered after April 1, 1949, and prior to becoming a member,  
3 in the case of any member, upon payment in full by such member of the  
4 total amount of the employer's contribution to the retirement fund  
5 which would have been required under the law in effect when such  
6 probationary service was rendered if the member had been a member  
7 during such period, except that the amount of the employer's  
8 contribution shall be calculated by the director based on the first  
9 month's compensation earnable as a member;

10 (d) Service not to exceed six consecutive months of probationary  
11 service, rendered after October 1, 1947, and before April 1, 1949,  
12 and prior to becoming a member, in the case of any member, upon  
13 payment in full by such member of five percent of such member's  
14 salary during said period of probationary service, except that the  
15 amount of the employer's contribution shall be calculated by the  
16 director based on the first month's compensation earnable as a  
17 member.

18 (24) "New member" means a person who becomes a member on or after  
19 April 1, 1949, except as otherwise provided in this section.

20 (25) "Original member" of this retirement system means:

21 (a) Any person who became a member of the system prior to April  
22 1, 1949;

23 (b) Any person who becomes a member through the admission of an  
24 employer into the retirement system on and after April 1, 1949, and  
25 prior to April 1, 1951;

26 (c) Any person who first becomes a member by securing employment  
27 with an employer prior to April 1, 1951, provided the member has  
28 rendered at least one or more years of service to any employer prior  
29 to October 1, 1947;

30 (d) Any person who first becomes a member through the admission  
31 of an employer into the retirement system on or after April 1, 1951,  
32 provided, such person has been in the regular employ of the employer  
33 for at least six months of the 12-month period preceding the said  
34 admission date;

35 (e) Any member who has restored all contributions that may have  
36 been withdrawn as provided by RCW 41.40.150 and who on the effective  
37 date of the individual's retirement becomes entitled to be credited  
38 with 10 years or more of membership service except that the  
39 provisions relating to the minimum amount of retirement allowance for

1 the member upon retirement at age 70 as found in RCW 41.40.190(4)  
2 shall not apply to the member;

3 (f) Any member who has been a contributor under the system for  
4 two or more years and who has restored all contributions that may  
5 have been withdrawn as provided by RCW 41.40.150 and who on the  
6 effective date of the individual's retirement has rendered five or  
7 more years of service for the state or any political subdivision  
8 prior to the time of the admission of the employer into the system;  
9 except that the provisions relating to the minimum amount of  
10 retirement allowance for the member upon retirement at age 70 as  
11 found in RCW 41.40.190(4) shall not apply to the member.

12 (26) "Pension" means payments for life derived from contributions  
13 made by the employer. All pensions shall be paid in monthly  
14 installments.

15 (27) "Plan 1" means the public employees' retirement system, plan  
16 1 providing the benefits and funding provisions covering persons who  
17 first became members of the system prior to October 1, 1977.

18 (28) "Plan 2" means the public employees' retirement system, plan  
19 2 providing the benefits and funding provisions covering persons who  
20 first became members of the system on and after October 1, 1977, and  
21 are not included in plan 3.

22 (29) "Plan 3" means the public employees' retirement system, plan  
23 3 providing the benefits and funding provisions covering persons who:

24 (a) First become a member on or after:

25 (i) March 1, 2002, and are employed by a state agency or  
26 institute of higher education and who did not choose to enter plan 2;  
27 or

28 (ii) September 1, 2002, and are employed by other than a state  
29 agency or institute of higher education and who did not choose to  
30 enter plan 2; or

31 (b) Transferred to plan 3 under RCW 41.40.795.

32 (30) "Prior service" means all service of an original member  
33 rendered to any employer prior to October 1, 1947.

34 (31) "Regular interest" means such rate as the director may  
35 determine.

36 (32) "Retiree" means any person who has begun accruing a  
37 retirement allowance or other benefit provided by this chapter  
38 resulting from service rendered to an employer while a member.

39 (33) "Retirement" means withdrawal from active service with a  
40 retirement allowance as provided by this chapter.

1 (34) "Retirement allowance" means the sum of the annuity and the  
2 pension.

3 (35) "Retirement system" means the public employees' retirement  
4 system provided for in this chapter.

5 (36) "Separation from service" occurs when a person has  
6 terminated all employment with an employer. Separation from service  
7 or employment does not occur, and if claimed by an employer or  
8 employee may be a violation of RCW 41.40.055, when an employee and  
9 employer have a written or oral agreement to resume employment with  
10 the same employer following termination. Mere expressions or  
11 inquiries about postretirement employment by an employer or employee  
12 that do not constitute a commitment to reemploy the employee after  
13 retirement are not an agreement under this subsection.

14 (37)(a) "Service" for plan 1 members, except as provided in RCW  
15 41.40.088, means periods of employment in an eligible position or  
16 positions for one or more employers rendered to any employer for  
17 which compensation is paid, and includes time spent in office as an  
18 elected or appointed official of an employer. Compensation earnable  
19 earned in full time work for 70 hours or more in any given calendar  
20 month shall constitute one service credit month except as provided in  
21 RCW 41.40.088. Compensation earnable earned for less than 70 hours in  
22 any calendar month shall constitute one-quarter service credit month  
23 of service except as provided in RCW 41.40.088. Only service credit  
24 months and one-quarter service credit months shall be counted in the  
25 computation of any retirement allowance or other benefit provided for  
26 in this chapter. Any fraction of a year of service shall be taken  
27 into account in the computation of such retirement allowance or  
28 benefits. Time spent in standby status, whether compensated or not,  
29 is not service.

30 (i) Service by a state employee officially assigned by the state  
31 on a temporary basis to assist another public agency, shall be  
32 considered as service as a state employee: PROVIDED, That service to  
33 any other public agency shall not be considered service as a state  
34 employee if such service has been used to establish benefits in any  
35 other public retirement system.

36 (ii) An individual shall receive no more than a total of 12  
37 service credit months of service during any calendar year. If an  
38 individual is employed in an eligible position by one or more  
39 employers the individual shall receive no more than one service

1 credit month during any calendar month in which multiple service for  
2 seventy or more hours is rendered.

3 (iii) A school district employee may count up to 45 days of sick  
4 leave as creditable service solely for the purpose of determining  
5 eligibility to retire under RCW 41.40.180 as authorized by RCW  
6 28A.400.300. For purposes of plan 1 "forty-five days" as used in RCW  
7 28A.400.300 is equal to two service credit months. Use of less than  
8 45 days of sick leave is creditable as allowed under this subsection  
9 as follows:

10 (A) Less than 22 days equals one-quarter service credit month;

11 (B) 22 days equals one service credit month;

12 (C) More than 22 days but less than 45 days equals one and one-  
13 quarter service credit month.

14 (iv) Reduction efforts such as furloughs, reduced work hours,  
15 mandatory leave without pay, temporary layoffs, or other similar  
16 situations as contemplated by subsection (6)(c)(iii) of this section  
17 do not result in a reduction in service credit that otherwise would  
18 have been earned for that month of work, and the member shall receive  
19 the full service credit for the hours that were scheduled to be  
20 worked before the reduction.

21 (b) "Service" for plan 2 and plan 3 members, means periods of  
22 employment by a member in an eligible position or positions for one  
23 or more employers for which compensation earnable is paid.  
24 Compensation earnable earned for 90 or more hours in any calendar  
25 month shall constitute one service credit month except as provided in  
26 RCW 41.40.088. Compensation earnable earned for at least 70 hours but  
27 less than 90 hours in any calendar month shall constitute one-half  
28 service credit month of service. Compensation earnable earned for  
29 less than 70 hours in any calendar month shall constitute one-quarter  
30 service credit month of service. Time spent in standby status,  
31 whether compensated or not, is not service.

32 Any fraction of a year of service shall be taken into account in  
33 the computation of such retirement allowance or benefits.

34 (i) Service in any state elective position shall be deemed to be  
35 full time service, except that persons serving in state elective  
36 positions who are members of the Washington school employees'  
37 retirement system, teachers' retirement system, public safety  
38 employees' retirement system, or law enforcement officers' and  
39 firefighters' retirement system at the time of election or  
40 appointment to such position may elect to continue membership in the



1 Washington school employees' retirement system, teachers' retirement  
2 system, public safety employees' retirement system, or law  
3 enforcement officers' and firefighters' retirement system.

4 (ii) A member shall receive a total of not more than 12 service  
5 credit months of service for such calendar year. If an individual is  
6 employed in an eligible position by one or more employers the  
7 individual shall receive no more than one service credit month during  
8 any calendar month in which multiple service for ninety or more hours  
9 is rendered.

10 (iii) Up to 45 days of sick leave may be creditable as service  
11 solely for the purpose of determining eligibility to retire under RCW  
12 41.40.180 as authorized by RCW 28A.400.300. For purposes of plan 2  
13 and plan 3 "forty-five days" as used in RCW 28A.400.300 is equal to  
14 two service credit months. Use of less than 45 days of sick leave is  
15 creditable as allowed under this subsection as follows:

16 (A) Less than 11 days equals one-quarter service credit month;

17 (B) 11 or more days but less than 22 days equals one-half service  
18 credit month;

19 (C) 22 days equals one service credit month;

20 (D) More than 22 days but less than 33 days equals one and one-  
21 quarter service credit month;

22 (E) 33 or more days but less than 45 days equals one and one-half  
23 service credit month.

24 (iv) Reduction efforts such as furloughs, reduced work hours,  
25 mandatory leave without pay, temporary layoffs, or other similar  
26 situations as contemplated by subsection (6)(c)(iii) of this section  
27 do not result in a reduction in service credit that otherwise would  
28 have been earned for that month of work, and the member shall receive  
29 the full service credit for the hours that were scheduled to be  
30 worked before the reduction.

31 (38) "Service credit month" means a month or an accumulation of  
32 months of service credit which is equal to one.

33 (39) "Service credit year" means an accumulation of months of  
34 service credit which is equal to one when divided by twelve.

35 (40) "State actuary" or "actuary" means the person appointed  
36 pursuant to RCW 44.44.010(2).

37 (41) "State elective position" means any position held by any  
38 person elected or appointed to statewide office or elected or  
39 appointed as a member of the legislature.

1 (42) "State treasurer" means the treasurer of the state of  
2 Washington.

3 (43) "Totally incapacitated for duty" means total inability to  
4 perform the duties of a member's employment or office or any other  
5 work for which the member is qualified by training or experience.

6 **Sec. 438.** RCW 41.40.037 and 2023 c 99 s 2 are each amended to  
7 read as follows:

8 (1)(a) If a retiree enters employment with an employer sooner  
9 than one calendar month after his or her accrual date, the retiree's  
10 monthly retirement allowance will be reduced by five and one-half  
11 percent for every eight hours worked during that month. This  
12 reduction will be applied each month until the retiree remains absent  
13 from employment with an employer for one full calendar month.

14 (b) The benefit reduction provided in (a) of this subsection will  
15 accrue for a maximum of one hundred sixty hours per month. Any  
16 benefit reduction over one hundred percent will be applied to the  
17 benefit the retiree is eligible to receive in subsequent months.

18 (2)(a) A retiree from plan 1, plan 2, or plan 3 who has satisfied  
19 the break in employment requirement of subsection (1) of this section  
20 may work up to eight hundred sixty-seven hours per calendar year in  
21 an eligible position, as defined in RCW 41.32.010, 41.35.010,  
22 41.37.010, or 41.40.010, or as a firefighter or law enforcement  
23 officer, as defined in RCW 41.26.030 or section 303 of this act, or  
24 in a position covered by annuity and retirement income plans offered  
25 by institutions of higher education pursuant to RCW 28B.10.400,  
26 without suspension of his or her benefit.

27 (b) Between March 23, 2022, and July 1, 2025, a retiree,  
28 including a retiree who has retired under the alternate early  
29 retirement provisions of RCW 41.40.630(3)(b) or 41.40.820(3)(b), who  
30 reenters employment more than 100 days after his or her accrual date,  
31 and who enters service in a school district in a nonadministrative  
32 position shall continue to receive pension payments while engaged in  
33 such service, until the retiree has rendered service for more than  
34 1,040 hours in a calendar year.

35 (c) Between April 14, 2023, and July 1, 2026, a retiree,  
36 including a retiree who has retired under the alternate early  
37 retirement provisions of RCW 41.40.630(3)(b) or 41.40.820(3)(b), and  
38 who enters service in a nonadministrative position as a licensed  
39 nurse for a state agency, shall continue to receive pension payments

1 while engaged in such service, until the retiree has rendered service  
2 for more than 1,040 hours in a calendar year.

3 (3) If the retiree opts to reestablish membership under RCW  
4 41.40.023(12), he or she terminates his or her retirement status and  
5 becomes a member. Retirement benefits shall not accrue during the  
6 period of membership and the individual shall make contributions and  
7 receive membership credit. Such a member shall have the right to  
8 again retire if eligible in accordance with RCW 41.40.180. However,  
9 if the right to retire is exercised to become effective before the  
10 member has rendered two uninterrupted years of service, the  
11 retirement formula and survivor options the member had at the time of  
12 the member's previous retirement shall be reinstated.

13 (4) The department shall collect and provide the state actuary  
14 with information relevant to the use of this section for the select  
15 committee on pension policy.

16 (5) The legislature reserves the right to amend or repeal this  
17 section in the future and no member or beneficiary has a contractual  
18 right to be employed for more than five months in a calendar year  
19 without a reduction of his or her pension.

20 **Sec. 439.** RCW 41.40.059 and 1992 c 157 s 3 are each amended to  
21 read as follows:

22 Any active member of this retirement system who has previously  
23 established ten or more years' service credit in the city of  
24 Seattle's police relief and pension fund system, who withdrew his or  
25 her contributions from Seattle's police relief and pension fund  
26 system prior to July 1, 1961, and who has never been a member of the  
27 law enforcement officers' and firefighters' pension system created in  
28 chapter 41.26 or 41.--- (the new chapter created in section 504 of  
29 this act) RCW, may receive credit in this retirement system for such  
30 service, subject to the terms and conditions specified in RCW  
31 41.40.061.

32 **Sec. 440.** RCW 41.40.690 and 2004 c 242 s 57 are each amended to  
33 read as follows:

34 (1) Except as provided in RCW 41.40.037, no retiree under the  
35 provisions of plan 2 shall be eligible to receive such retiree's  
36 monthly retirement allowance if he or she is employed in an eligible  
37 position as defined in RCW 41.40.010, 41.32.010, 41.37.010, or  
38 41.35.010, or as a law enforcement officer or firefighter as defined

1 in RCW 41.26.030 or section 303 of this act, except that a retiree  
2 who ends his or her membership in the retirement system pursuant to  
3 RCW 41.40.023(3)(b) is not subject to this section if the retiree's  
4 only employment is as an elective official of a city or town.

5 (2) If a retiree's benefits have been suspended under this  
6 section, his or her benefits shall be reinstated when the retiree  
7 terminates the employment that caused his or her benefits to be  
8 suspended. Upon reinstatement, the retiree's benefits shall be  
9 actuarially recomputed pursuant to the rules adopted by the  
10 department.

11 (3) The department shall adopt rules implementing this section.

12 **Sec. 441.** RCW 41.40.850 and 2005 c 327 s 9 are each amended to  
13 read as follows:

14 (1) Except as provided in RCW 41.40.037, no retiree under the  
15 provisions of plan 3 shall be eligible to receive such retiree's  
16 monthly retirement allowance if he or she is employed in an eligible  
17 position as defined in RCW 41.40.010, 41.32.010, 41.35.010, or  
18 41.37.010, or as a law enforcement officer or firefighter as defined  
19 in RCW 41.26.030 or section 303 of this act, except that a retiree  
20 who ends his or her membership in the retirement system pursuant to  
21 RCW 41.40.023(3)(b) is not subject to this section if the retiree's  
22 only employment is as an elective official of a city or town.

23 (2) If a retiree's benefits have been suspended under this  
24 section, his or her benefits shall be reinstated when the retiree  
25 terminates the employment that caused his or her benefits to be  
26 suspended. Upon reinstatement, the retiree's benefits shall be  
27 actuarially recomputed pursuant to the rules adopted by the  
28 department.

29 (3) The department shall adopt rules implementing this section.

30 **Sec. 442.** RCW 41.45.010 and 2009 c 561 s 1 are each amended to  
31 read as follows:

32 It is the intent of the legislature to provide a dependable and  
33 systematic process for funding the benefits provided to members and  
34 retirees of the public employees' retirement system, chapter 41.40  
35 RCW; the teachers' retirement system, chapter 41.32 RCW; the law  
36 enforcement officers' and firefighters' retirement systems, chapters  
37 41.26 and 41.--- (the new chapter created in section 504 of this act)  
38 RCW; the school employees' retirement system, chapter 41.35 RCW; the

1 public safety employees' retirement system, chapter 41.37 RCW; and  
2 the Washington state patrol retirement system, chapter 43.43 RCW.

3 The funding process established by this chapter is intended to  
4 achieve the following goals:

5 (1) To fully fund the public employees' retirement system plans 2  
6 and 3, the teachers' retirement system plans 2 and 3, the school  
7 employees' retirement system plans 2 and 3, the public safety  
8 employees' retirement system plan 2, and the law enforcement  
9 officers' and firefighters' retirement system plan 2 as provided by  
10 law;

11 ~~((To fully amortize the total costs of the law enforcement  
12 officers' and firefighters' retirement system plan 1, not later than  
13 June 30, 2024;~~

14 ~~(3))~~ To fully amortize the unfunded actuarial accrued liability  
15 in the public employees' retirement system plan 1 and the teachers'  
16 retirement system plan 1 within a rolling ten-year period, using  
17 methods and assumptions that balance needs for increased benefit  
18 security, decreased contribution rate volatility, and affordability  
19 of pension contribution rates;

20 ~~((4))~~ (3) To establish long-term employer contribution rates  
21 which will remain a relatively predictable proportion of the future  
22 state budgets; and

23 ~~((5))~~ (4) To fund, to the extent feasible, all benefits for  
24 plan 2 and 3 members over the working lives of those members so that  
25 the cost of those benefits are paid by the taxpayers who receive the  
26 benefit of those members' service.

27 **Sec. 443.** RCW 41.45.020 and 2006 c 365 s 1 are each amended to  
28 read as follows:

29 As used in this chapter, the following terms have the meanings  
30 indicated unless the context clearly requires otherwise.

31 (1) "Council" means the pension funding council created in RCW  
32 41.45.100.

33 (2) "Department" means the department of retirement systems.

34 (3) "~~(Law)~~ Restated law enforcement officers' and firefighters'  
35 retirement system ~~((plan 1))~~" and "law enforcement officers' and  
36 firefighters' retirement system plan 2" means the benefits and  
37 funding provisions under chapters 41.--- (the new chapter created in  
38 section 504 of this act) and 41.26 RCW, respectively.

1 (4) "Public employees' retirement system plan 1," "public  
2 employees' retirement system plan 2," and "public employees'  
3 retirement system plan 3" mean the benefits and funding provisions  
4 under chapter 41.40 RCW.

5 (5) "Teachers' retirement system plan 1," "teachers' retirement  
6 system plan 2," and "teachers' retirement system plan 3" mean the  
7 benefits and funding provisions under chapter 41.32 RCW.

8 (6) "School employees' retirement system plan 2" and "school  
9 employees' retirement system plan 3" mean the benefits and funding  
10 provisions under chapter 41.35 RCW.

11 (7) "Washington state patrol retirement system" means the  
12 retirement benefits provided under chapter 43.43 RCW.

13 (8) "Unfunded liability" means the unfunded actuarial accrued  
14 liability of a retirement system.

