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CHAPTER 257

[Substitute Senate Bill No. 354]

LAW ENFORCEMENT OFFICERS AND FIRE FIGHTERS

AN ACT Relating to law enforcement officers and fire fighters; amending section 3, chapter 209, Laws of 1969 ex. sess. as amended by section 1, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.030; amending section 5, chapter 209, Laws of 1969 ex. sess. as amended by section 3, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.050; amending section 9, chapter 209, Laws of 1969 ex. sess. as amended by section 4, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.090; amending section 10, chapter 209, Laws of 1969 ex. sess. as amended by section 5, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.100; amending section 15, chapter 209, Laws of 1969 ex. sess. as last amended by section 10, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.150; amending section 17, chapter 209, Laws of 1969 ex. sess. as amended by section 12, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.160; amending section 23, chapter 209, Laws of 1969 ex. sess. as amended by section 15, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.180; amending section 16, chapter 209, Laws of 1969 ex. sess. as amended by section 11, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.200; amending section 3, chapter 184, Laws of 1951 as last amended by section 1, chapter 5, Laws of 1967 and RCW 41.48.030; amending section 5, chapter 184, Laws of 1951 as amended by section 5, chapter 4, Laws of 1955 ex. sess. and RCW 41.48.050; adding new sections to chapter 209, Laws of 1969 ex. sess. and to chapter 41.26 RCW; adding a new section to chapter 41.16 RCW; adding a new section to chapter 41.18 RCW; creating a new section; and declaring an emergency.

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

NEW SECTION. Section 1. It is the purpose of this act to provide minimum medical and health standards for membership coverage into the Washington law enforcement officers' and fire fighters' retirement system act, for the improvement of the public service, and to safeguard the integrity and actuarial soundness of their pension systems, and to improve their retirement and pension systems and related provisions.

NEW SECTION. Sec. 2. There is added to chapter 41.26 RCW a new section to read as follows:

The term "minimum medical and health standards" means minimum medical and health standards adopted by the retirement board pursuant to this act.

NEW SECTION. Sec. 3. There is added to chapter 41.26 RCW a new section to read as follows:

After the effective date of this act no law enforcement officer or fire fighter, including sheriff, may become eligible for coverage in the pension system established by this chapter, until he has met and has been certified as having met minimum medical and health standards: PROVIDED, That in cities and towns having not more than two law enforcement officers and/or not more than two fire fighters and if one or more of such persons do not meet the minimum medical and health standards as required by the provisions of this 1971 act, then such person or persons may join any other pension system that the city has available for its other employees.

NEW SECTION. Sec. 4. There is added to chapter 41.26 RCW a new section to read as follows:

By July 31, 1971, the retirement board shall adopt minimum medical and health standards for membership coverage into the Washington law enforcement officers' and fire fighters' retirement system act. In adopting such standards the retirement board shall consider existing standards recommended by the international association of chiefs of police and the international association of fire fighters, and shall adopt equal or higher standards, together with appropriate standards and procedures to insure uniform compliance with this act. The standards when adopted shall be published and distributed to each employer, and each employer shall adopt certification procedures and such other procedures as are required to insure that no law enforcement officer, fire fighter, or sheriff, receives membership coverage unless and until he has actually met minimum medical and health standards; and to further insure compliance with section 3 of this act.

NEW SECTION. Sec. 5. There is added to chapter 41.26 RCW a new section to read as follows:

Nothing in sections 2 through 4 of this 1971 amendatory act shall apply to any fire fighters or law enforcement officers who are employed as such on the effective date of this act, as long as they continue in such employment; nor to promotional appointments after becoming a member in the police or fire department of any employer nor to the reemployment of a law enforcement officer or fire fighter by the same or a different employer within six months after the termination of his employment, nor to the reinstatement of a law enforcement officer or fire fighter who was on military or disability

leave, disability retirement status, or leave of absence on the effective date of this act. Nothing in this act shall be deemed to prevent any employer from adopting higher medical and health standards than those which are adopted by the retirement board.

Sec. 6. Section 3, chapter 209, Laws of 1969 ex. sess. as amended by section 1, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.030 are each amended to read as follows:

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

(1) "Retirement system" means the "Washington law enforcement officers' and fire fighters' retirement system" provided herein.

(2) "Employer" means the legislative authority of any city, town, county or district or the elected officials of any municipal corporation that employs any law enforcement officer and/or fire fighter and shall include any authorized association of such municipalities.

(3) "Law enforcement officer" means any person who is serving on a full time, fully compensated basis as a county sheriff or deputy sheriff, including sheriffs or deputy sheriffs serving under a different title pursuant to a county charter, city police officer, or town marshal or deputy marshal: PROVIDED, That the term "city police officer" shall only include such regular, full time personnel of a city police department as have been appointed to offices, positions or ranks in the department which have been specifically created or otherwise expressly provided for and designated by city charter provision or by ordinance enacted by the legislative body of the city.