15 (9) "Actuary" or "state actuary" means the state actuary employed  
16 under chapter 44.44 RCW.

17 (10) "State retirement systems" means the retirement systems  
18 listed in RCW 41.50.030.

19 (11) "Classified employee" means a member of the Washington  
20 school employees' retirement system plan 2 or plan 3 as defined in  
21 RCW 41.35.010.

22 (12) "Teacher" means a member of the teachers' retirement system  
23 as defined in RCW 41.32.010(~~((+15))~~).

24 (13) "Select committee" means the select committee on pension  
25 policy created in RCW 41.04.276.

26 (14) "Actuarial value of assets" means the value of pension plan  
27 investments and other property used by the actuary for the purpose of  
28 an actuarial valuation.

29 (15) "Public safety employees' retirement system plan 2" means  
30 the benefits and funding provisions established under chapter 41.37  
31 RCW.

32 (16) "Normal cost" means the portion of the actuarial present  
33 value of projected benefits and expenses that is allocated to a  
34 period, typically twelve months, under the actuarial cost method.

35 **Sec. 444.** RCW 41.45.050 and 2020 c 103 s 3 are each amended to  
36 read as follows:

37 (1) Employers of members of the public employees' retirement  
38 system, the teachers' retirement system, the school employees'  
39 retirement system, the public safety employees' retirement system,

1 the Washington state patrol retirement system, and the higher  
2 education retirement plans shall make contributions to those systems  
3 and plans based on the rates established in RCW 41.45.060 and  
4 41.45.070.

5 (2) The state shall make contributions to the law enforcement  
6 officers' and firefighters' retirement system plan 2 based on the  
7 rates established in RCW 41.45.060 and 41.45.070. The state treasurer  
8 shall transfer the required contributions each month on the basis of  
9 salary data provided by the department.

10 (3) The department shall bill employers, and the state shall make  
11 contributions to the law enforcement officers' and firefighters'  
12 retirement system plan 2, using the combined rates established in RCW  
13 41.45.060 and 41.45.070 regardless of the level of appropriation  
14 provided in the biennial budget. Any member of an affected retirement  
15 system may, by mandamus or other appropriate proceeding, require the  
16 transfer and payment of funds as directed in this section.

17 (4) The contributions received for the public employees'  
18 retirement system shall be allocated between the public employees'  
19 retirement system plan 1 fund and the public employees' retirement  
20 system combined plan 2 and plan 3 fund as follows: The contributions  
21 necessary to fully fund the public employees' retirement system  
22 combined plan 2 and plan 3 employer contribution shall first be  
23 deposited in the public employees' retirement system combined plan 2  
24 and plan 3 fund. All remaining public employees' retirement system  
25 employer contributions shall be deposited in the public employees'  
26 retirement system plan 1 fund.

27 (5) The contributions received for the teachers' retirement  
28 system shall be allocated between the plan 1 fund and the combined  
29 plan 2 and plan 3 fund as follows: The contributions necessary to  
30 fully fund the combined plan 2 and plan 3 employer contribution shall  
31 first be deposited in the combined plan 2 and plan 3 fund. All  
32 remaining teachers' retirement system employer contributions shall be  
33 deposited in the plan 1 fund.

34 (6) The contributions received for the school employees'  
35 retirement system shall be allocated between the public employees'  
36 retirement system plan 1 fund and the school employees' retirement  
37 system combined plan 2 and plan 3 fund as follows: The contributions  
38 necessary to fully fund the combined plan 2 and plan 3 employer  
39 contribution shall first be deposited in the combined plan 2 and plan  
40 3 fund. All remaining school employees' retirement system employer

1 contributions shall be deposited in the public employees' retirement  
2 system plan 1 fund.

3 (7) The contributions received for the law enforcement officers'  
4 and firefighters' retirement system plan 2 shall be deposited in the  
5 law enforcement officers' and firefighters' retirement system plan 2  
6 fund.

7 (8) The contributions received for the public safety employees'  
8 retirement system shall be allocated between the public employees'  
9 retirement system plan 1 fund and the public safety employees'  
10 retirement system plan 2 fund as follows: The contributions necessary  
11 to fully fund the plan 2 employer contribution shall first be  
12 deposited in the plan 2 fund. All remaining public safety employees'  
13 retirement system employer contributions shall be deposited in the  
14 public employees' retirement system plan 1 fund.

15 (9) The contributions received for the higher education  
16 retirement plan supplemental benefit fund shall be deposited in the  
17 higher education retirement plan supplemental benefit fund and  
18 amounts received from each institution accounted for separately and  
19 shall only be used to make benefit payments to the beneficiaries of  
20 that institution's plan.

21 (10) The funding of the restated law enforcement officers' and  
22 firefighters' defined benefit retirement system shall be provided  
23 pursuant to section 104 of this act. Contributions, if received for  
24 the restated law enforcement officers' and firefighters' defined  
25 benefit retirement system, shall be deposited in the restated law  
26 enforcement officers' and firefighters' retirement fund.

27 **Sec. 445.** RCW 41.45.060 and 2020 c 103 s 4 are each amended to  
28 read as follows:

29 (1) The state actuary shall provide preliminary actuarial  
30 valuation results based on the economic assumptions and asset value  
31 smoothing technique included in RCW 41.45.035 or adopted under RCW  
32 41.45.030 or 41.45.035.

33 (2) Not later than July 31, 2008, and every two years thereafter,  
34 consistent with the economic assumptions and asset value smoothing  
35 technique included in RCW 41.45.035 or adopted under RCW 41.45.030 or  
36 41.45.035, the council shall adopt and may make changes to:

37 (a) A basic state contribution rate for the law enforcement  
38 officers' and firefighters' retirement system plan 1;



1 (b) Basic employer contribution rates for the public employees'  
2 retirement system, the teachers' retirement system, and the  
3 Washington state patrol retirement system; and

4 (c) Basic employer contribution rates for the school employees'  
5 retirement system and the public safety employees' retirement system  
6 for funding both those systems and the public employees' retirement  
7 system plan 1.

8 The council may adopt annual rate changes for any plan for any  
9 rate-setting period. The contribution rates adopted by the council  
10 shall be subject to revision by the legislature.

11 (3) The employer and state contribution rates adopted by the  
12 council shall be the level percentages of pay that are needed:

13 (a) ~~((To fully amortize the total costs of the law enforcement  
14 officers' and firefighters' retirement system plan 1 not later than  
15 June 30, 2024;~~

16 ~~(b))~~ To fully fund the public employees' retirement system plans  
17 2 and 3, the teachers' retirement system plans 2 and 3, the public  
18 safety employees' retirement system plan 2, and the school employees'  
19 retirement system plans 2 and 3 in accordance with RCW 41.45.061,  
20 41.45.067, and this section; and

21 ~~((e))~~ (b) To fully fund the public employees' retirement system  
22 plan 1 and the teachers' retirement system plan 1 in accordance with  
23 RCW 41.45.070, 41.45.150, and this section.

24 (4) The aggregate actuarial cost method shall be used to  
25 calculate a combined plan 2 and 3 normal cost, a Washington state  
26 patrol retirement system normal cost, and a public safety employees'  
27 retirement system normal cost.

28 (5) A modified entry age normal cost method, as set forth in this  
29 chapter, shall be used to calculate employer contributions to the  
30 public employees' retirement system plan 1 and the teachers'  
31 retirement system plan 1.

32 (6) The employer contribution rate for the public employees'  
33 retirement system and the school employees' retirement system shall  
34 equal the sum of:

35 (a) The amount required to pay the combined plan 2 and plan 3  
36 normal cost for the system, subject to any minimum rates applied  
37 pursuant to RCW 41.45.155; plus

38 (b) The amount required to amortize the unfunded actuarial  
39 accrued liability in plan 1 of the public employees' retirement  
40 system over a rolling ten-year period using projected future salary

1 growth and growth in system membership, and subject to any minimum or  
2 maximum rates applied pursuant to RCW 41.45.150; plus

3 (c) The amounts required to amortize the costs of any benefit  
4 improvements in plan 1 of the public employees' retirement system  
5 that become effective after June 30, 2009. The cost of each benefit  
6 improvement shall be amortized over a fixed ten-year period using  
7 projected future salary growth and growth in system membership. The  
8 amounts required under this subsection are not subject to, and are  
9 collected in addition to, any minimum or maximum rates applied  
10 pursuant to RCW 41.45.150.

11 (7) The employer contribution rate for the public safety  
12 employees' retirement system shall equal the sum of:

13 (a) The amount required to pay the normal cost for the system,  
14 subject to any minimum rates applied pursuant to RCW 41.45.155; plus

15 (b) The amount required to amortize the unfunded actuarial  
16 accrued liability in plan 1 of the public employees' retirement  
17 system over a rolling ten-year period using projected future salary  
18 growth and growth in system membership, and subject to any minimum or  
19 maximum rates applied pursuant to RCW 41.45.150; plus

20 (c) The amounts required to amortize the costs of any benefit  
21 improvements in plan 1 of the public employees' retirement system  
22 that become effective after June 30, 2009. The cost of each benefit  
23 improvement shall be amortized over a fixed ten-year period using  
24 projected future salary growth and growth in system membership. The  
25 amounts required under this subsection are not subject to, and are  
26 collected in addition to, any minimum or maximum rates applied  
27 pursuant to RCW 41.45.150.

28 (8) The employer contribution rate for the teachers' retirement  
29 system shall equal the sum of:

30 (a) The amount required to pay the combined plan 2 and plan 3  
31 normal cost for the system, subject to any minimum rates applied  
32 pursuant to RCW 41.45.155; plus

33 (b) The amount required to amortize the unfunded actuarial  
34 accrued liability in plan 1 of the teachers' retirement system over a  
35 rolling ten-year period using projected future salary growth and  
36 growth in system membership, and subject to any minimum or maximum  
37 rates applied pursuant to RCW 41.45.150; plus

38 (c) The amounts required to amortize the costs of any benefit  
39 improvements in plan 1 of the teachers' retirement system that become  
40 effective after June 30, 2009. The cost of each benefit improvement

1 shall be amortized over a fixed ten-year period using projected  
2 future salary growth and growth in system membership. The amounts  
3 required under this subsection are not subject to, and are collected  
4 in addition to, any minimum or maximum rates applied pursuant to RCW  
5 41.45.150.

6 (9) The employer contribution rate for each of the institutions  
7 of higher education for the higher education supplemental retirement  
8 benefits must be sufficient to fund, as a level percentage of pay, a  
9 portion of the projected cost of the supplemental retirement benefits  
10 for the institution beginning in 2035, with the other portion  
11 supported on a pay-as-you-go basis, either as direct payments by each  
12 institution to retirees, or as contributions to the higher education  
13 retirement plan supplemental benefit fund. Contributions must  
14 continue until the council determines that the institution for higher  
15 education supplemental retirement benefit liabilities are satisfied.

16 (10) The council shall immediately notify the directors of the  
17 office of financial management and department of retirement systems  
18 of the state and employer contribution rates adopted. The rates shall  
19 be effective for the ensuing biennial period, subject to any  
20 legislative modifications.

21 (11) The director shall collect those rates adopted by the  
22 council. The rates established in RCW 41.45.062, or by the council,  
23 shall be subject to revision by the legislature.

24 (12) The state actuary shall prepare final actuarial valuation  
25 results based on the economic assumptions, asset value smoothing  
26 technique, and contribution rates included in or adopted under RCW  
27 41.45.030, 41.45.035, and this section.

28 **Sec. 446.** RCW 41.48.030 and 2008 c 142 s 1 are each amended to  
29 read as follows:

30 (1) The governor is hereby authorized to enter on behalf of the  
31 state into an agreement with the federal secretary of health and  
32 human services consistent with the terms and provisions of this  
33 chapter, for the purpose of extending the benefits of the federal  
34 old-age and survivors insurance system to employees of the state or  
35 any political subdivision not members of an existing retirement  
36 system, or to members of a retirement system established by the state  
37 or by a political subdivision thereof or by an institution of higher  
38 learning with respect to services specified in such agreement which  
39 constitute "employment" as defined in RCW 41.48.020. Such agreement

1 may contain such provisions relating to coverage, benefits,  
2 contributions, effective date, modification and termination of the  
3 agreement, administration, and other appropriate provisions as the  
4 governor and secretary of health and human services shall agree upon,  
5 but, except as may be otherwise required by or under the social  
6 security act as to the services to be covered, such agreement shall  
7 provide in effect that:

8 (a) Benefits will be provided for employees whose services are  
9 covered by the agreement (and their dependents and survivors) on the  
10 same basis as though such services constituted employment within the  
11 meaning of Title II of the social security act;

12 (b) The state will pay to the secretary of the treasury, at such  
13 time or times as may be prescribed under the social security act,  
14 contributions with respect to wages (as defined in RCW 41.48.020),  
15 equal to the sum of the taxes which would be imposed by the federal  
16 insurance contributions act if the services covered by the agreement  
17 constituted employment within the meaning of that act;

18 (c) Such agreement shall be effective with respect to services in  
19 employment covered by the agreement or modification thereof performed  
20 after a date specified therein but in no event may it be effective  
21 with respect to any such services performed prior to the first day of  
22 the calendar year immediately preceding the calendar year in which  
23 such agreement or modification of the agreement is accepted by the  
24 secretary of health and human services;

25 (d) All services which constitute employment as defined in RCW  
26 41.48.020 and are performed in the employ of the state by employees  
27 of the state, shall be covered by the agreement;

28 (e) All services which (i) constitute employment as defined in  
29 RCW 41.48.020, (ii) are performed in the employ of a political  
30 subdivision of the state, and (iii) are covered by a plan which is in  
31 conformity with the terms of the agreement and has been approved by  
32 the governor under RCW 41.48.050, shall be covered by the agreement;

33 (f) As modified, the agreement shall include all services  
34 described in either (d) or (e) of this subsection and performed by  
35 individuals to whom section 218(c)(3)(C) of the social security act  
36 is applicable, and shall provide that the service of any such  
37 individual shall continue to be covered by the agreement in case he  
38 or she thereafter becomes eligible to be a member of a retirement  
39 system;

1 (g) As modified, the agreement shall include all services  
2 described in either (d) or (e) of this subsection and performed by  
3 individuals in positions covered by a retirement system with respect  
4 to which the governor has issued a certificate to the secretary of  
5 health and human services pursuant to subsection (5) of this section;  
6 and

7 (h) Law enforcement officers and firefighters of each political  
8 subdivision of this state who are covered by the (~~Washington~~)  
9 restated law enforcement officers' and firefighters' retirement  
10 system or law enforcement officers' and firefighters' retirement  
11 system (~~act~~) plan 2, chapter 41.--- (the new chapter created in  
12 section 504 of this act) or 41.26 RCW, shall constitute a separate  
13 "coverage group" for purposes of the agreement entered into under  
14 this section and for purposes of section 218 of the social security  
15 act.

16 (2) Any instrumentality jointly created by this state and any  
17 other state or states is hereby authorized, upon the granting of like  
18 authority by such other state or states, (a) to enter into an  
19 agreement with the secretary of health and human services whereby the  
20 benefits of the federal old-age and survivors insurance system shall  
21 be extended to employees of such instrumentality, (b) to require its  
22 employees to pay (and for that purpose to deduct from their wages)  
23 contributions equal to the amounts which they would be required to  
24 pay under RCW 41.48.040(1) if they were covered by an agreement made  
25 pursuant to subsection (1) of this section, and (c) to make payments  
26 to the secretary of the treasury in accordance with such agreement,  
27 including payments from its own funds, and otherwise to comply with  
28 such agreements. Such agreement shall, to the extent practicable, be  
29 consistent with the terms and provisions of subsection (1) of this  
30 section and other provisions of this chapter.

31 (3) The governor is empowered to authorize a referendum, and to  
32 designate an agency or individual to supervise its conduct, in  
33 accordance with the requirements of section 218(d)(3) of the social  
34 security act, and subsection (4) of this section on the question of  
35 whether service in all positions covered by a retirement system  
36 established by the state or by a political subdivision thereof should  
37 be excluded from or included under an agreement under this chapter.  
38 If a retirement system covers positions of employees of the state of  
39 Washington, of the institutions of higher learning, and positions of  
40 employees of one or more of the political subdivisions of the state,

1 then for the purpose of the referendum as provided in this section,  
2 there may be deemed to be a separate retirement system with respect  
3 to employees of the state, or any one or more of the political  
4 subdivisions, or institutions of higher learning and the governor  
5 shall authorize a referendum upon request of the subdivisions' or  
6 institutions' of higher learning governing body: PROVIDED HOWEVER,  
7 That if a referendum of state employees generally fails to produce a  
8 favorable majority vote then the governor may authorize a referendum  
9 covering positions of employees in any state department who are  
10 compensated in whole or in part from grants made to this state under  
11 Title III of the federal social security act: PROVIDED, That any city  
12 or town affiliated with the statewide city employees retirement  
13 system organized under chapter 41.44 RCW may at its option agree to a  
14 plan submitted by the board of trustees of that statewide city  
15 employees retirement system for inclusion under an agreement under  
16 this chapter if the referendum to be held as provided in this section  
17 indicates a favorable result: PROVIDED FURTHER, That the teachers'  
18 retirement system be considered one system for the purpose of the  
19 referendum except as applied to the several state colleges (~~of~~  
20 ~~education~~). The notice of referendum required by section  
21 218(d)(3)(C) of the social security act to be given to employees  
22 shall contain or shall be accompanied by a statement, in such form  
23 and such detail as the agency or individual designated to supervise  
24 the referendum shall deem necessary and sufficient, to inform the  
25 employees of the rights which will accrue to them and their  
26 dependents and survivors, and the liabilities to which they will be  
27 subject, if their services are included under an agreement under this  
28 chapter.

29 (4) The governor, before authorizing a referendum, shall require  
30 the following conditions to be met:

31 (a) The referendum shall be by secret written ballot on the  
32 question of whether service in positions covered by such retirement  
33 system shall be excluded from or included under the agreement between  
34 the governor and the secretary of health and human services provided  
35 for in subsection (1) of this section;

36 (b) An opportunity to vote in such referendum shall be given and  
37 shall be limited to eligible employees;

38 (c) Not less than ninety days' notice of such referendum shall be  
39 given to all such employees;

1 (d) Such referendum shall be conducted under the supervision of  
2 the governor or of an agency or individual designated by the  
3 governor;

4 (e)(i) The proposal for coverage shall be approved only if a  
5 majority of the eligible employees vote in favor of including  
6 services in such positions under the agreement;

7 (ii) Coverage obtained through a divided referendum process shall  
8 extend coverage to law enforcement officers, firefighters, and  
9 employees of political subdivisions of this state, who have  
10 membership in a qualified retirement system, allowing them to obtain  
11 medicare coverage only (HI-only). In such a divided referendum  
12 process, those members voting in favor of medicare coverage  
13 constitute a separate coverage group;

14 (f) The state legislature, in the case of a referendum affecting  
15 the rights and liabilities of state employees covered under the state  
16 employees' retirement system and employees under the teachers'  
17 retirement system, and in all other cases the local legislative  
18 authority or governing body, shall have specifically approved the  
19 proposed plan and approved any necessary structural adjustment to the  
20 existing system to conform with the proposed plan;

21 (g) In the case of a referendum authorized under section  
22 218(d)(6) of the social security act and (e)(ii) of this subsection,  
23 the retirement system will be divided into two parts or divisions.  
24 One part or division of the retirement system shall be composed of  
25 positions of those members of the system who desire coverage under  
26 the agreement as permitted by this section. The remaining part or  
27 division of the retirement system shall be composed of positions of  
28 those members who do not desire coverage under such an agreement.  
29 Each part or division is a separate retirement system for the  
30 purposes of section 218(d) of the social security act. The positions  
31 of individuals who become members of the system after the coverage is  
32 extended shall be included in the part or division of the system  
33 composed of members desiring the coverage, with the exception of  
34 positions that are excluded in the agreement.

35 (5) Upon receiving satisfactory evidence that with respect to any  
36 such referendum the conditions specified in subsection (4) of this  
37 section and section 218(d)(3) of the social security act have been  
38 met, the governor shall so certify to the secretary of health and  
39 human services.

1 (6) If the legislative body of any political subdivision of this  
2 state certifies to the governor that a referendum has been held under  
3 the terms of RCW 41.48.050(1)(i) and gives notice to the governor of  
4 termination of social security for any coverage group of the  
5 political subdivision, the governor shall give two years advance  
6 notice in writing to the federal department of health and human  
7 services of the termination of the agreement entered into under this  
8 section with respect to that coverage group.

9 **Sec. 447.** RCW 41.48.050 and 2012 c 117 s 79 are each amended to  
10 read as follows:

11 (1) Each political subdivision of the state is hereby authorized  
12 to submit for approval by the governor a plan for extending the  
13 benefits of title II of the social security act, in conformity with  
14 the applicable provisions of such act, to those employees of such  
15 political subdivisions who are not covered by an existing pension or  
16 retirement system. Each pension or retirement system established by  
17 the state or a political subdivision thereof is hereby authorized to  
18 submit for approval by the governor a plan for extending the benefits  
19 of title II of the social security act, in conformity with applicable  
20 provisions of such act, to members of such pension or retirement  
21 system. Each such plan and any amendment thereof shall be approved by  
22 the governor if he or she finds that such plan, or such plan as  
23 amended, is in conformity with such requirements as are provided in  
24 regulations of the governor, except that no such plan shall be  
25 approved unless ~~((—))~~:

26 (a) It is in conformity with the requirements of the social  
27 security act and with the agreement entered into under RCW 41.48.030;

28 (b) It provides that all services which constitute employment as  
29 defined in RCW 41.48.020 and are performed in the employ of the  
30 political subdivision by employees thereof, shall be covered by the  
31 plan;

32 (c) It specifies the source or sources from which the funds  
33 necessary to make the payments required by ~~((paragraph (a) of))~~  
34 subsections (3)(a) and ~~((by subsection))~~ (4) of this section are  
35 expected to be derived and contains reasonable assurance that such  
36 sources will be adequate for such purposes;

37 (d) It provides that in the plan of coverage for members of the  
38 state teachers' retirement system or for state employee members of  
39 the state employees' retirement system, there shall be no additional



1 cost to or involvement of the state until such plan has received  
2 prior approval by the legislature;

3 (e) It provides for such methods of administration of the plan by  
4 the political subdivision as are found by the governor to be  
5 necessary for the proper and efficient administration of the plan;

6 (f) It provides that the political subdivision will make such  
7 reports, in such form and containing such information, as the  
8 governor may from time to time require and comply with such  
9 provisions as the governor or the secretary of health, education, and  
10 welfare may from time to time find necessary to assure the  
11 correctness and verification of such reports; ~~((and))~~

12 (g) It authorizes the governor to terminate the plan in its  
13 entirety, in his or her discretion, if he or she finds that there has  
14 been a failure to comply substantially with any provision contained  
15 in such plan, such termination to take effect at the expiration of  
16 such notice and on such conditions as may be provided by regulations  
17 of the governor and may be consistent with the provisions of the  
18 social security act;

19 (h) It provides that law enforcement officers and firefighters of  
20 each political subdivision of this state who are covered by the  
21 ~~((Washington Law Enforcement Officers' and Firefighters' Retirement  
22 System Act (chapter 209, Laws of 1969 ex. sess.))~~ law enforcement  
23 officers' and firefighters' retirement systems under chapters 41.26  
24 and 41.--- (the new chapter created in section 504 of this act) RCW  
25 as now in existence or hereafter amended shall constitute a separate  
26 "coverage group" for purposes of the plan or agreement entered into  
27 under this section and for purposes of section 216 of the social  
28 security act. To the extent that the plan or agreement entered into  
29 between the state and any political subdivision of this state is  
30 inconsistent with this subsection, the governor shall seek to modify  
31 the inconsistency;

32 (i) It provides that the plan or agreement may be terminated by  
33 any political subdivision as to any such coverage group upon giving  
34 at least two years advance notice in writing to the governor,  
35 effective at the end of the calendar quarter specified in the notice.  
36 It shall specify that before notice of such termination is given, a  
37 referendum shall be held among the members of the coverage group  
38 under the following conditions:

39 (i) The referendum shall be conducted under the supervision of  
40 the legislative body of the political subdivision.

1 (ii) Not less than sixty days' notice of such referendum shall be  
2 given to members of the coverage group.

3 (iii) An opportunity to vote by secret ballot in such referendum  
4 shall be given and shall be limited to all members of the coverage  
5 group.

6 (iv) The proposal for termination shall be approved only if a  
7 majority of the coverage group vote in favor of termination.

8 (v) If a majority of the coverage group vote in favor of  
9 termination, the legislative body of the political subdivision shall  
10 certify the results of the referendum to the governor and give notice  
11 of termination of such coverage group.

12 (2) The governor shall not finally refuse to approve a plan  
13 submitted by a political subdivision under subsection (1) (~~(of this~~  
14 ~~section))~~ of this section, and shall not terminate an approved plan,  
15 without reasonable notice and opportunity for hearing to the  
16 political subdivision affected thereby.

17 (3)(a) Each political subdivision as to which a plan has been  
18 approved under this section shall pay into the contribution account,  
19 with respect to wages (as defined in RCW 41.48.020), at such time or  
20 times as the governor may by regulation prescribe, contributions in  
21 the amounts and at the rates specified in the applicable agreement  
22 entered into by the governor under RCW 41.48.030.

23 (b) Each political subdivision required to make payments under  
24 (~~paragraph~~) (a) of this subsection is authorized, in consideration  
25 of the employee's retention in, or entry upon, employment after  
26 enactment of this chapter, to impose upon each of its employees, as  
27 to services which are covered by an approved plan, a contribution  
28 with respect to his or her wages (as defined in RCW 41.48.020), not  
29 exceeding the amount of employee tax which is imposed by the federal  
30 insurance contributions act, and to deduct the amount of such  
31 contribution from his or her wages as and when paid. Contributions so  
32 collected shall be paid into the OASI contribution account in partial  
33 discharge of the liability of such political subdivision or  
34 instrumentality under (~~paragraph~~) (a) of this subsection. Failure  
35 to deduct such contribution shall not relieve the employee or  
36 employer of liability therefor.

37 (4) Delinquent reports and payments due under (~~paragraph (f)~~  
38 ~~of~~) subsections (1) (f) and (~~paragraph (a) of subsection~~) (3) (a) of  
39 this section will be subject to an added interest charge of six  
40 percent per year or, if higher, the rate chargeable to the state by

1 the secretary by virtue of federal law, if the late report or payment  
2 contributes to any federal penalty for late filing of reports or for  
3 late deposit of contributions. Delinquent contributions, interest,  
4 and penalties may be recovered by civil action or may, at the request  
5 of the governor, be deducted from any other moneys payable to the  
6 political subdivision by any department or agency of the state.

7 **Sec. 448.** RCW 41.50.030 and 2011 1st sp.s. c 47 s 20 are each  
8 amended to read as follows:

9 (1) As soon as possible but not more than one hundred and eighty  
10 days after March 19, 1976, there is transferred to the department of  
11 retirement systems, except as otherwise provided in this chapter, all  
12 powers, duties, and functions of:

- 13 (a) The Washington public employees' retirement system;
- 14 (b) The Washington state teachers' retirement system;
- 15 (c) The Washington law enforcement officers' and firefighters'  
16 retirement system;
- 17 (d) The Washington state patrol retirement system;
- 18 (e) The Washington judicial retirement system; and
- 19 (f) The state treasurer with respect to the administration of the  
20 judges' retirement fund imposed pursuant to chapter 2.12 RCW.

21 (2) On July 1, 1996, there is transferred to the department all  
22 powers, duties, and functions of the deferred compensation committee.

23 (3) The department shall administer chapter 41.34 RCW.

24 (4) The department shall administer the Washington school  
25 employees' retirement system created under chapter 41.35 RCW.

26 (5) The department shall administer the Washington public safety  
27 employees' retirement system created under chapter 41.37 RCW.

28 (6) The department shall administer the collection of employer  
29 contributions and initial prefunding of the higher education  
30 retirement plan supplemental benefits, also referred to as the  
31 annuity or retirement income plans created under chapter 28B.10 RCW.

32 (7) The department shall administer the restated law enforcement  
33 officers' and firefighters' retirement system under chapter 41.---  
34 (the new chapter created in section 504 of this act) RCW.

35 **Sec. 449.** RCW 41.50.033 and 2019 c 64 s 18 are each amended to  
36 read as follows:

37 (1) The director shall determine when interest, if provided by a  
38 plan, shall be credited to accounts in the public employees'

1 retirement system, the teachers' retirement system, the school  
2 employees' retirement system, the public safety employees' retirement  
3 system, the law enforcement officers' and firefighters' retirement  
4 system, or the Washington state patrol retirement system. The amounts  
5 to be credited and the methods of doing so shall be at the director's  
6 discretion, except that if interest is credited, it shall be done at  
7 least quarterly.

8 (2) Interest as determined by the director under this section is  
9 "regular interest" as defined in RCW 41.40.010, 41.32.010, 41.35.010,  
10 41.37.010, 41.26.030, section 303 of this act, and 43.43.120.

11 (3) The legislature affirms that the authority of the director  
12 under RCW 41.40.020 and 41.50.030 includes the authority and  
13 responsibility to establish the amount and all conditions for regular  
14 interest, if any. The legislature intends chapter 493, Laws of 2007  
15 to be curative, remedial, and retrospectively applicable.

16 **Sec. 450.** RCW 41.50.055 and 1991 c 35 s 16 are each amended to  
17 read as follows:

18 The administration of the (~~Washington~~) restated law enforcement  
19 officers' and firefighters' retirement system and law enforcement  
20 officers' and firefighters' retirement system (~~is~~), chapters 41.26  
21 and 41.--- (the new chapter created in section 504 of this act) RCW,  
22 are hereby vested in the director of retirement systems, and the  
23 director shall:

24 (1) Keep in convenient form such data as shall be deemed  
25 necessary for actuarial evaluation purposes;

26 (2) As of March 1, 1970, and at least every two years thereafter,  
27 through the state actuary, make an actuarial valuation as to the  
28 mortality and service experience of the beneficiaries under this  
29 chapter and the various accounts created for the purpose of showing  
30 the financial status of the retirement fund;

31 (3) Adopt for the Washington law enforcement officers' and  
32 firefighters' retirement system the mortality tables and such other  
33 tables as shall be deemed necessary;

34 (4) Keep a record of all its proceedings, which shall be open to  
35 inspection by the public;

36 (5) From time to time adopt such rules and regulations not  
37 inconsistent with chapters 41.26 and 41.--- (the new chapter created  
38 in section 504 of this act) RCW, for the administration of the  
39 provisions of this chapter, for the administration of the fund

1 created by this chapter and the several accounts thereof, and for the  
2 transaction of the business of the system;

3 (6) Prepare and publish annually a financial statement showing  
4 the condition of the Washington law enforcement officers' and  
5 firefighters' fund and the various accounts thereof, and setting  
6 forth such other facts, recommendations and data as may be of use in  
7 the advancement of knowledge concerning the Washington law  
8 enforcement officers' and firefighters' retirement system, and  
9 furnish a copy thereof to each employer, and to such members as may  
10 request copies thereof;

11 (7) Perform such other functions as are required for the  
12 execution of the provisions of chapters 41.26 and 41.--- (the new  
13 chapter created in section 504 of this act) RCW;

14 (8) Fix the amount of interest to be credited at a rate which  
15 shall be based upon the net annual earnings of the Washington law  
16 enforcement officers' and firefighters' fund for the preceding  
17 twelve-month period and from time to time make any necessary changes  
18 in such rate;

19 (9) Pay from the department of retirement systems expense fund  
20 the expenses incurred in administration of the Washington law  
21 enforcement officers' and firefighters' retirement system from those  
22 funds appropriated for that purpose;

23 (10) Perform any other duties prescribed elsewhere in chapter  
24 41.26 or 41.--- (the new chapter created in section 504 of this act)  
25 RCW;

26 (11) Issue decisions relating to appeals initiated pursuant to  
27 RCW 41.16.145 and 41.18.104 as now or hereafter amended and shall be  
28 authorized to order increased benefits pursuant to RCW 41.16.145 and  
29 41.18.104 as now or hereafter amended.

30 **Sec. 451.** RCW 41.50.075 and 2020 c 103 s 5 are each amended to  
31 read as follows:

32 (1) (~~Two funds are~~) A fund is hereby created and established in  
33 the state treasury to be known as (~~the Washington law enforcement~~  
34 ~~officers' and firefighters' system plan 1 retirement fund, and~~) the  
35 Washington law enforcement officers' and firefighters' system plan 2  
36 retirement fund which shall consist of all moneys paid into (~~them~~)  
37 the fund in accordance with the provisions of this chapter and  
38 chapter 41.26 RCW, whether such moneys take the form of cash,  
39 securities, or other assets. The (~~plan 1 fund shall consist of all~~

1 ~~moneys paid to finance the benefits provided to members of the law~~  
2 ~~enforcement officers' and firefighters' retirement system plan 1, and~~  
3 ~~the)) plan 2 fund shall consist of all moneys paid to finance the~~  
4 benefits provided to members of the law enforcement officers' and  
5 firefighters' retirement system plan 2.

6 (2) All of the assets of the Washington state teachers'  
7 retirement system shall be credited according to the purposes for  
8 which they are held, to two funds to be maintained in the state  
9 treasury, namely, the teachers' retirement system plan 1 fund and the  
10 teachers' retirement system combined plan 2 and 3 fund. The plan 1  
11 fund shall consist of all moneys paid to finance the benefits  
12 provided to members of the Washington state teachers' retirement  
13 system plan 1, and the combined plan 2 and 3 fund shall consist of  
14 all moneys paid to finance the benefits provided to members of the  
15 Washington state teachers' retirement system plan 2 and 3.

16 (3) There is hereby established in the state treasury two  
17 separate funds, namely the public employees' retirement system plan 1  
18 fund and the public employees' retirement system combined plan 2 and  
19 plan 3 fund. The plan 1 fund shall consist of all moneys paid to  
20 finance the benefits provided to members of the public employees'  
21 retirement system plan 1, and the combined plan 2 and plan 3 fund  
22 shall consist of all moneys paid to finance the benefits provided to  
23 members of the public employees' retirement system plans 2 and 3.

24 (4) There is hereby established in the state treasury the school  
25 employees' retirement system combined plan 2 and 3 fund. The combined  
26 plan 2 and 3 fund shall consist of all moneys paid to finance the  
27 benefits provided to members of the school employees' retirement  
28 system plan 2 and plan 3.

29 (5) There is hereby established in the state treasury the public  
30 safety employees' retirement system plan 2 fund. The plan 2 fund  
31 shall consist of all moneys paid to finance the benefits provided to  
32 members of the public safety employees' retirement system plan 2.

33 (6) (a) (i) There is hereby established in the state treasury the  
34 higher education retirement plan supplemental benefit fund. The  
35 higher education retirement plan supplemental benefit fund shall  
36 consist of all moneys paid to finance the benefits provided to  
37 members of each of the higher education retirement plans.

38 (ii) The fund in this subsection (6) was originally created under  
39 chapter 47, Laws of 2011 1st sp. sess. (Engrossed Substitute House  
40 Bill No. 1981).

1 (b) The office of financial management must create individual  
2 accounts for each institution of higher education within the higher  
3 education retirement plan supplemental benefit fund. For fiscal year  
4 2021, the office of financial management must transfer all the assets  
5 of the higher education retirement plan supplemental benefit fund  
6 into the individual accounts for each institution that will be used  
7 to manage the accounting for each benefit plan. The higher education  
8 retirement plan supplemental benefit fund will include all the  
9 amounts in the individual accounts created in this subsection.

10 (7) The department shall administer the funds established under  
11 the restated law enforcement officers' and firefighters' retirement  
12 system under chapter 41.--- RCW (the new chapter created in section  
13 504 of this act), including:

14 (a) The restated law enforcement officers' and firefighters'  
15 defined benefit retirement fund; and

16 (b) The pension funding stabilization account.

17 **Sec. 452.** RCW 41.50.080 and 2011 1st sp.s. c 47 s 21 are each  
18 amended to read as follows:

19 The state investment board shall provide for the investment of  
20 all funds of the Washington public employees' retirement system, the  
21 teachers' retirement system, the school employees' retirement system,  
22 the Washington law enforcement officers' and firefighters' retirement  
23 systems under chapters 41.26 and 41.--- (the new chapter created in  
24 section 504 of this act) RCW, the Washington state patrol retirement  
25 system, the Washington judicial retirement system, the Washington  
26 public safety employees' retirement system, the higher education  
27 retirement plan supplemental benefit fund, and the judges' retirement  
28 fund, pursuant to RCW 43.84.150, and may sell or exchange investments  
29 acquired in the exercise of that authority.

30 **Sec. 453.** RCW 41.50.090 and 1985 c 102 s 6 are each amended to  
31 read as follows:

32 (1) Except as otherwise provided in this section, on the  
33 effective date of transfer as provided in RCW 41.50.030, the  
34 department shall succeed to and is vested with all powers, duties,  
35 and functions now or by any concurrent act of this 1976 legislature  
36 vested in the individual retirement boards set forth in RCW 41.50.030  
37 relating to the administration of their various retirement systems,  
38 including but not limited to the power to appoint a staff and define

1 the duties thereof: PROVIDED, That actuarial services required by the  
2 department shall be performed by the state actuary as provided in RCW  
3 44.44.040.

4 (2) The department shall keep each retirement board fully  
5 informed on the administration of the corresponding retirement  
6 system, and shall furnish any information requested by a retirement  
7 board.

8 (3) Rules proposed by the director under RCW 2.10.070, 41.50.055,  
9 41.32.025, or 41.40.020 shall be submitted to the appropriate  
10 retirement boards for review prior to adoption. After receiving  
11 approval of the members of the appropriate board, such rules shall  
12 become effective as provided by the administrative procedure act,  
13 chapter 34.05 RCW.

14 (4) Each retirement board shall continue to perform all functions  
15 as are vested in it by law with respect to applications for benefits  
16 paid upon either temporary or permanent disability, with such staff  
17 assistance from the department as may be required. The director shall  
18 perform those functions with respect to disability benefits as are  
19 vested in him or her by (~~RCW 41.26.120, 41.26.125, and 41.26.200~~)  
20 chapter 41.--- RCW (the new chapter created in section 504 of this  
21 act).

22 **Sec. 454.** RCW 41.50.110 and 2015 3rd sp.s. c 4 s 951 are each  
23 amended to read as follows:

24 (1) Except as provided by RCW 41.50.255 and subsection (6) of  
25 this section, all expenses of the administration of the department,  
26 the expenses of administration of the retirement systems, and the  
27 expenses of the administration of the office of the state actuary  
28 created in chapters 2.10, 2.12, 28B.10, 41.26, 41.--- (the new  
29 chapter created in section 504 of this act), 41.32, 41.40, 41.34,  
30 41.35, 41.37, 43.43, and 44.44 RCW shall be paid from the department  
31 of retirement systems expense fund.

32 (2) In order to reimburse the department of retirement systems  
33 expense fund on an equitable basis the department shall ascertain and  
34 report to each employer, as defined in RCW 28B.10.400, 41.26.030,  
35 section 303 of this act, 41.32.010, 41.35.010, 41.37.010, or  
36 41.40.010, the sum necessary to defray its proportional share of the  
37 entire expense of the administration of the retirement system that  
38 the employer participates in during the ensuing biennium or fiscal  
39 year whichever may be required. Such sum is to be computed in an



1 amount directly proportional to the estimated entire expense of the  
2 administration as the ratio of monthly salaries of the employer's  
3 members bears to the total salaries of all members in the entire  
4 system. It shall then be the duty of all such employers to include in  
5 their budgets or otherwise provide the amounts so required.

6 (3) The department shall compute and bill each employer, as  
7 defined in RCW 28B.10.400, 41.26.030, section 303 of this act,  
8 41.32.010, 41.35.010, 41.37.010, or 41.40.010, at the end of each  
9 month for the amount due for that month to the department of  
10 retirement systems expense fund and the same shall be paid as are its  
11 other obligations. Such computation as to each employer shall be made  
12 on a percentage rate of salary established by the department.  
13 However, the department may at its discretion establish a system of  
14 billing based upon calendar year quarters in which event the said  
15 billing shall be at the end of each such quarter.

16 (4) The director may adjust the expense fund contribution rate  
17 for each system at any time when necessary to reflect unanticipated  
18 costs or savings in administering the department.

19 (5) An employer who fails to submit timely and accurate reports  
20 to the department may be assessed an additional fee related to the  
21 increased costs incurred by the department in processing the  
22 deficient reports. Fees paid under this subsection shall be deposited  
23 in the retirement system expense fund.

24 (a) Every six months the department shall determine the amount of  
25 an employer's fee by reviewing the timeliness and accuracy of the  
26 reports submitted by the employer in the preceding six months. If  
27 those reports were not both timely and accurate the department may  
28 prospectively assess an additional fee under this subsection.

29 (b) An additional fee assessed by the department under this  
30 subsection shall not exceed fifty percent of the standard fee.

31 (c) The department shall adopt rules implementing this section.

32 (6) Expenses other than those under RCW 41.34.060(4) shall be  
33 paid pursuant to subsection (1) of this section.

34 (7) During the 2009-2011 and 2011-2013 fiscal biennia, the  
35 legislature may transfer from the department of retirement systems'  
36 expense fund to the state general fund such amounts as reflect the  
37 excess fund balance of the fund. During the 2015-2017 fiscal  
38 biennium, state contributions to the judicial retirement system may  
39 be made in part by appropriations from the department of retirement  
40 systems expense fund.

1       **Sec. 455.** RCW 41.50.112 and 2000 c 247 s 1107 are each amended  
2 to read as follows:

3       Employers, as defined in RCW 41.26.030, section 303 of this act,  
4 41.32.010, 41.34.020, 41.35.010, and 41.40.010, must report all  
5 member data to the department in a format designed and communicated  
6 by the department. Employers failing to comply with this reporting  
7 requirement shall be assessed an additional fee as defined under RCW  
8 41.50.110(5).

9       **Sec. 456.** RCW 41.50.150 and 2004 c 242 s 47 are each amended to  
10 read as follows:

11       (1) The employer of any employee whose retirement benefits are  
12 based in part on excess compensation, as defined in this section,  
13 shall, upon receipt of a billing from the department, pay into the  
14 appropriate retirement system the present value at the time of the  
15 employee's retirement of the total estimated cost of all present and  
16 future benefits from the retirement system attributable to the excess  
17 compensation. The state actuary shall determine the estimated cost  
18 using the same method and procedure as is used in preparing fiscal  
19 note costs for the legislature. However, the director may in the  
20 director's discretion decline to bill the employer if the amount due  
21 is less than fifty dollars. Accounts unsettled within thirty days of  
22 the receipt of the billing shall be assessed an interest penalty of  
23 one percent of the amount due for each month or fraction thereof  
24 beyond the original thirty-day period.

25       (2) "Excess compensation," as used in this section, includes the  
26 following payments, if used in the calculation of the employee's  
27 retirement allowance:

28       (a) A cash out of unused annual leave in excess of two hundred  
29 forty hours of such leave. "Cash out" for purposes of this subsection  
30 means:

31       (i) Any payment in lieu of an accrual of annual leave; or

32       (ii) Any payment added to salary or wages, concurrent with a  
33 reduction of annual leave;

34       (b) A cash out of any other form of leave;

35       (c) A payment for, or in lieu of, any personal expense or  
36 transportation allowance to the extent that payment qualifies as  
37 reportable compensation in the member's retirement system;

38       (d) The portion of any payment, including overtime payments, that  
39 exceeds twice the regular daily or hourly rate of pay; and

1 (e) Any termination or severance payment.

2 (3) This section applies to the retirement systems listed in RCW  
3 41.50.030 and to retirements occurring on or after March 15, 1984.  
4 Nothing in this section is intended to amend or determine the meaning  
5 of any definition in chapter 2.10, 2.12, 41.26, 41.--- (the new  
6 chapter created in section 504 of this act), 41.32, 41.40, 41.35,  
7 41.37, or 43.43 RCW or to determine in any manner what payments are  
8 includable in the calculation of a retirement allowance under such  
9 chapters.

10 (4) An employer is not relieved of liability under this section  
11 because of the death of any person either before or after the billing  
12 from the department.

13 **Sec. 457.** RCW 41.50.255 and 2004 c 242 s 49 are each amended to  
14 read as follows:

15 The director is authorized to pay from the interest earnings of  
16 the trust funds of the public employees' retirement system, the  
17 teachers' retirement system, the Washington state patrol retirement  
18 system, the Washington judicial retirement system, the judges'  
19 retirement system, the school employees' retirement system, the  
20 public safety employees' retirement system, or the law enforcement  
21 officers' and firefighters' retirement systems under chapters 41.26  
22 and 41.--- (the new chapter created in section 504 of this act) RCW  
23 lawful obligations of the appropriate system for legal expenses and  
24 medical expenses which expenses are primarily incurred for the  
25 purpose of protecting the appropriate trust fund or are incurred in  
26 compliance with statutes governing such funds.

27 The term "legal expense" includes, but is not limited to, legal  
28 services provided through the legal services revolving fund, fees for  
29 expert witnesses, travel expenses, fees for court reporters, cost of  
30 transcript preparation, and reproduction of documents.

31 The term "medical costs" includes, but is not limited to,  
32 expenses for the medical examination or reexamination of members or  
33 retirees, the costs of preparation of medical reports, and fees  
34 charged by medical professionals for attendance at discovery  
35 proceedings or hearings.

36 The director may also pay from the interest earnings of the trust  
37 funds specified in this section costs incurred in investigating fraud  
38 and collecting overpayments, including expenses incurred to review  
39 and investigate cases of possible fraud against the trust funds and

1 collection agency fees and other costs incurred in recovering  
2 overpayments. Recovered funds must be returned to the appropriate  
3 trust funds.

4 **Sec. 458.** RCW 41.50.500 and 2004 c 242 s 50 are each amended to  
5 read as follows:

6 Unless the context clearly requires otherwise, the definitions in  
7 this section apply throughout RCW 41.50.500 through 41.50.650,  
8 41.50.670 through 41.50.720, and 26.09.138.

9 (1) "Benefits" means periodic retirement payments or a withdrawal  
10 of accumulated contributions.

11 (2) "Disposable benefits" means that part of the benefits of an  
12 individual remaining after the deduction from those benefits of any  
13 amount required by law to be withheld. The term "required by law to  
14 be withheld" does not include any deduction elective to the member.

15 (3) "Dissolution order" means any judgment, decree, or order of  
16 spousal maintenance, property division, or court-approved property  
17 settlement incident to a decree of divorce, dissolution, invalidity,  
18 or legal separation issued by the superior court of the state of  
19 Washington or a judgment, decree, or other order of spousal support  
20 issued by a court of competent jurisdiction in another state or  
21 country, that has been registered or otherwise made enforceable in  
22 this state.

23 (4) "Mandatory benefits assignment order" means an order issued  
24 to the department of retirement systems pursuant to RCW 41.50.570 to  
25 withhold and deliver benefits payable to an obligor under chapter  
26 2.10, 2.12, 41.26, 41.--- (the new chapter created in section 504 of  
27 this act), 41.32, 41.40, 41.35, 41.37, or 43.43 RCW.

28 (5) "Obligee" means an ex spouse or spouse to whom a duty of  
29 spousal maintenance or property division obligation is owed.

30 (6) "Obligor" means the spouse or ex spouse owing a duty of  
31 spousal maintenance or a property division obligation.

32 (7) "Periodic retirement payments" means periodic payments of  
33 retirement allowances, including but not limited to service  
34 retirement allowances, disability retirement allowances, and  
35 survivors' allowances. The term does not include a withdrawal of  
36 accumulated contributions.

37 (8) "Property division obligation" means any outstanding court-  
38 ordered property division or court-approved property settlement

1 obligation incident to a decree of divorce, dissolution, or legal  
2 separation.

3 (9) "Standard allowance" means a benefit payment option selected  
4 under RCW 2.10.146(1)(a), 41.26.460(1)(a), 41.32.785(1)(a),  
5 41.40.188(1)(a), 41.40.660(1), 41.40.845(1)(a), 41.37.170, or  
6 41.35.220 that ceases upon the death of the retiree. Standard  
7 allowance also means the benefit allowance provided under RCW  
8 2.10.110, 2.10.130, 43.43.260, (~~41.26.100, 41.26.130(1)(a),~~)  
9 section 318 or 324(1)(a) of this act or chapter 2.12 RCW. Standard  
10 allowance also means the maximum retirement allowance available under  
11 RCW 41.32.530(1) following member withdrawal of accumulated  
12 contributions, if any.

13 (10) "Withdrawal of accumulated contributions" means a lump sum  
14 payment to a retirement system member of all or a part of the  
15 member's accumulated contributions, including accrued interest, at  
16 the request of the member including any lump sum amount paid upon the  
17 death of the member.

18 **Sec. 459.** RCW 41.50.650 and 1991 c 365 s 12 are each amended to  
19 read as follows:

20 (1) Notwithstanding RCW 2.10.180(1), 2.12.090(1), (~~41.26.180~~)  
21 41.26.053(1), section 310(1) of this act, 41.32.052(1), 41.40.052(1),  
22 and 43.43.310(1) as those sections existed between July 1, 1987, and  
23 July 28, 1991, the department of retirement systems shall make direct  
24 payments of benefits to a spouse or ex spouse pursuant to court  
25 orders or decrees entered before July 1, 1987, that complied with all  
26 the requirements in RCW 2.10.180(1), 2.12.090(2), (~~41.26.180~~)  
27 41.26.053(3), section 310(3) of this act, 41.32.052(3), 41.40.052(3),  
28 43.43.310(2), and 41.04.310 through 41.04.330, as such requirements  
29 existed before July 1, 1987. The department shall be responsible for  
30 making direct payments only if the decree or court order expressly  
31 orders the department to make direct payments to the spouse or ex  
32 spouse and specifies a sum certain or percentage amount of the  
33 benefit payments to be made to the spouse or ex spouse.

34 (2) The department of retirement systems shall notify a spouse or  
35 ex spouse who, pursuant to a mandatory benefits assignment order  
36 entered between July 1, 1987, and July 28, 1991, is receiving  
37 benefits in satisfaction of a court-ordered property division, that  
38 he or she is entitled to receive direct payments of a court-ordered  
39 property division pursuant to RCW 41.50.670 if the dissolution order

1 fully complies or is modified to fully comply with the requirements  
2 of RCW 41.50.670 through 41.50.720 and, as applicable, RCW 2.10.180,  
3 2.12.090, (~~41.26.180~~) 41.26.053, section 310 of this act,  
4 41.32.052, 41.40.052, 43.43.310, and 26.09.138. The department shall  
5 send notice in writing as soon as reasonably feasible but no later  
6 than ninety days after July 28, 1991. The department shall also send  
7 notice to the obligor member spouse.

8 **Sec. 460.** RCW 41.50.670 and 2004 c 242 s 51 are each amended to  
9 read as follows:

10 (1) Nothing in this chapter regarding mandatory assignment of  
11 benefits to enforce a spousal maintenance obligation shall abridge  
12 the right of an obligee to direct payments of retirement benefits to  
13 satisfy a property division obligation ordered pursuant to a court  
14 decree of dissolution or legal separation or any court order or  
15 court-approved property settlement agreement incident to any court  
16 decree of dissolution or legal separation as provided in RCW  
17 2.10.180, 2.12.090, 41.26.053, (~~41.26.162~~) section 310 or 330 of  
18 this act, 41.32.052, 41.35.100, 41.34.070(4), 41.40.052, 43.43.310,  
19 41.37.090, or 26.09.138, as those statutes existed before July 1,  
20 1987, and as those statutes exist on and after July 28, 1991. The  
21 department shall pay benefits under this chapter in a lump sum or as  
22 a portion of periodic retirement payments as expressly provided by  
23 the dissolution order. A dissolution order may not order the  
24 department to pay a periodic retirement payment or lump sum unless  
25 that payment is specifically authorized under the provisions of  
26 chapter 2.10, 2.12, 41.26, 41.--- (the new chapter created in section  
27 504 of this act), 41.32, 41.35, 41.34, 41.40, 41.37, or 43.43 RCW, as  
28 applicable.

29 (2) The department shall pay directly to an obligee the amount of  
30 periodic retirement payments or lump sum payment, as appropriate,  
31 specified in the dissolution order if the dissolution order filed  
32 with the department pursuant to subsection (1) of this section  
33 includes a provision that states in the following form:

34 If . . . . . (the obligor) receives periodic retirement  
35 payments as defined in RCW 41.50.500, the department of retirement  
36 systems shall pay to . . . . . (the obligee) . . . . . dollars  
37 from such payments or . . . percent of such payments. If the  
38 obligor's debt is expressed as a percentage of his or her periodic  
39 retirement payment and the obligee does not have a survivorship

1 interest in the obligor's benefit, the amount received by the obligee  
2 shall be the percentage of the periodic retirement payment that the  
3 obligor would have received had he or she selected a standard  
4 allowance.

5 If . . . . . (the obligor) requests or has requested a  
6 withdrawal of accumulated contributions as defined in RCW 41.50.500,  
7 or becomes eligible for a lump sum death benefit, the department of  
8 retirement systems shall pay to . . . . . (the obligee) . . . . .  
9 dollars plus interest at the rate paid by the department of  
10 retirement systems on member contributions. Such interest to accrue  
11 from the date of this order's entry with the court of record.

12 (3) This section does not require a member to select a standard  
13 allowance upon retirement nor does it require the department to  
14 recalculate the amount of a retiree's periodic retirement payment  
15 based on a change in survivor option.

16 (4) A court order under this section may not order the department  
17 to pay more than seventy-five percent of an obligor's periodic  
18 retirement payment to an obligee.

19 (5) Persons whose court decrees were entered between July 1,  
20 1987, and July 28, 1991, shall also be entitled to receive direct  
21 payments of retirement benefits to satisfy court-ordered property  
22 divisions if the dissolution orders comply or are modified to comply  
23 with this section and RCW 41.50.680 through 41.50.720 and, as  
24 applicable, RCW 2.10.180, 2.12.090, 41.26.053, section 310 of this  
25 act, 41.32.052, 41.35.100, 41.34.070, 41.40.052, 43.43.310,  
26 41.37.090, and 26.09.138.

27 (6) The obligee must file a copy of the dissolution order with  
28 the department within ninety days of that order's entry with the  
29 court of record.

30 (7) A division of benefits pursuant to a dissolution order under  
31 this section shall be based upon the obligor's gross benefit prior to  
32 any deductions. If the department is required to withhold a portion  
33 of the member's benefit pursuant to 26 U.S.C. Sec. 3402 and the sum  
34 of that amount plus the amount owed to the obligee exceeds the total  
35 benefit, the department shall satisfy the withholding requirements  
36 under 26 U.S.C. Sec. 3402 and then pay the remainder to the obligee.  
37 The provisions of this subsection do not apply to amounts withheld  
38 pursuant to 26 U.S.C. Sec. 3402(i).

1       **Sec. 461.** RCW 41.50.700 and 2003 c 294 s 12 are each amended to  
2 read as follows:

3       (1) Except under subsection (3) of this section and RCW  
4 41.26.460(5), 41.32.530(5), 41.32.785(5), 41.32.851(4), 41.35.220(4),  
5 41.40.188(5), 41.40.660(5), 41.40.845(4), 43.43.271(4), and  
6 41.34.080, the department's obligation to provide direct payment of a  
7 property division obligation to an obligee under RCW 41.50.670 shall  
8 cease upon the death of the obligee or upon the death of the obligor,  
9 whichever comes first. However, if an obligor dies and is eligible  
10 for a lump sum death benefit, the department shall be obligated to  
11 provide direct payment to the obligee of all or a portion of the  
12 withdrawal of accumulated contributions pursuant to a court order  
13 that complies with RCW 41.50.670.

14       (2) The direct payment of a property division obligation to an  
15 obligee under RCW 41.50.670 shall be paid as a deduction from the  
16 member's periodic retirement payment. An obligee may not direct the  
17 department to withhold any funds from such payment.

18       (3) The department's obligation to provide direct payment to a  
19 nonmember ex spouse from a preretirement divorce meeting the criteria  
20 of RCW 41.26.162(2) or 43.43.270(2) may continue for the life of the  
21 member's surviving spouse qualifying for benefits under RCW  
22 ~~((41.26.160, 41.26.161, or))~~ 43.43.270(2) or section 328 or 329 of  
23 this act. Upon the death of the member's surviving spouse qualifying  
24 for benefits under RCW ~~((41.26.160, 41.26.161, or))~~ 43.43.270(2) or  
25 section 328 or 329 of this act, the department's obligation under  
26 this subsection shall cease. The department's obligation to provide  
27 direct payment to a nonmember ex spouse qualifying for a continued  
28 split benefit payment under RCW 41.26.162(3) shall continue for the  
29 life of that nonmember ex spouse.

30       **Sec. 462.** RCW 41.56.030 and 2024 c 124 s 1 are each amended to  
31 read as follows:

32       As used in this chapter:

33       (1) "Adult family home provider" means a provider as defined in  
34 RCW 70.128.010 who receives payments from the medicaid and state-  
35 funded long-term care programs.

36       (2) "Bargaining representative" means any lawful organization  
37 which has as one of its primary purposes the representation of  
38 employees in their employment relations with employers.



1 (3) "Child care subsidy" means a payment from the state through a  
2 child care subsidy program established pursuant to RCW 74.12.340, 45  
3 C.F.R. Sec. 98.1 through 98.17, or any successor program.

4 (4) "Collective bargaining" means the performance of the mutual  
5 obligations of the public employer and the exclusive bargaining  
6 representative to meet at reasonable times, to confer and negotiate  
7 in good faith, and to execute a written agreement with respect to  
8 grievance procedures, subject to RCW 41.58.070, and collective  
9 negotiations on personnel matters, including wages, hours, and  
10 working conditions, which may be peculiar to an appropriate  
11 bargaining unit of such public employer, except that by such  
12 obligation neither party shall be compelled to agree to a proposal or  
13 be required to make a concession unless otherwise provided in this  
14 chapter.

15 (5) "Commission" means the public employment relations  
16 commission.

17 (6) "Executive director" means the executive director of the  
18 commission.

19 (7) "Family child care provider" means a person who: (a) Provides  
20 regularly scheduled care for a child or children in the home of the  
21 provider or in the home of the child or children for periods of less  
22 than twenty-four hours or, if necessary due to the nature of the  
23 parent's work, for periods equal to or greater than twenty-four  
24 hours; (b) receives child care subsidies; and (c) under chapter  
25 43.216 RCW, is either licensed by the state or is exempt from  
26 licensing.

27 (8) "Fish and wildlife officer" means a fish and wildlife officer  
28 as defined in RCW 77.08.010 who ranks below lieutenant and includes  
29 officers, detectives, and sergeants of the department of fish and  
30 wildlife.

31 (9) "Individual provider" means an individual provider as defined  
32 in RCW 74.39A.240(3) who, solely for the purposes of collective  
33 bargaining, is a public employee as provided in RCW 74.39A.270.

34 (10) "Institution of higher education" means the University of  
35 Washington, Washington State University, Central Washington  
36 University, Eastern Washington University, Western Washington  
37 University, The Evergreen State College, and the various state  
38 community colleges.

39 (11) (a) "Language access provider" means any independent  
40 contractor who provides spoken language interpreter services, whether

1 paid by a broker, language access agency, or the respective  
2 department:

3 (i) For department of social and health services appointments,  
4 department of children, youth, and families appointments, medicaid  
5 enrollee appointments, or who provided these services on or after  
6 January 1, 2011, and before June 10, 2012;

7 (ii) For department of labor and industries authorized medical  
8 and vocational providers who provided these services on or after  
9 January 1, 2019; or

10 (iii) For state agencies who provided these services on or after  
11 January 1, 2019.

12 (b) "Language access provider" does not mean a manager or  
13 employee of a broker or a language access agency.

14 (12) "Public employee" means any employee of a public employer  
15 except any person (a) elected by popular vote, or (b) appointed to  
16 office pursuant to statute, ordinance or resolution for a specified  
17 term of office as a member of a multimember board, commission, or  
18 committee, whether appointed by the executive head or body of the  
19 public employer, or (c) whose duties as deputy, administrative  
20 assistant or secretary necessarily imply a confidential relationship  
21 to (i) the executive head or body of the applicable bargaining unit,  
22 or (ii) any person elected by popular vote, or (iii) any person  
23 appointed to office pursuant to statute, ordinance or resolution for  
24 a specified term of office as a member of a multimember board,  
25 commission, or committee, whether appointed by the executive head or  
26 body of the public employer, or (d) who is a court commissioner or a  
27 court magistrate of superior court, district court, or a department  
28 of a district court organized under chapter 3.46 RCW, or (e) who is a  
29 personal assistant to a district court judge, superior court judge,  
30 or court commissioner. For the purpose of (e) of this subsection, no  
31 more than one assistant for each judge or commissioner may be  
32 excluded from a bargaining unit.

33 (13) "Public employer" means any officer, board, commission,  
34 council, or other person or body acting on behalf of any public body  
35 governed by this chapter, or any subdivision of such public body. For  
36 the purposes of this section, the public employer of district court  
37 or superior court employees for wage-related matters is the  
38 respective county legislative authority, or person or body acting on  
39 behalf of the legislative authority, and the public employer for  
40 nonwage-related matters is the judge or judge's designee of the

1 respective district court or superior court. For the purposes of this  
2 chapter, public employer does not include a comprehensive cancer  
3 center participating in a collaborative arrangement as defined in RCW  
4 28B.10.930 that is operated in conformance with RCW 28B.10.930.

5 (14) "Uniformed personnel" means: (a) Law enforcement officers as  
6 defined in RCW 41.26.030 or section 303 of this act employed by the  
7 governing body of any city or town with a population of two thousand  
8 five hundred or more and law enforcement officers employed by the  
9 governing body of any county with a population of ten thousand or  
10 more; (b) correctional employees who are uniformed and nonuniformed,  
11 commissioned and noncommissioned security personnel employed in a  
12 jail as defined in RCW 70.48.020(9), by a county with a population of  
13 seventy thousand or more, in a correctional facility created under  
14 RCW 70.48.095, or in a detention facility created under chapter 13.40  
15 RCW that is located in a county with a population over one million  
16 five hundred thousand, and who are trained for and charged with the  
17 responsibility of controlling and maintaining custody of inmates in  
18 the jail and safeguarding inmates from other inmates; (c) general  
19 authority Washington peace officers as defined in RCW 10.93.020  
20 employed by a port district in a county with a population of one  
21 million or more; (d) security forces established under RCW 43.52.520;  
22 (e) firefighters as that term is defined in RCW 41.26.030 or section  
23 303 of this act; (f) employees of a port district in a county with a  
24 population of one million or more whose duties include crash fire  
25 rescue or other firefighting duties; (g) employees of fire  
26 departments of public employers who dispatch exclusively either fire  
27 or emergency medical services, or both; (h) employees in the several  
28 classes of advanced life support technicians, as defined in RCW  
29 18.71.200, who are employed by a public employer; (i) court marshals  
30 of any county who are employed by, trained for, and commissioned by  
31 the county sheriff and charged with the responsibility of enforcing  
32 laws, protecting and maintaining security in all county-owned or  
33 contracted property, and performing any other duties assigned to them  
34 by the county sheriff or mandated by judicial order; or (j) public  
35 safety telecommunicators, as defined in RCW 38.60.020, employed by a  
36 public employer. This subsection (14)(j) does not apply to public  
37 safety telecommunicators employed by the Washington state patrol or  
38 any other state agency.

1       **Sec. 463.** RCW 43.79A.040 and 2024 c 327 s 16 and 2024 c 168 s 10  
2 are each reenacted and amended to read as follows:

3       (1) Money in the treasurer's trust fund may be deposited,  
4 invested, and reinvested by the state treasurer in accordance with  
5 RCW 43.84.080 in the same manner and to the same extent as if the  
6 money were in the state treasury, and may be commingled with moneys  
7 in the state treasury for cash management and cash balance purposes.

8       (2) All income received from investment of the treasurer's trust  
9 fund must be set aside in an account in the treasury trust fund to be  
10 known as the investment income account.

11       (3) The investment income account may be utilized for the payment  
12 of purchased banking services on behalf of treasurer's trust funds  
13 including, but not limited to, depository, safekeeping, and  
14 disbursement functions for the state treasurer or affected state  
15 agencies. The investment income account is subject in all respects to  
16 chapter 43.88 RCW, but no appropriation is required for payments to  
17 financial institutions. Payments must occur prior to distribution of  
18 earnings set forth in subsection (4) of this section.

19       (4)(a) Monthly, the state treasurer must distribute the earnings  
20 credited to the investment income account to the state general fund  
21 except under (b), (c), and (d) of this subsection.

22       (b) The following accounts and funds must receive their  
23 proportionate share of earnings based upon each account's or fund's  
24 average daily balance for the period: The 24/7 sobriety account, the  
25 Washington promise scholarship account, the Gina Grant Bull memorial  
26 legislative page scholarship account, the Rosa Franklin legislative  
27 internship program scholarship account, the Washington advanced  
28 college tuition payment program account, the Washington college  
29 savings program account, the accessible communities account, the  
30 Washington achieving a better life experience program account, the  
31 Washington career and college pathways innovation challenge program  
32 account, the community and technical college innovation account, the  
33 agricultural local fund, the American Indian scholarship endowment  
34 fund, the behavioral health loan repayment program account, the Billy  
35 Frank Jr. national statutory hall collection fund, the foster care  
36 scholarship endowment fund, the foster care endowed scholarship trust  
37 fund, the contract harvesting revolving account, the Washington state  
38 combined fund drive account, the commemorative works account, the  
39 county 911 excise tax account, the county road administration board  
40 emergency loan account, the toll collection account, the

1 developmental disabilities endowment trust fund, the energy account,  
2 the energy facility site evaluation council account, the fair fund,  
3 the family and medical leave insurance account, the Fern Lodge  
4 maintenance account, the fish and wildlife federal lands revolving  
5 account, the natural resources federal lands revolving account, the  
6 food animal veterinarian conditional scholarship account, the forest  
7 health revolving account, the fruit and vegetable inspection account,  
8 the educator conditional scholarship account, the game farm  
9 alternative account, the GET ready for math and science scholarship  
10 account, the Washington global health technologies and product  
11 development account, the grain inspection revolving fund, the  
12 Washington history day account, the industrial insurance rainy day  
13 fund, the juvenile accountability incentive account, the law  
14 enforcement officers' and firefighters' plan 2 expense fund, the  
15 local tourism promotion account, the low-income home rehabilitation  
16 account, the medication for people living with HIV rebate revenue  
17 account, the homeowner recovery account, the multiagency permitting  
18 team account, the northeast Washington wolf-livestock management  
19 account, the pollution liability insurance program trust account, the  
20 produce railcar pool account, the public use general aviation airport  
21 loan revolving account, the regional transportation investment  
22 district account, the restated law enforcement officers' and  
23 firefighters' defined benefit retirement fund, the rural  
24 rehabilitation account, the Washington sexual assault kit account,  
25 the stadium and exhibition center account, the youth athletic  
26 facility account, the self-insurance revolving fund, the children's  
27 trust fund, the Washington horse racing commission Washington bred  
28 owners' bonus fund and breeder awards account, the Washington horse  
29 racing commission class C purse fund account, the individual  
30 development account program account, the Washington horse racing  
31 commission operating account, the life sciences discovery fund, the  
32 Washington state library-archives building account, the reduced  
33 cigarette ignition propensity account, the center for deaf and hard  
34 of hearing youth account, the school for the blind account, the  
35 Millersylvania park trust fund, the public employees' and retirees'  
36 insurance reserve fund, the school employees' benefits board  
37 insurance reserve fund, the public employees' and retirees' insurance  
38 account, the school employees' insurance account, the long-term  
39 services and supports trust account, the radiation perpetual  
40 maintenance fund, the Indian health improvement reinvestment account,

1 the department of licensing tuition recovery trust fund, the student  
2 achievement council tuition recovery trust fund, the tuition recovery  
3 trust fund, the industrial insurance premium refund account, the  
4 mobile home park relocation fund, the natural resources deposit fund,  
5 the Washington state health insurance pool account, the federal  
6 forest revolving account, the Washington saves administrative  
7 treasury trust account, and the library operations account.

8 (c) The following accounts and funds must receive 80 percent of  
9 their proportionate share of earnings based upon each account's or  
10 fund's average daily balance for the period: The advance right-of-way  
11 revolving fund, the advanced environmental mitigation revolving  
12 account, the federal narcotics asset forfeitures account, the high  
13 occupancy vehicle account, the local rail service assistance account,  
14 and the miscellaneous transportation programs account.

15 (d) Any state agency that has independent authority over accounts  
16 or funds not statutorily required to be held in the custody of the  
17 state treasurer that deposits funds into a fund or account in the  
18 custody of the state treasurer pursuant to an agreement with the  
19 office of the state treasurer shall receive its proportionate share  
20 of earnings based upon each account's or fund's average daily balance  
21 for the period.

22 (5) In conformance with Article II, section 37 of the state  
23 Constitution, no trust accounts or funds shall be allocated earnings  
24 without the specific affirmative directive of this section.

25 **Sec. 464.** RCW 43.79A.040 and 2024 c 327 s 17 and 2024 c 168 s 11  
26 are each reenacted and amended to read as follows:

27 (1) Money in the treasurer's trust fund may be deposited,  
28 invested, and reinvested by the state treasurer in accordance with  
29 RCW 43.84.080 in the same manner and to the same extent as if the  
30 money were in the state treasury, and may be commingled with moneys  
31 in the state treasury for cash management and cash balance purposes.

32 (2) All income received from investment of the treasurer's trust  
33 fund must be set aside in an account in the treasury trust fund to be  
34 known as the investment income account.

35 (3) The investment income account may be utilized for the payment  
36 of purchased banking services on behalf of treasurer's trust funds  
37 including, but not limited to, depository, safekeeping, and  
38 disbursement functions for the state treasurer or affected state  
39 agencies. The investment income account is subject in all respects to

1 chapter 43.88 RCW, but no appropriation is required for payments to  
2 financial institutions. Payments must occur prior to distribution of  
3 earnings set forth in subsection (4) of this section.

4 (4)(a) Monthly, the state treasurer must distribute the earnings  
5 credited to the investment income account to the state general fund  
6 except under (b), (c), and (d) of this subsection.

7 (b) The following accounts and funds must receive their  
8 proportionate share of earnings based upon each account's or fund's  
9 average daily balance for the period: The 24/7 sobriety account, the  
10 Washington promise scholarship account, the Gina Grant Bull memorial  
11 legislative page scholarship account, the Rosa Franklin legislative  
12 internship program scholarship account, the Washington advanced  
13 college tuition payment program account, the Washington college  
14 savings program account, the accessible communities account, the  
15 Washington achieving a better life experience program account, the  
16 Washington career and college pathways innovation challenge program  
17 account, the community and technical college innovation account, the  
18 agricultural local fund, the American Indian scholarship endowment  
19 fund, the behavioral health loan repayment program account, the Billy  
20 Frank Jr. national statutory hall collection fund, the foster care  
21 scholarship endowment fund, the foster care endowed scholarship trust  
22 fund, the contract harvesting revolving account, the Washington state  
23 combined fund drive account, the commemorative works account, the  
24 county 911 excise tax account, the county road administration board  
25 emergency loan account, the toll collection account, the  
26 developmental disabilities endowment trust fund, the energy account,  
27 the energy facility site evaluation council account, the fair fund,  
28 the family and medical leave insurance account, the Fern Lodge  
29 maintenance account, the fish and wildlife federal lands revolving  
30 account, the natural resources federal lands revolving account, the  
31 food animal veterinarian conditional scholarship account, the forest  
32 health revolving account, the fruit and vegetable inspection account,  
33 the educator conditional scholarship account, the game farm  
34 alternative account, the GET ready for math and science scholarship  
35 account, the Washington global health technologies and product  
36 development account, the grain inspection revolving fund, the  
37 Washington history day account, the industrial insurance rainy day  
38 fund, the juvenile accountability incentive account, the law  
39 enforcement officers' and firefighters' plan 2 expense fund, the  
40 local tourism promotion account, the low-income home rehabilitation

1 account, the medication for people living with HIV rebate revenue  
2 account, the homeowner recovery account, the multiagency permitting  
3 team account, the northeast Washington wolf-livestock management  
4 account, the produce railcar pool account, the public use general  
5 aviation airport loan revolving account, the regional transportation  
6 investment district account, the restated law enforcement officers'  
7 and firefighters' defined benefit retirement fund, the rural  
8 rehabilitation account, the Washington sexual assault kit account,  
9 the stadium and exhibition center account, the youth athletic  
10 facility account, the self-insurance revolving fund, the children's  
11 trust fund, the Washington horse racing commission Washington bred  
12 owners' bonus fund and breeder awards account, the Washington horse  
13 racing commission class C purse fund account, the individual  
14 development account program account, the Washington horse racing  
15 commission operating account, the life sciences discovery fund, the  
16 Washington state library-archives building account, the reduced  
17 cigarette ignition propensity account, the center for deaf and hard  
18 of hearing youth account, the school for the blind account, the  
19 Millersylvania park trust fund, the public employees' and retirees'  
20 insurance reserve fund, the school employees' benefits board  
21 insurance reserve fund, the public employees' and retirees' insurance  
22 account, the school employees' insurance account, the long-term  
23 services and supports trust account, the radiation perpetual  
24 maintenance fund, the Indian health improvement reinvestment account,  
25 the department of licensing tuition recovery trust fund, the student  
26 achievement council tuition recovery trust fund, the tuition recovery  
27 trust fund, the industrial insurance premium refund account, the  
28 mobile home park relocation fund, the natural resources deposit fund,  
29 the Washington state health insurance pool account, the federal  
30 forest revolving account, the Washington saves administrative  
31 treasury trust account, and the library operations account.

32 (c) The following accounts and funds must receive 80 percent of  
33 their proportionate share of earnings based upon each account's or  
34 fund's average daily balance for the period: The advance right-of-way  
35 revolving fund, the advanced environmental mitigation revolving  
36 account, the federal narcotics asset forfeitures account, the high  
37 occupancy vehicle account, the local rail service assistance account,  
38 and the miscellaneous transportation programs account.

39 (d) Any state agency that has independent authority over accounts  
40 or funds not statutorily required to be held in the custody of the



1 state treasurer that deposits funds into a fund or account in the  
2 custody of the state treasurer pursuant to an agreement with the  
3 office of the state treasurer shall receive its proportionate share  
4 of earnings based upon each account's or fund's average daily balance  
5 for the period.

6 (5) In conformance with Article II, section 37 of the state  
7 Constitution, no trust accounts or funds shall be allocated earnings  
8 without the specific affirmative directive of this section.

9 **Sec. 465.** RCW 43.84.092 and 2024 c 210 s 5 and 2024 c 168 s 13  
10 are each reenacted and amended to read as follows:

11 (1) All earnings of investments of surplus balances in the state  
12 treasury shall be deposited to the treasury income account, which  
13 account is hereby established in the state treasury.

14 (2) The treasury income account shall be utilized to pay or  
15 receive funds associated with federal programs as required by the  
16 federal cash management improvement act of 1990. The treasury income  
17 account is subject in all respects to chapter 43.88 RCW, but no  
18 appropriation is required for refunds or allocations of interest  
19 earnings required by the cash management improvement act. Refunds of  
20 interest to the federal treasury required under the cash management  
21 improvement act fall under RCW 43.88.180 and shall not require  
22 appropriation. The office of financial management shall determine the  
23 amounts due to or from the federal government pursuant to the cash  
24 management improvement act. The office of financial management may  
25 direct transfers of funds between accounts as deemed necessary to  
26 implement the provisions of the cash management improvement act, and  
27 this subsection. Refunds or allocations shall occur prior to the  
28 distributions of earnings set forth in subsection (4) of this  
29 section.

30 (3) Except for the provisions of RCW 43.84.160, the treasury  
31 income account may be utilized for the payment of purchased banking  
32 services on behalf of treasury funds including, but not limited to,  
33 depository, safekeeping, and disbursement functions for the state  
34 treasury and affected state agencies. The treasury income account is  
35 subject in all respects to chapter 43.88 RCW, but no appropriation is  
36 required for payments to financial institutions. Payments shall occur  
37 prior to distribution of earnings set forth in subsection (4) of this  
38 section.

1 (4) Monthly, the state treasurer shall distribute the earnings  
2 credited to the treasury income account. The state treasurer shall  
3 credit the general fund with all the earnings credited to the  
4 treasury income account except:

5 (a) The following accounts and funds shall receive their  
6 proportionate share of earnings based upon each account's and fund's  
7 average daily balance for the period: The abandoned recreational  
8 vehicle disposal account, the aeronautics account, the Alaskan Way  
9 viaduct replacement project account, the budget stabilization  
10 account, the capital vessel replacement account, the capitol building  
11 construction account, the Central Washington University capital  
12 projects account, the charitable, educational, penal and reformatory  
13 institutions account, the Chehalis basin account, the Chehalis basin  
14 taxable account, the clean fuels credit account, the clean fuels  
15 transportation investment account, the cleanup settlement account,  
16 the climate active transportation account, the climate transit  
17 programs account, the Columbia river basin water supply development  
18 account, the Columbia river basin taxable bond water supply  
19 development account, the Columbia river basin water supply revenue  
20 recovery account, the common school construction fund, the community  
21 forest trust account, the connecting Washington account, the county  
22 arterial preservation account, the county criminal justice assistance  
23 account, the covenant homeownership account, the deferred  
24 compensation administrative account, the deferred compensation  
25 principal account, the department of licensing services account, the  
26 department of retirement systems expense account, the developmental  
27 disabilities community services account, the diesel idle reduction  
28 account, the opioid abatement settlement account, the drinking water  
29 assistance account, the administrative subaccount of the drinking  
30 water assistance account, the early learning facilities development  
31 account, the early learning facilities revolving account, the Eastern  
32 Washington University capital projects account, the education  
33 construction fund, the education legacy trust account, the election  
34 account, the electric vehicle account, the energy freedom account,  
35 the energy recovery act account, the essential rail assistance  
36 account, The Evergreen State College capital projects account, the  
37 fair start for kids account, the family medicine workforce  
38 development account, the ferry bond retirement fund, the fish,  
39 wildlife, and conservation account, the freight mobility investment  
40 account, the freight mobility multimodal account, the grade crossing

1 protective fund, the higher education retirement plan supplemental  
2 benefit fund, the Washington student loan account, the highway bond  
3 retirement fund, the highway infrastructure account, the highway  
4 safety fund, the hospital safety net assessment fund, the Interstate  
5 5 bridge replacement project account, the Interstate 405 and state  
6 route number 167 express toll lanes account, the judges' retirement  
7 account, the judicial retirement administrative account, the judicial  
8 retirement principal account, the limited fish and wildlife account,  
9 the local leasehold excise tax account, the local real estate excise  
10 tax account, the local sales and use tax account, the marine  
11 resources stewardship trust account, the medical aid account, the  
12 money-purchase retirement savings administrative account, the money-  
13 purchase retirement savings principal account, the motor vehicle  
14 fund, the motorcycle safety education account, the move ahead WA  
15 account, the move ahead WA flexible account, the multimodal  
16 transportation account, the multiuse roadway safety account, the  
17 municipal criminal justice assistance account, the oyster reserve  
18 land account, the pension funding stabilization account, the  
19 perpetual surveillance and maintenance account, the pilotage account,  
20 the pollution liability insurance agency underground storage tank  
21 revolving account, the public employees' retirement system plan 1  
22 account, the public employees' retirement system combined plan 2 and  
23 plan 3 account, the public facilities construction loan revolving  
24 account, the public health supplemental account, the public works  
25 assistance account, the Puget Sound capital construction account, the  
26 Puget Sound ferry operations account, the Puget Sound Gateway  
27 facility account, the Puget Sound taxpayer accountability account,  
28 the real estate appraiser commission account, the recreational  
29 vehicle account, the regional mobility grant program account, the  
30 reserve officers' relief and pension principal fund, the resource  
31 management cost account, the rural arterial trust account, the rural  
32 mobility grant program account, the rural Washington loan fund, the  
33 second injury fund, the sexual assault prevention and response  
34 account, the site closure account, the skilled nursing facility  
35 safety net trust fund, the small city pavement and sidewalk account,  
36 the special category C account, the special wildlife account, the  
37 state hazard mitigation revolving loan account, the state investment  
38 board expense account, the state investment board commingled trust  
39 fund accounts, the state patrol highway account, the state  
40 reclamation revolving account, the state route number 520 civil

1 penalties account, the state route number 520 corridor account, the  
2 statewide broadband account, the statewide tourism marketing account,  
3 the supplemental pension account, the Tacoma Narrows toll bridge  
4 account, the teachers' retirement system plan 1 account, the  
5 teachers' retirement system combined plan 2 and plan 3 account, the  
6 tobacco prevention and control account, the tobacco settlement  
7 account, the toll facility bond retirement account, the  
8 transportation 2003 account (nickel account), the transportation  
9 equipment fund, the JUDY transportation future funding program  
10 account, the transportation improvement account, the transportation  
11 improvement board bond retirement account, the transportation  
12 infrastructure account, the transportation partnership account, the  
13 traumatic brain injury account, the tribal opioid prevention and  
14 treatment account, the University of Washington bond retirement fund,  
15 the University of Washington building account, the voluntary cleanup  
16 account, the volunteer firefighters' relief and pension principal  
17 fund, the volunteer firefighters' and reserve officers'  
18 administrative fund, the vulnerable roadway user education account,  
19 the Washington judicial retirement system account, (~~the Washington~~  
20 ~~law enforcement officers' and firefighters' system plan 1 retirement~~  
21 ~~account,~~) the Washington law enforcement officers' and firefighters'  
22 system plan 2 retirement account, the Washington public safety  
23 employees' plan 2 retirement account, the Washington school  
24 employees' retirement system combined plan 2 and 3 account, the  
25 Washington state patrol retirement account, the Washington State  
26 University building account, the Washington State University bond  
27 retirement fund, the water pollution control revolving administration  
28 account, the water pollution control revolving fund, the Western  
29 Washington University capital projects account, the Yakima integrated  
30 plan implementation account, the Yakima integrated plan  
31 implementation revenue recovery account, and the Yakima integrated  
32 plan implementation taxable bond account. Earnings derived from  
33 investing balances of the agricultural permanent fund, the normal  
34 school permanent fund, the permanent common school fund, the  
35 scientific permanent fund, and the state university permanent fund  
36 shall be allocated to their respective beneficiary accounts.

37 (b) Any state agency that has independent authority over accounts  
38 or funds not statutorily required to be held in the state treasury  
39 that deposits funds into a fund or account in the state treasury  
40 pursuant to an agreement with the office of the state treasurer shall

1 receive its proportionate share of earnings based upon each account's  
2 or fund's average daily balance for the period.

3 (5) In conformance with Article II, section 37 of the state  
4 Constitution, no treasury accounts or funds shall be allocated  
5 earnings without the specific affirmative directive of this section.

6 **Sec. 466.** RCW 46.52.130 and 2023 c 118 s 1 are each amended to  
7 read as follows:

8 Upon a proper request, the department may only furnish  
9 information contained in an abstract of a person's driving record as  
10 permitted under this section.

11 (1) **Contents of abstract of driving record.** An abstract of a  
12 person's driving record, whenever possible, must include:

13 (a) An enumeration of motor vehicle accidents in which the person  
14 was driving, including:

15 (i) The total number of vehicles involved;

16 (ii) Whether the vehicles were legally parked or moving;

17 (iii) Whether the vehicles were occupied at the time of the  
18 accident; and

19 (iv) Whether the accident resulted in a fatality;

20 (b) Any reported convictions, forfeitures of bail, or findings  
21 that an infraction was committed based upon a violation of any motor  
22 vehicle law;

23 (c) The status of the person's driving privilege in this state;  
24 and

25 (d) Any reports of failure to appear in response to a traffic  
26 citation or failure to respond to a notice of infraction served upon  
27 the named individual by an arresting officer.

28 (2) **Release of abstract of driving record.** Unless otherwise  
29 required in this section, the release of an abstract does not require  
30 a signed statement by the subject of the abstract. An abstract of a  
31 person's driving record may be furnished to the following persons or  
32 entities:

33 (a) **Named individuals.** (i) An abstract of the full driving record  
34 maintained by the department may be furnished to the individual named  
35 in the abstract.

36 (ii) Nothing in this section prevents a court from providing a  
37 copy of the driver's abstract to the individual named in the abstract  
38 or that named individual's attorney, provided that the named  
39 individual has a pending or open infraction or criminal case in that

1 court. A pending case includes criminal cases that have not reached a  
2 disposition by plea, stipulation, trial, or amended charge. An open  
3 infraction or criminal case includes cases on probation, payment  
4 agreement or subject to, or in collections. A probation clerk or  
5 probation officer employed by the court may also provide a copy of  
6 the driver's abstract to a treatment agency in accordance with (f) of  
7 this subsection. Courts may charge a reasonable fee for the  
8 production and copying of the abstract for the individual unless the  
9 person is indigent as defined in RCW 10.101.010.

10 (b) **Employers or prospective employers.** (i) An abstract of the  
11 full driving record maintained by the department may be furnished to  
12 an employer or prospective employer or agents acting on behalf of an  
13 employer or prospective employer of the named individual for purposes  
14 related to driving by the individual as a condition of employment or  
15 otherwise at the direction of the employer.

16 (ii) The department may provide employers or their agents a  
17 three-year insurance carrier driving record of existing employees  
18 only for the purposes of sharing the driving record with its  
19 insurance carrier for underwriting. Employers may not provide the  
20 employees' full driving records to its insurance carrier.

21 (iii) An abstract of the full driving record maintained by the  
22 department may be furnished to an employer or prospective employer or  
23 the agent(s) acting on behalf of an employer or prospective employer  
24 of the named individual for purposes unrelated to driving by the  
25 individual when a driving record is required by federal or state law,  
26 or the employee or prospective employee will be handling heavy  
27 equipment or machinery.

28 (iv) Release of an abstract of the driving record of an employee  
29 or prospective employee requires a statement signed by: (A) The  
30 employee or prospective employee that authorizes the release of the  
31 record; and (B) the employer attesting that the information is  
32 necessary for employment purposes related to driving by the  
33 individual as a condition of employment or otherwise at the direction  
34 of the employer. If the employer or prospective employer authorizes  
35 agents to obtain this information on their behalf, this must be noted  
36 in the statement. The statement must also note that any information  
37 contained in the abstract related to an adjudication that is subject  
38 to a court order sealing the juvenile record of an employee or  
39 prospective employee may not be used by the employer or prospective  
40 employer, or an agent authorized to obtain this information on their

1 behalf, unless required by federal regulation or law. The employer or  
2 prospective employer must afford the employee or prospective employee  
3 an opportunity to demonstrate that an adjudication contained in the  
4 abstract is subject to a court order sealing the juvenile record.

5 (v) Upon request of the person named in the abstract provided  
6 under this subsection, and upon that same person furnishing copies of  
7 court records ruling that the person was not at fault in a motor  
8 vehicle accident, the department must indicate on any abstract  
9 provided under this subsection that the person was not at fault in  
10 the motor vehicle accident.

11 (vi) No employer or prospective employer, nor any agents of an  
12 employer or prospective employer, may use information contained in  
13 the abstract related to an adjudication that is subject to a court  
14 order sealing the juvenile record of an employee or prospective  
15 employee for any purpose unless required by federal regulation or  
16 law. The employee or prospective employee must furnish a copy of the  
17 court order sealing the juvenile record to the employer or  
18 prospective employer, or the agents of the employer or prospective  
19 employer, as may be required to ensure the application of this  
20 subsection.

21 (c) **Volunteer organizations.** (i) An abstract of the full driving  
22 record maintained by the department may be furnished to a volunteer  
23 organization or an agent for a volunteer organization for which the  
24 named individual has submitted an application for a position that  
25 would require driving by the individual at the direction of the  
26 volunteer organization.

27 (ii) Release of an abstract of the driving record of a  
28 prospective volunteer requires a statement signed by: (A) The  
29 prospective volunteer that authorizes the release of the record; and  
30 (B) the volunteer organization attesting that the information is  
31 necessary for purposes related to driving by the individual at the  
32 direction of the volunteer organization. If the volunteer  
33 organization authorizes an agent to obtain this information on their  
34 behalf, this must be noted in the statement.

35 (d) **Transit authorities.** An abstract of the full driving record  
36 maintained by the department may be furnished to an employee or  
37 agents of a transit authority checking prospective or existing  
38 volunteer vanpool drivers for insurance and risk management needs.

39 (e) **Insurance carriers.** (i) An abstract of the driving record  
40 maintained by the department covering the period of not more than the

1 last three years may be furnished to an insurance company or its  
2 agents:

3 (A) That has motor vehicle or life insurance in effect covering  
4 the named individual;

5 (B) To which the named individual has applied; or

6 (C) That has insurance in effect covering the employer or a  
7 prospective employer of the named individual.

8 (ii) The abstract provided to the insurance company must:

9 (A) Not contain any information related to actions committed by  
10 law enforcement officers or firefighters, as both terms are defined  
11 in RCW 41.26.030 or section 303 of this act, or by Washington state  
12 patrol officers, while driving official vehicles in the performance  
13 of their occupational duty, or by registered tow truck operators as  
14 defined in RCW 46.55.010 in the performance of their occupational  
15 duties while at the scene of a roadside impound or recovery so long  
16 as they are not issued a citation. This does not apply to any  
17 situation where the vehicle was used in the commission of a  
18 misdemeanor or felony;

19 (B) Include convictions under RCW 46.61.5249 and 46.61.525,  
20 except that the abstract must report the convictions only as  
21 negligent driving without reference to whether they are for first or  
22 second degree negligent driving; and

23 (C) Exclude any deferred prosecution under RCW 10.05.060, except  
24 that if a person is removed from a deferred prosecution under RCW  
25 10.05.090, the abstract must show the deferred prosecution as well as  
26 the removal.

27 (iii) Any policy of insurance may not be canceled, nonrenewed,  
28 denied, or have the rate increased on the basis of information  
29 regarding an accident included in the abstract of a driving record,  
30 unless the policyholder was determined to be at fault.

31 (iv) Any insurance company or its agents, for underwriting  
32 purposes relating to the operation of commercial motor vehicles, may  
33 not use any information contained in the abstract relative to any  
34 person's operation of motor vehicles while not engaged in such  
35 employment. Any insurance company or its agents, for underwriting  
36 purposes relating to the operation of noncommercial motor vehicles,  
37 may not use any information contained in the abstract relative to any  
38 person's operation of commercial motor vehicles. For the purposes of  
39 this subsection, "commercial motor vehicle" has the same meaning as  
40 in RCW 46.25.010(6).



1 (f) **Alcohol/drug assessment or treatment agencies.** An abstract of  
2 the full driving record maintained by the department may be furnished  
3 to an alcohol/drug assessment or treatment agency approved by the  
4 department of health to which the named individual has applied or  
5 been assigned for evaluation or treatment, for purposes of assisting  
6 employees in making a determination as to what level of treatment, if  
7 any, is appropriate, and the abstract must:

8 (i) Also include records of alcohol-related offenses, as defined  
9 in RCW 46.01.260(2); and

10 (ii) Indicate whether an alcohol-related offense was originally  
11 charged as a violation of either RCW 46.61.502 or 46.61.504.

12 (g) **Attorneys—City attorneys, county prosecuting attorneys, and**  
13 **named individual's attorney of record.** An abstract of the full  
14 driving record maintained by the department, including whether a  
15 recorded violation is an alcohol-related offense, as defined in RCW  
16 46.01.260(2), that was originally charged as a violation of either  
17 RCW 46.61.502 or 46.61.504, may be furnished to city attorneys,  
18 county prosecuting attorneys, or the named individual's attorney of  
19 record. City attorneys, county prosecuting attorneys, or the named  
20 individual's attorney of record may provide the driving record to  
21 alcohol/drug assessment or treatment agencies approved by the  
22 department of social and health services to which the named  
23 individual has applied or been assigned for evaluation or treatment.

24 (h) **State colleges, universities, or agencies, or units of local**  
25 **government.** An abstract of the full driving record maintained by the  
26 department may be furnished to (i) state colleges, universities, or  
27 agencies for employment and risk management purposes or (ii) units of  
28 local government authorized to self-insure under RCW 48.62.031, or  
29 their agents, for employment and risk management purposes. "Unit of  
30 local government" includes an insurance pool established under RCW  
31 48.62.031.

32 (i) **Superintendent of public instruction.** (i) An abstract of the  
33 full driving record maintained by the department may be furnished to  
34 the superintendent of public instruction for review of public school  
35 bus driver records. The superintendent or superintendent's designee  
36 may discuss information on the driving record with an authorized  
37 representative of the employing school district for employment and  
38 risk management purposes.

1 (ii) The superintendent of public instruction is exempt from  
2 paying the fees related to the reviewing of records and the fee  
3 required in subsection (5) of this section.

4 (j) **State and federal agencies.** An abstract of the driving record  
5 maintained by the department may be furnished to state and federal  
6 agencies, or their agents, in carrying out its functions.

7 (k) **Transportation network companies.** An abstract of the full  
8 driving record maintained by the department may be furnished to a  
9 transportation network company or its agents acting on its behalf of  
10 the named individual for purposes related to driving by the  
11 individual as a condition of being a contracted driver.

12 (l) **Research.** (i) The department may furnish driving record data  
13 to state agencies and bona fide scientific research organizations.  
14 The department may require review and approval by an institutional  
15 review board. For the purposes of this subsection, "research" means a  
16 planned and systematic sociological, psychological, epidemiological,  
17 biomedical, or other scientific investigation carried out by a state  
18 agency, or by a scientific research professional associated with a  
19 bona fide scientific research organization with an objective to  
20 contribute to scientific knowledge, the solution of social and health  
21 problems, or the evaluation of public benefit and service programs.  
22 This definition excludes methods of record analysis and data  
23 collection that are subjective, do not permit replication, and are  
24 not designed to yield reliable and valid results.

25 (ii) The state agency, or a scientific research professional  
26 associated with a bona fide scientific research organization, are  
27 exempt from paying the fees related to the reviewing of records and  
28 the fee required in subsection (5) of this section. However, the  
29 department may charge a cost-recovery fee for the actual cost of  
30 providing the data.

31 (3) **Reviewing of driving records.** (a) In addition to the methods  
32 described herein, the director may enter into a contractual agreement  
33 for the purpose of reviewing the driving records of existing  
34 employees for changes to the record during specified periods of time.  
35 The department shall establish a fee for this service, which must be  
36 deposited in the highway safety fund. The fee for this service must  
37 be set at a level that does not result in a net revenue loss to the  
38 state. Any information provided under this subsection must be treated  
39 in the same manner and is subject to the same restrictions as driving  
40 record abstracts.

1 (b) The department may provide reviewing services to the  
2 following entities:

3 (i) Employers for existing employees, or their agents;

4 (ii) Transit authorities for current vanpool drivers, or their  
5 agents;

6 (iii) Insurance carriers for current policyholders, or their  
7 agents;

8 (iv) State colleges, universities, or agencies, or units of local  
9 government, or their agents;

10 (v) The office of the superintendent of public instruction for  
11 school bus drivers statewide; and

12 (vi) Transportation network companies, or their agents.

13 (4) **Release to third parties prohibited.** (a) Any person or entity  
14 receiving an abstract of a person's driving record under subsection  
15 (2)(b) through (1) of this section shall use the abstract exclusively  
16 for his, her, or its own purposes or as otherwise expressly permitted  
17 under this section, and shall not divulge any information contained  
18 in the abstract to a third party.

19 (b) The following release of records to third parties are hereby  
20 authorized:

21 (i) Employers may divulge driving records to regulatory bodies,  
22 as defined by the department by rule, such as the United States  
23 department of transportation and the federal motor carrier safety  
24 administration.

25 (ii) Employers may divulge a three-year driving record to their  
26 insurance carrier for underwriting purposes.

27 (iii) Employers may divulge driving records to contracted motor  
28 carrier consultants for the purposes of ensuring driver compliance  
29 and risk management.

30 (5) **Fees.** (a) The director shall collect a \$15 fee for each  
31 abstract of a person's driving record furnished by the department.  
32 After depositing \$2 of the driver's abstract fee in the move ahead WA  
33 flexible account created in RCW 46.68.520, the remainder shall be  
34 distributed as follows:

35 (i) Fifty percent must be deposited in the highway safety fund;  
36 and

37 (ii) Fifty percent must be deposited according to RCW 46.68.038.

38 (b) Beginning July 1, 2029, the director shall collect an  
39 additional \$2 fee for each abstract of a person's driving record  
40 furnished by the department. The \$2 additional driver's abstract fee

1 must be deposited in the move ahead WA flexible account created in  
2 RCW 46.68.520.

3 (c) City attorneys and county prosecuting attorneys are exempt  
4 from paying the fees specified in (a) and (b) of this subsection for  
5 an abstract of a person's driving record furnished by the department  
6 for use in criminal proceedings.

7 (6) **Violation.** (a) Any negligent violation of this section is a  
8 gross misdemeanor.

9 (b) Any intentional violation of this section is a class C  
10 felony.

11 (7) Effective July 1, 2019, the contents of a driving abstract  
12 pursuant to this section shall not include any information related to  
13 sealed juvenile records unless that information is required by  
14 federal law or regulation.

15 **Sec. 467.** RCW 49.44.160 and 2002 c 155 s 1 are each amended to  
16 read as follows:

17 The legislature intends that public employers be prohibited from  
18 misclassifying employees, or taking other action to avoid providing  
19 or continuing to provide employment-based benefits to which employees  
20 are entitled under state law or employer policies or collective  
21 bargaining agreements applicable to the employee's correct  
22 classification.

23 Chapter 155, Laws of 2002 does not mandate that any public  
24 employer provide benefits to actual temporary, seasonal, or part-time  
25 employees beyond the benefits to which they are entitled under state  
26 law or employer policies or collective bargaining agreements  
27 applicable to the employee's correct classification. Public employers  
28 may determine eligibility rules for their own benefit plans and may  
29 exclude categories of workers such as "temporary" or "seasonal," so  
30 long as the definitions and eligibility rules are objective and  
31 applied on a consistent basis. Objective standards, such as control  
32 over the work and the length of the employment relationship, should  
33 determine whether a person is an employee who is entitled to employee  
34 benefits, rather than the arbitrary application of labels, such as  
35 "temporary" or "contractor." Common law standards should be used to  
36 determine whether a person is performing services as an employee, as  
37 a contractor, or as part of an agency relationship.

38 Chapter 155, Laws of 2002 does not modify any statute or policy  
39 regarding the employment of: Public employee retirees who are hired

1 for postretirement employment as provided for in chapter 41.26,  
2 41.--- (the new chapter created in section 504 of this act), 41.32,  
3 41.35, or 41.40 RCW or who work as contractors; or enrolled students  
4 who receive employment as student employees or as part of their  
5 education or financial aid.

6 **Sec. 468.** RCW 51.08.142 and 2023 c 370 s 1 are each amended to  
7 read as follows:

8 (1) Except as provided in subsections (2) and (3) of this  
9 section, the department shall adopt a rule pursuant to chapter 34.05  
10 RCW that claims based on mental conditions or mental disabilities  
11 caused by stress do not fall within the definition of occupational  
12 disease in RCW 51.08.140.

13 (2)(a) Except as provided in (b) and (c) of this subsection, the  
14 rule adopted under subsection (1) of this section shall not apply to  
15 occupational disease claims resulting from posttraumatic stress  
16 disorders of firefighters as defined in RCW 41.26.030(~~((17))~~) (14)  
17 (a), (b), (c), and (~~((h))~~) (e) or section 303(17) (a), (b), (c), and  
18 (h) of this act and firefighters, including supervisors, employed on  
19 a full-time, fully compensated basis as a firefighter of a private  
20 sector employer's fire department that includes over fifty such  
21 firefighters, and law enforcement officers as defined in RCW  
22 41.26.030(~~((19))~~) (16) (b), (c), and (~~((e))~~) (d) or section 303(19)  
23 (b), (c), and (e) of this act, and public safety telecommunicators  
24 who receive calls for assistance and dispatch emergency services.

25 (b) For firefighters as defined in RCW 41.26.030(~~((17))~~) (14)  
26 (a), (b), (c), and (~~((h))~~) (e) or section 303(17) (a), (b), (c), and  
27 (h) of this act and firefighters, including supervisors, employed on  
28 a full-time, fully compensated basis as a firefighter of a private  
29 sector employer's fire department that includes over fifty such  
30 firefighters, and law enforcement officers as defined in RCW  
31 41.26.030(~~((19))~~) (16) (b), (c), and (~~((e))~~) (d) or section 303(19)  
32 (b), (c), and (e) of this act hired after June 7, 2018, and public  
33 safety telecommunicators hired after June 11, 2020, (a) of this  
34 subsection only applies if the firefighter or law enforcement officer  
35 or public safety telecommunicators, as a condition of employment, has  
36 submitted to a psychological examination administered by a  
37 psychiatrist licensed in the state of Washington under chapter 18.71  
38 RCW or a psychologist licensed in the state of Washington under  
39 chapter 18.83 RCW that ruled out the presence of posttraumatic stress

1 disorder from preemployment exposures. If the employer does not  
2 provide the psychological examination, (a) of this subsection  
3 applies.

4 (c) Posttraumatic stress disorder for purposes of this  
5 subsection(~~(s—(2))~~) and subsection (3) of this section is not  
6 considered an occupational disease if the disorder is directly  
7 attributed to disciplinary action, work evaluation, job transfer,  
8 layoff, demotion, termination, or similar action taken in good faith  
9 by an employer.

10 (d) "Public safety telecommunicators" means individuals who  
11 receive and respond to telephone or other electronic requests for  
12 emergency assistance, such as law enforcement, fire, and medical  
13 services, and dispatch appropriate emergency responders.

14 (3)(a) Except as provided in this subsection, the rule adopted  
15 under subsection (1) of this section shall not apply to occupational  
16 disease claims resulting from posttraumatic stress disorders of  
17 direct care registered nurses as defined in RCW 51.32.395.

18 (b) The limitation in subsection (2)(c) of this section also  
19 applies to this subsection (3).

20 (c) This subsection (3) applies only to a direct care registered  
21 nurse who has posttraumatic stress disorder that develops or  
22 manifests itself after the individual has been employed on a fully  
23 compensated basis as a direct care registered nurse in Washington  
24 state for at least 90 consecutive days.

25 **Sec. 469.** RCW 51.32.050 and 2010 c 261 s 3 are each amended to  
26 read as follows:

27 (1) Where death results from the injury the expenses of burial  
28 not to exceed two hundred percent of the average monthly wage in the  
29 state as defined in RCW 51.08.018 shall be paid.

30 (2)(a) Where death results from the injury, a surviving spouse of  
31 a deceased worker eligible for benefits under this title shall  
32 receive monthly for life or until remarriage payments according to  
33 the following schedule:

34 (i) If there are no children of the deceased worker, sixty  
35 percent of the wages of the deceased worker;

36 (ii) If there is one child of the deceased worker and in the  
37 legal custody of such spouse, sixty-two percent of the wages of the  
38 deceased worker;

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

4 (iv) If there are three children of the deceased worker and in  
5 the legal custody of such spouse, sixty-six percent of the wages of  
6 the deceased worker;

7 (v) If there are four children of the deceased worker and in the  
8 legal custody of such spouse, sixty-eight percent of the wages of the  
9 deceased worker; or

10 (vi) If there are five or more children of the deceased worker  
11 and in the legal custody of such spouse, seventy percent of the wages  
12 of the deceased worker.

13 (b) Where the surviving spouse does not have legal custody of any  
14 child or children of the deceased worker or where after the death of  
15 the worker legal custody of such child or children passes from such  
16 surviving spouse to another, any payment on account of such child or  
17 children not in the legal custody of the surviving spouse shall be  
18 made to the person or persons having legal custody of such child or  
19 children. The amount of such payments shall be five percent of the  
20 monthly benefits payable as a result of the worker's death for each  
21 such child but such payments shall not exceed twenty-five percent.  
22 Such payments on account of such child or children shall be  
23 subtracted from the amount to which such surviving spouse would have  
24 been entitled had such surviving spouse had legal custody of all of  
25 the children and the surviving spouse shall receive the remainder  
26 after such payments on account of such child or children have been  
27 subtracted. Such payments on account of a child or children not in  
28 the legal custody of such surviving spouse shall be apportioned  
29 equally among such children.

30 (c) Payments to the surviving spouse of the deceased worker shall  
31 cease at the end of the month in which remarriage occurs: PROVIDED,  
32 That a monthly payment shall be made to the child or children of the  
33 deceased worker from the month following such remarriage in a sum  
34 equal to five percent of the wages of the deceased worker for one  
35 child and a sum equal to five percent for each additional child up to  
36 a maximum of five such children. Payments to such child or children  
37 shall be apportioned equally among such children. Such sum shall be  
38 in place of any payments theretofore made for the benefit of or on  
39 account of any such child or children. If the surviving spouse does  
40 not have legal custody of any child or children of the deceased

1 worker, or if after the death of the worker, legal custody of such  
2 child or children passes from such surviving spouse to another, any  
3 payment on account of such child or children not in the legal custody  
4 of the surviving spouse shall be made to the person or persons having  
5 legal custody of such child or children.

6 (d) In no event shall the monthly payments provided in this  
7 subsection (2) (~~of this section~~):

8 (i) Exceed the applicable percentage of the average monthly wage  
9 in the state as computed under RCW 51.08.018 as follows:

AFTER	PERCENTAGE
June 30, 1993	105%
June 30, 1994	110%
June 30, 1995	115%
June 30, 1996	120%

15 (ii) For dates of injury or disease manifestation after July 1,  
16 2008, be less than fifteen percent of the average monthly wage in the  
17 state as computed under RCW 51.08.018 plus an additional ten dollars  
18 per month for a surviving spouse and an additional ten dollars per  
19 month for each child of the worker up to a maximum of five children.  
20 However, if the monthly payment computed under this subsection  
21 (2)(d)(ii) is greater than one hundred percent of the wages of the  
22 deceased worker as determined under RCW 51.08.178, the monthly  
23 payment due to the surviving spouse shall be equal to the greater of  
24 the monthly wages of the deceased worker or the minimum benefit set  
25 forth in this section on June 30, 2008.

26 (e) In addition to the monthly payments provided for in  
27 (~~subsection (2)~~)(a) through (c) of this (~~section~~) subsection, a  
28 surviving spouse or child or children of such worker if there is no  
29 surviving spouse, or dependent parent or parents, if there is no  
30 surviving spouse or child or children of any such deceased worker  
31 shall be forthwith paid a sum equal to one hundred percent of the  
32 average monthly wage in the state as defined in RCW 51.08.018, any  
33 such children, or parents to share and share alike in said sum.

34 (f) Upon remarriage of a surviving spouse the monthly payments  
35 for the child or children shall continue as provided in this section,  
36 but the monthly payments to such surviving spouse shall cease at the  
37 end of the month during which remarriage occurs. However, after  
38 September 8, 1975, an otherwise eligible surviving spouse of a worker



1 who died at any time prior to or after September 8, 1975, shall have  
2 an option of:

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

13 (B) If a surviving spouse is the surviving spouse of a member of  
14 the law enforcement officers' and firefighters' retirement system  
15 under chapter 41.26 or 41.--- (the new chapter created in section 504  
16 of this act) RCW or the state patrol retirement system under chapter  
17 43.43 RCW, the surviving spouse may receive a lump sum of thirty-six  
18 times the monthly compensation rate in effect on the date of  
19 remarriage allocable to the spouse for himself or herself pursuant to  
20 (~~subsection—(2)~~) (a) (i) of this (~~section~~) subsection and RCW  
21 51.32.075(3) or fifty percent of the remaining annuity value of his  
22 or her pension provided under this chapter, whichever is the lesser:  
23 PROVIDED, That if the injury occurred prior to July 28, 1991, the  
24 lump sum benefit shall be as provided in the remarriage benefit  
25 schedules then in effect; or

26 (ii) If a surviving spouse does not choose the option specified  
27 in (~~subsection—(2)~~) (f) (i) of this (~~section~~) subsection to accept  
28 the lump sum payment, the remarriage of the surviving spouse of a  
29 worker shall not bar him or her from claiming the lump sum payment  
30 authorized in (~~subsection—(2)~~) (f) (i) of this (~~section~~) subsection  
31 during the life of the remarriage, or shall not prevent subsequent  
32 monthly payments to him or to her if the remarriage has been  
33 terminated by death or has been dissolved or annulled by valid court  
34 decree provided he or she has not previously accepted the lump sum  
35 payment.

36 (g) If the surviving spouse during the remarriage should die  
37 without having previously received the lump sum payment provided in  
38 (~~subsection—(2)~~) (f) (i) of this (~~section~~) subsection, his or her  
39 estate shall be entitled to receive the sum specified under  
40 (~~subsection—(2)~~) (f) (i) of this (~~section~~) subsection or fifty

1 percent of the then remaining annuity value of his or her pension  
2 whichever is the lesser.

3 (h) The effective date of resumption of payments under  
4 (~~subsection (2)~~) (f) (ii) of this (~~section~~) subsection to a  
5 surviving spouse based upon termination of a remarriage by death,  
6 annulment, or dissolution shall be the date of the death or the date  
7 the judicial decree of annulment or dissolution becomes final and  
8 when application for the payments has been received.

9 (i) If it should be necessary to increase the reserves in the  
10 reserve fund or to create a new pension reserve fund as a result of  
11 the amendments in chapter 45, Laws of 1975-'76 2nd ex. sess., the  
12 amount of such increase in pension reserve in any such case shall be  
13 transferred to the reserve fund from the supplemental pension fund.

14 (3) If there is a child or children and no surviving spouse of  
15 the deceased worker or the surviving spouse is not eligible for  
16 benefits under this title, a sum equal to thirty-five percent of the  
17 wages of the deceased worker shall be paid monthly for one child and  
18 a sum equivalent to fifteen percent of such wage shall be paid  
19 monthly for each additional child, the total of such sum to be  
20 divided among such children, share and share alike: PROVIDED, That  
21 benefits under this subsection or subsection (4) of this section  
22 shall not exceed the lesser of sixty-five percent of the wages of the  
23 deceased worker at the time of his or her death or the applicable  
24 percentage of the average monthly wage in the state as defined in RCW  
25 51.08.018, as follows:

	AFTER	PERCENTAGE
26		
27	June 30, 1993	105%
28	June 30, 1994	110%
29	June 30, 1995	115%
30	June 30, 1996	120%

31 (4) In the event a surviving spouse receiving monthly payments  
32 dies, the child or children of the deceased worker shall receive the  
33 same payment as provided in subsection (3) of this section.

34 (5) If the worker leaves no surviving spouse or child, but leaves  
35 a dependent or dependents, a monthly payment shall be made to each  
36 dependent equal to fifty percent of the average monthly support  
37 actually received by such dependent from the worker during the twelve  
38 months next preceding the occurrence of the injury, but the total

1 payment to all dependents in any case shall not exceed the lesser of  
2 sixty-five percent of the wages of the deceased worker at the time of  
3 his or her death or the applicable percentage of the average monthly  
4 wage in the state as defined in RCW 51.08.018 as follows:

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

10 If any dependent is under the age of eighteen years at the time  
11 of the occurrence of the injury, the payment to such dependent shall  
12 cease when such dependent reaches the age of eighteen years except  
13 such payments shall continue until the dependent reaches age twenty-  
14 three while permanently enrolled at a full time course in an  
15 accredited school. The payment to any dependent shall cease if and  
16 when, under the same circumstances, the necessity creating the  
17 dependency would have ceased if the injury had not happened.

18 (6) For claims filed prior to July 1, 1986, if the injured worker  
19 dies during the period of permanent total disability, whatever the  
20 cause of death, leaving a surviving spouse, or child, or children,  
21 the surviving spouse or child or children shall receive benefits as  
22 if death resulted from the injury as provided in subsections (2)  
23 through (4) of this section. Upon remarriage or death of such  
24 surviving spouse, the payments to such child or children shall be  
25 made as provided in subsection (2) of this section when the surviving  
26 spouse of a deceased worker remarries.

27 (7) For claims filed on or after July 1, 1986, every worker who  
28 becomes eligible for permanent total disability benefits shall elect  
29 an option as provided in RCW 51.32.067.

30 **Sec. 470.** RCW 51.32.185 and 2019 c 133 s 1 are each amended to  
31 read as follows:

32 (1)(a) In the case of firefighters as defined in RCW  
33 41.26.030(~~((+17))~~) (14) (a), (b), (c), and (~~((+h))~~) (e) or section  
34 303(17) (a), (b), (c), and (h) of this act who are covered under this  
35 title and firefighters, including supervisors, employed on a full-  
36 time, fully compensated basis as a firefighter of a private sector  
37 employer's fire department that includes over fifty such

1 firefighters, and public employee fire investigators, there shall  
2 exist a prima facie presumption that: (i) Respiratory disease; (ii)  
3 any heart problems, experienced within seventy-two hours of exposure  
4 to smoke, fumes, or toxic substances, or experienced within twenty-  
5 four hours of strenuous physical exertion due to firefighting  
6 activities; (iii) cancer; and (iv) infectious diseases are  
7 occupational diseases under RCW 51.08.140.

8 (b) In the case of firefighters as defined in RCW  
9 41.26.030(~~((17))~~) (14) (a), (b), (c), and (~~((h))~~) (e) or section  
10 303(17) (a), (b), (c), and (h) of this act and firefighters,  
11 including supervisors, employed on a full-time, fully compensated  
12 basis as a firefighter of a private sector employer's fire department  
13 that includes over fifty such firefighters, and law enforcement  
14 officers as defined in RCW 41.26.030(~~((19))~~) (16) (b), (c), and  
15 (~~((e))~~) (d) or section 303(19) (b), (c), and (e) of this act, who are  
16 covered under this title, there shall exist a prima facie presumption  
17 that posttraumatic stress disorder is an occupational disease under  
18 RCW 51.08.140.

19 (c) In the case of law enforcement officers as defined in RCW  
20 41.26.030(~~((19))~~) (16) (b), (c), and (~~((e))~~) (d) or section 303(19)  
21 (b), (c), and (e) of this act who are covered under Title 51 RCW,  
22 there shall exist a prima facie presumption that: (i) Any heart  
23 problems, experienced within seventy-two hours of exposure to smoke,  
24 fumes, or toxic substances, or experienced within twenty-four hours  
25 of strenuous physical exertion in the line of duty; and (ii)  
26 infectious diseases are occupational diseases under RCW 51.08.140.

27 (d) This presumption of occupational disease established in (a),  
28 (b), and (c) of this subsection may be rebutted by a preponderance of  
29 the evidence. Such evidence may include, but is not limited to, use  
30 of tobacco products, physical fitness and weight, lifestyle,  
31 hereditary factors, and exposure from other employment or  
32 nonemployment activities.

33 (2) The presumptions established in subsection (1) of this  
34 section shall be extended to an applicable member following  
35 termination of service for a period of three calendar months for each  
36 year of requisite service, but may not extend more than sixty months  
37 following the last date of employment.

38 (3)(a) The presumption established in subsection (1)(a)(iii) of  
39 this section shall only apply to any active or former firefighter or  
40 fire investigator who:

1 (i) Has cancer that develops or manifests itself after the  
2 firefighter or fire investigator has served at least ten years; and

3 (ii) (A) Was given a qualifying medical examination upon becoming  
4 a firefighter or fire investigator that showed no evidence of cancer;  
5 or

6 (B) (I) For a firefighter or fire investigator who became a  
7 firefighter or fire investigator on or after July 28, 2019, the  
8 employer did not provide a qualifying medical examination upon  
9 becoming a firefighter or fire investigator; or

10 (II) For a firefighter or fire investigator who became a  
11 firefighter or fire investigator before July 28, 2019, the employer  
12 did not provide a qualifying medical examination upon becoming a  
13 firefighter or fire investigator and the employer provides a  
14 qualifying medical examination on or before July 1, 2020. If a  
15 firefighter or fire investigator described in this subsection  
16 (3) (a) (ii) (B) (II) did not receive a qualifying medical examination  
17 before July 1, 2020, or is diagnosed with a cancer listed in (b) of  
18 this subsection at the time of the qualifying medical examination  
19 under this subsection (3) (a) (ii) (B) (II) and otherwise meets the  
20 requirements of this section, the presumption established in  
21 subsection (1) (a) (iii) of this section applies.

22 (b) The presumption established in subsection (1) (a) (iii) of this  
23 section shall only apply to the following cancers: Prostate cancer  
24 diagnosed prior to the age of fifty, primary brain cancer, malignant  
25 melanoma, leukemia, non-Hodgkin's lymphoma, bladder cancer, ureter  
26 cancer, colorectal cancer, multiple myeloma, testicular cancer,  
27 kidney cancer, mesothelioma, stomach cancer, nonmelanoma skin cancer,  
28 breast cancer in women, and cervical cancer.

29 (4) The presumption established in subsection (1) (a) (iv) and  
30 (c) (ii) of this section shall be extended to any firefighter, fire  
31 investigator, or law enforcement officer who has contracted any of  
32 the following infectious diseases: Human immunodeficiency virus/  
33 acquired immunodeficiency syndrome, all strains of hepatitis,  
34 meningococcal meningitis, or mycobacterium tuberculosis.

35 (5) The presumption established in subsection (1) (b) of this  
36 section only applies to active or former firefighters as defined in  
37 RCW 41.26.030 ~~((17))~~ (14) (a), (b), (c), and ~~((h))~~ (e) or section  
38 303(17) (a), (b), (c), and (h) of this act and firefighters,  
39 including supervisors, employed on a full-time, fully compensated  
40 basis as a firefighter of a private sector employer's fire department

1 that includes over fifty such firefighters, and law enforcement  
2 officers as defined in RCW 41.26.030(~~((19))~~) (16) (b), (c), and  
3 (~~((e))~~) (d) or section 303(19) (b), (c), and (e) of this act who have  
4 posttraumatic stress disorder that develops or manifests itself after  
5 the individual has served at least ten years.

6 (6) If the employer does not provide the psychological exam as  
7 specified in RCW 51.08.142 and the employee otherwise meets the  
8 requirements for the presumption established in subsection (1)(b) of  
9 this section, the presumption applies.

10 (7) Beginning July 1, 2003, this section does not apply to a  
11 firefighter, fire investigator, or law enforcement officer who  
12 develops a heart or lung condition and who is a regular user of  
13 tobacco products or who has a history of tobacco use. The department,  
14 using existing medical research, shall define in rule the extent of  
15 tobacco use that shall exclude a firefighter, fire investigator, or  
16 law enforcement officer from the provisions of this section.

17 (8) For purposes of this section, "firefighting activities" means  
18 fire suppression, fire prevention, fire investigation, emergency  
19 medical services, rescue operations, hazardous materials response,  
20 aircraft rescue, and training and other assigned duties related to  
21 emergency response.

22 (9)(a) When a determination involving the presumption established  
23 in this section is appealed to the board of industrial insurance  
24 appeals and the final decision allows the claim for benefits, the  
25 board of industrial insurance appeals shall order that all reasonable  
26 costs of the appeal, including attorney fees and witness fees, be  
27 paid to the firefighter, fire investigator, or law enforcement  
28 officer, or his or her beneficiary by the opposing party.

29 (b) When a determination involving the presumption established in  
30 this section is appealed to any court and the final decision allows  
31 the claim for benefits, the court shall order that all reasonable  
32 costs of the appeal, including attorney fees and witness fees, be  
33 paid to the firefighter, fire investigator, or law enforcement  
34 officer, or his or her beneficiary by the opposing party.

35 (c) When reasonable costs of the appeal must be paid by the  
36 department under this section in a state fund case, the costs shall  
37 be paid from the accident fund and charged to the costs of the claim.

38 (10)(a) The director must create an advisory committee on  
39 occupational disease presumptions. The purposes of the advisory  
40 committee are to review scientific evidence and to make

1 recommendations to the legislature on additional diseases or  
2 disorders for inclusion under this section.

3 (b) (i) The advisory committee shall be composed of five voting  
4 members, appointed by the director as follows:

5 (A) Two epidemiologists;

6 (B) Two preventive medicine physicians; and

7 (C) One industrial hygienist.

8 (ii) The research director of the department's safety and health  
9 assessment and research for prevention program shall serve as the  
10 advisory committee nonvoting chair.

11 (iii) Members serve for a term of four years and may be  
12 reappointed. Members shall not be compensated for their work on the  
13 advisory committee. As a condition of appointment, voting members and  
14 the chair must have no past or current financial or personal  
15 conflicts of interest related to the advisory committee activities.  
16 Voting members of the advisory committee may not be current employees  
17 of the department.

18 (c) The chair or ranking member of the appropriate committee or  
19 committees of the legislature may initiate a request for the advisory  
20 committee to review scientific evidence and to make recommendations  
21 to the legislature on specific disorders or diseases, or specific  
22 occupations, for inclusion under this section by notifying the  
23 director.

24 (d) The process of developing an advisory committee  
25 recommendation must include a thorough review of the scientific  
26 literature on the disease or disorder, relevant exposures, and  
27 strength of the association between the specific occupations and the  
28 disease or disorder proposed for inclusion in this section. The  
29 advisory committee must give consideration to the relevance, quality,  
30 and quantity of the literature and data. The advisory committee may  
31 consult nationally recognized experts or subject matter experts in  
32 developing its recommendations. The advisory committee must provide a  
33 recommendation to the legislature within the earlier of one hundred  
34 eighty days of the request or when the advisory committee reaches a  
35 consensus recommendation.

36 (e) Each recommendation must include a written description of the  
37 scientific evidence and supporting information relied upon to assess  
38 the causal relationship between the occupation and health condition  
39 proposed for inclusion under this section. Estimates of the number of  
40 Washington workers at risk, the prevalence of the disease or

1 disorder, and the medical treatment and disability costs should, if  
2 available, be included with the recommendation.

3 (f) The recommendation must be made by a majority of advisory  
4 committee's voting members. Any member of the advisory committee may  
5 provide a written dissent as an appendix to the committee's  
6 recommendation.

7 (g) The department's safety and health assessment and research  
8 for prevention program shall provide organizational and scientific  
9 support to the advisory committee. Scientific support must include  
10 for consideration of the advisory committee preliminary written  
11 reviews of the scientific literature on the disease and disorder,  
12 relevant exposures, and strength of the association between the  
13 specific occupations and the health condition or disorders proposed  
14 for inclusion in this section.

15 **Sec. 471.** RCW 72.72.060 and 1983 c 279 s 5 are each amended to  
16 read as follows:

17 The state shall reimburse cities and counties for their costs  
18 incurred under chapter 41.26 or 41.--- (the new chapter created in  
19 section 504 of this act) RCW if the costs are the direct result of  
20 physical injuries sustained in the implementation of a contingency  
21 plan adopted under RCW 72.02.150 and if reimbursement is not  
22 precluded by the following provisions: If the secretary of  
23 corrections identifies in the contingency plan the prison walls or  
24 other perimeter of the secured area, then reimbursement will not be  
25 made unless the injuries occur within the walls or other perimeter of  
26 the secured area. If the secretary of corrections does not identify  
27 prison walls or other perimeter of the secured area, then  
28 reimbursement shall not be made unless the injuries result from  
29 providing assistance, requested by the secretary of corrections or  
30 the secretary's designee, which is beyond the description of the  
31 assistance contained in the contingency plan. In no case shall  
32 reimbursement be made when the injuries result from conduct which  
33 either is not requested by the secretary of corrections or the  
34 secretary's designee, or is in violation of orders by superiors of  
35 the local law enforcement agency.

36 **PART V**  
37 **MISCELLANEOUS**



1        NEW SECTION.    **Sec. 501.**    REPEALER. The following acts or parts of  
2 acts are each repealed:

3        (1) RCW 41.26.005 (Provisions applicable to "plan 1" and "plan  
4 2.") and 1992 c 72 s 2, 1991 c 35 s 12, 1989 c 273 s 10, 1985 c 102 s  
5 5, 1979 ex.s. c 249 s 1, & 1977 ex.s. c 294 s 18;

6        (2) RCW 41.26.035 ("Minimum medical and health standards"  
7 defined) and 1991 c 35 s 14 & 1971 ex.s. c 257 s 2;

8        (3) RCW 41.26.045 (Minimum medical and health standards) and 2012  
9 c 117 s 40, 1979 ex.s. c 249 s 3, 1977 ex.s. c 294 s 20, 1974 ex.s. c  
10 120 s 8, & 1971 ex.s. c 257 s 3;

11       (4) RCW 41.26.046 (Minimum medical and health standards—Board to  
12 adopt—Publication and distribution—Employer certification  
13 procedures) and 2012 c 117 s 41, 1987 c 418 s 2, 1977 ex.s. c 294 s  
14 21, 1974 ex.s. c 120 s 12, 1972 ex.s. c 131 s 2, & 1971 ex.s. c 257 s  
15 4;

16       (5) RCW 41.26.047 (Minimum medical and health standards—  
17 Exemptions—Employer may adopt higher standards) and 2012 c 117 s 42,  
18 1972 ex.s. c 131 s 3, & 1971 ex.s. c 257 s 5;

19       (6) RCW 41.26.075 (Provisions applicable to plan 1) and 1992 c 72  
20 s 3 & 1991 c 35 s 101;

21       (7) RCW 41.26.080 (Funding total liability of plan 1 system) and  
22 2007 c 492 s 8, 2000 2nd sp.s. c 1 s 907, 1991 c 35 s 17, 1989 c 273  
23 s 13, & 1969 ex.s. c 209 s 8;

24       (8) RCW 41.26.090 (Retirement for service) and 1991 sp.s. c 11 s  
25 4;

26       (9) RCW 41.26.100 (Allowance on retirement for service) and 2006  
27 c 350 s 1, 1991 c 343 s 16, 1974 ex.s. c 120 s 3, 1972 ex.s. c 131 s  
28 7, 1971 ex.s. c 257 s 9, 1970 ex.s. c 6 s 5, & 1969 ex.s. c 209 s 10;

29       (10) RCW 41.26.105 (Purchase of actuarially equivalent life  
30 annuity benefit upon retirement—Purchase by past retirees) and 2016 c  
31 222 s 2;

32       (11) RCW 41.26.110 (Disability boards authorized—Composition—  
33 Terms—Reimbursement for travel expenses—Duties) and 2020 c 107 s 7;

34       (12) RCW 41.26.115 (Director of retirement systems to adopt rules  
35 governing disability boards—Remand of orders not in accordance with  
36 rules) and 1981 c 294 s 1;

37       (13) RCW 41.26.120 (Retirement for disability incurred in the  
38 line of duty) and 1991 c 35 s 19, 1986 c 176 s 5, 1985 c 102 s 2,

1 1981 c 294 s 2, 1974 ex.s. c 120 s 10, 1972 ex.s. c 131 s 8, 1970  
2 ex.s. c 6 s 7, & 1969 ex.s. c 209 s 12;

3 (14) RCW 41.26.125 (Retirement for disability not incurred in the  
4 line of duty) and 1986 c 176 s 6 & 1985 c 102 s 3;

5 (15) RCW 41.26.130 (Allowance on retirement for disability) and  
6 1991 c 35 s 20, 1987 c 185 s 11, 1981 c 294 s 3, 1970 ex.s. c 6 s 8,  
7 & 1969 ex.s. c 209 s 13;

8 (16) RCW 41.26.135 (Cessation of disability—Determination) and  
9 1985 c 103 s 1;

10 (17) RCW 41.26.140 (Reexaminations of disability beneficiaries—  
11 Reentry—Appeal) and 1991 c 35 s 21, 1985 c 103 s 2, 1981 c 294 s 4,  
12 1974 ex.s. c 120 s 4, 1970 ex.s. c 6 s 9, & 1969 ex.s. c 209 s 14;

13 (18) RCW 41.26.150 (Sickness or disability benefits—Medical  
14 services) and 2013 c 23 s 70, 1992 c 22 s 3, 1991 c 35 s 22, 1987 c  
15 185 s 12, 1983 c 106 s 23, 1974 ex.s. c 120 s 11, 1971 ex.s. c 257 s  
16 10, 1970 ex.s. c 6 s 10, 1969 ex.s. c 219 s 4, & 1969 ex.s. c 209 s  
17 15;

18 (19) RCW 41.26.160 (Death benefits—Duty or military service  
19 connected) and 2009 c 226 s 1, 2005 c 62 s 1, 2002 c 158 s 1, 1999 c  
20 134 s 2, & 1991 sp.s. c 11 s 5;

21 (20) RCW 41.26.161 (Death benefits—Nonduty connected) and 2005 c  
22 62 s 2, 2002 c 158 s 2, & 1999 c 134 s 3;

23 (21) RCW 41.26.162 (Ex spouse qualifying as surviving spouse) and  
24 2005 c 62 s 3, 2002 c 158 s 3, & 1991 sp.s. c 12 s 2;

25 (22) RCW 41.26.164 (Optional reduced retirement allowance—  
26 Continues for spouse otherwise ineligible for survivor benefits) and  
27 2016 c 120 s 1, 2005 c 67 s 1, & 2002 c 158 s 4;

28 (23) RCW 41.26.170 (Refund of contributions on discontinuance of  
29 service—Reentry) and 1994 c 197 s 6, 1991 c 35 s 24, 1970 ex.s. c 6 s  
30 14, & 1969 ex.s. c 209 s 22;

31 (24) RCW 41.26.190 (Credit for military service) and 1991 c 35 s  
32 26, 1970 ex.s. c 6 s 13, & 1969 ex.s. c 209 s 18;

33 (25) RCW 41.26.192 (Credit for service under prior pension system  
34 —Restoration of withdrawn contributions) and 1994 c 197 s 7 & 1992 c  
35 157 s 1;

36 (26) RCW 41.26.194 (Credit for service under prior pension system  
37 —Service not covered under prior system) and 1994 c 197 s 8 & 1992 c  
38 157 s 2;

1 (27) RCW 41.26.195 (Transfer of service credit from other  
2 retirement system—Irrevocable election allowed) and 2010 c 260 s 1,  
3 2007 c 492 s 9, 2003 c 294 s 2, & 1997 c 122 s 1;

4 (28) RCW 41.26.197 (Service credit for paid leave of absence—  
5 Application to elected officials of labor organizations) and 1993 c  
6 95 s 3;

7 (29) RCW 41.26.199 (Purchase of additional service credit—Costs—  
8 Rules) and 2006 c 214 s 5;

9 (30) RCW 41.26.200 (Appeal to director of retirement systems) and  
10 1981 c 294 s 5, 1974 ex.s. c 120 s 6, 1971 ex.s. c 257 s 13, 1970  
11 ex.s. c 6 s 11, & 1969 ex.s. c 209 s 16;

12 (31) RCW 41.26.211 (Notice for hearing required prior to  
13 petitioning for judicial review) and 1984 c 184 s 16, 1981 c 294 s 6,  
14 & 1969 ex.s. c 209 s 19;

15 (32) RCW 41.26.221 (Hearing—Conduct) and 1984 c 184 s 17, 1981 c  
16 294 s 7, & 1969 ex.s. c 209 s 20;

17 (33) RCW 41.26.240 (Increases or decreases in retirement  
18 allowances to be determined by department in accordance with consumer  
19 price index) and 1991 c 35 s 27, 1974 ex.s. c 120 s 13, 1970 ex.s. c  
20 6 s 16, & 1969 ex.s. c 209 s 24;

21 (34) RCW 41.26.250 (Increase in presently payable benefits for  
22 service or disability authorized) and 1975 1st ex.s. c 178 s 3, 1974  
23 ex.s. c 190 s 3, 1970 ex.s. c 37 s 2, & 1969 ex.s. c 209 s 34;

24 (35) RCW 41.26.260 (Increase in certain presently payable death  
25 benefits authorized) and 1974 ex.s. c 190 s 4 & 1969 ex.s. c 209 s  
26 35;

27 (36) RCW 41.26.270 (Declaration of policy respecting benefits for  
28 injury or death—Civil actions abolished) and 1989 c 12 s 13, 1987 c  
29 185 s 13, 1985 c 102 s 4, & 1971 ex.s. c 257 s 14;

30 (37) RCW 41.26.281 (Cause of action for injury or death, when)  
31 and 1991 c 35 s 28 & 1971 ex.s. c 257 s 15;

32 (38) RCW 41.26.291 (Lump sum defined benefit—Payable January 31,  
33 2023) and 2022 c 168 s 1;

34 (39) RCW 41.26.3901 (Severability—1969 ex.s. c 209) and 1969  
35 ex.s. c 209 s 42;

36 (40) RCW 41.26.3902 (Act to control inconsistencies) and 1969  
37 ex.s. c 209 s 43;

38 (41) RCW 41.26.3903 (Effective date—1969 ex.s. c 209) and 1969  
39 ex.s. c 209 s 45; and

1 (42) RCW 41.26.410 (Provisions applicable to plan 2) and 1991 c  
2 35 s 29 & 1977 ex.s. c 294 s 2.

3 NEW SECTION. **Sec. 502.** SAVINGS. The repeals in section 501 of  
4 this act do not affect any existing right acquired or liability or  
5 obligation incurred under the statutes repealed or under any rule or  
6 order adopted under those statutes nor do they affect any proceeding  
7 instituted under them. Rules adopted by the department of retirement  
8 systems relating to plan 1 of the law enforcement officers' and  
9 firefighters' retirement system under chapter 41.26 RCW shall  
10 continue in effect and apply to the restated law enforcement  
11 officers' and firefighters' retirement system under chapter 41.---  
12 RCW (the new chapter created in section 504 of this act) unless  
13 expressly inconsistent therewith and until repealed or superseded.

14 NEW SECTION. **Sec. 503.** NONSEVERABILITY. Sections 101 through  
15 108 of this act are not severable, and if any provision of those  
16 sections is held invalid by a court of competent jurisdiction, this  
17 entire act is null and void.

18 NEW SECTION. **Sec. 504.** LEGISLATIVE DIRECTIVE. Sections 101  
19 through 107, 109, and 301 through 348 of this act constitute a new  
20 chapter in Title 41 RCW.

21 **Sec. 505.** RCW 41.45.230 and 2021 c 334 s 966 are each amended to  
22 read as follows:

23 The pension funding stabilization account is created in the state  
24 treasury. Moneys in the account may be spent only after  
25 appropriation. Expenditures from the account may be used only for  
26 payment of state government employer contributions for members of the  
27 public employees' retirement system, the teachers' retirement system,  
28 the school employees' retirement system, and the public safety  
29 employees' retirement system, and during the ((2019-2021 and  
30 2021-2023 fiscal biennia for the judicial retirement system))  
31 2027-2029 fiscal biennium the legislature may direct the state  
32 treasurer to make transfers of moneys in the pension funding  
33 stabilization account into the state general fund. The account may  
34 not be used to pay for any new benefit or for any benefit increase  
35 that takes effect after July 1, 2005. An increase that is provided in  
36 accordance with a formula that is in existence on July 1, 2005, is

1 not considered a benefit increase for this purpose. Moneys in the  
2 account shall be for the exclusive use of the specified retirement  
3 systems and may be invested by the state treasurer pursuant to RCW  
4 43.84.080. For purposes of RCW 43.135.034, expenditures from the  
5 pension funding stabilization account shall not be considered a state  
6 program cost shift from the state general fund to another account.

7 NEW SECTION. **Sec. 506.** EFFECTIVE DATE. Except for sections 108,  
8 109, and 464 of this act, this act takes effect June 30, 2029.

9 NEW SECTION. **Sec. 507.** Section 463 of this act expires July 1,  
10 2030.

11 NEW SECTION. **Sec. 508.** Section 464 of this act takes effect  
12 July 1, 2030.

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