(4) "Fire fighter" means any person who is serving on a full time, fully compensated basis as a member of a fire department by an employer and who has passed a civil service examination for fire fighter, or fireman if this title is used by the department, and who is actively employed as such; and shall include anyone who is actively employed as a full time fire fighter where the fire department does not have a civil service examination; this term shall also include supervisory fire fighter personnel; and shall also include any full time executive secretary of an association of fire protection districts authorized under chapter 52.08 RCW. The term "fire fighter" also includes any person who is serving on a full time, fully compensated basis for an employer, as a fire dispatcher, in a department in which, on March 1, 1970, a dispatcher was required to be or to have passed a civil service examination for fireman or fire fighter. The term "fire fighter" also includes any person who on March 1, 1970, was employed on a full time, fully compensated basis by an employer, and who on the date this 1971 amendatory act takes effect is making retirement contributions under the provisions of

chapter 41.16 or 41.18 RCW.

(5) "Retirement board" means the Washington public employees' retirement system board established in chapter 41.40 RCW, including two members of the retirement system and two employer representatives as provided for in RCW 41.26.050.

(6) "Surviving spouse" means the surviving widow or widower of a member. The word shall not include the divorced spouse of a member.

(7) "Child" or "children" whenever used in this chapter means every natural born child, posthumous child, child legally adopted or made a legal ward of a member prior to the date benefits are payable under this chapter, stepchild and illegitimate child legitimized prior to the date any benefits are payable under this chapter, all while ((under the age of eighteen years and)) unmarried, and either under the age of eighteen years or mentally or physically handicapped as determined by the retirement board except a handicapped person in the full time care of a state institution. A person shall also be deemed to be a child up to and including the age of twenty years and eleven months while attending any high school, college, or vocational or other educational institution accredited or approved by the state of Washington.

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

(9) "Retirement fund" means the "Washington law enforcement officers' and fire fighters' retirement system fund" as provided for herein.

(10) "Employee" means any law enforcement officer or fire fighter as defined in subsections (3) and (4) above.

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

(12) "Final average salary" means (a) for a member holding the same position or rank for a minimum of twelve months preceding the date of retirement, the basic salary attached to such same position or rank at time of retirement; (b) for any other member, including a civil service member who has not served a minimum of twelve months in the same position or rank preceding the date of retirement, the average of the greatest basic salaries payable to such member during any consecutive twenty-four month period within such member's last ten years of service for which service credit is allowed, computed by dividing the total basic salaries payable to such member during the

selected twenty-four month period by twenty-four; (c) in the case of disability of any member, the basic salary payable to such member at the time of disability retirement.

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

(14) "Service" means all periods of employment for an employer as a fire fighter or law enforcement officer, for which compensation is paid, together with periods of suspension not exceeding thirty days in duration. For the purposes of this chapter service shall also include service in the armed forces of the United States as provided in RCW 41.26.190. Credit shall be allowed for all months of service rendered by a member from and after his initial commencement of employment as a fire fighter or law enforcement officer, during which he worked for ten days or more, or the equivalent thereof, or was on disability leave or disability retirement. Only months of service shall be counted in the computation of any retirement allowance or other benefit provided for in this chapter. In addition to the foregoing, for members retiring after the effective date of this 1971 amendatory act who were employed under the coverage of a prior pension act before March 1, 1970, "service" shall include (a) such military service not exceeding five years as was creditable to the member as of March 1, 1970, under his particular prior pension act, and (b) such other periods of service as were then creditable to a particular member under the provisions of RCW 41.18.165, 41.20.160 or 41.20.170. ((No credit shall)) However, in no event shall credit be allowed for any service rendered prior to March 1, 1970, where the member at the time of rendition of such service was employed in a position covered by a prior pension act, unless such service, at the time credit is claimed therefor, is also creditable under the provisions of such prior act: PROVIDED, That if such member's prior service is not creditable due to the withdrawal of his contributions plus accrued interest thereon from a prior pension system, such member shall be credited with such prior service, as a law enforcement officer or fire fighter, by paying to the Washington law enforcement officers' and fire fighters' retirement system, on or before March 1, 1975, an amount which is equal to that which was withdrawn from the prior system by such member, as a law enforcement officer or fire fighter: PROVIDED FURTHER, That if such member's prior service is not creditable because, although employed in a position covered by a prior pension act, such member had not yet become a member of the pension system governed by such act, such member shall be credited with such prior service as a law enforcement

officer or fire fighter, by paying to the Washington law enforcement officers' and fire fighters' retirement system, on or before March 1, 1975, an amount which is equal to the employer's contributions which would have been required under the prior act when such service was rendered if the member had been a member of such system during such period.

(15) "Accumulated contributions" means the employee's contributions made by a member plus accrued interest credited thereon.

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

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

(18) "Disability board" means either the county disability board or the city disability board established in RCW 41.26.110.

(19) "Disability leave" means the period of six months or any portion thereof during which a member is on leave at an allowance equal to his full salary prior to the commencement of disability retirement.

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

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

(22) "Medical services" shall include the following as minimum services to be provided. Reasonable charges for these services shall be paid in accordance with RCW 41.26.150.

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

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

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

(b) Other medical expenses: The following charges are considered "other medical expenses", provided that they have not been

considered as "hospital expenses".

(i) The fees of the following:

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

(B) An osteopath licensed under the provisions of chapter 18.57 RCW;

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

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

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

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

(B) Diagnostic x-ray and laboratory examinations;

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

(D) Anesthesia and oxygen;

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

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

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

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

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

(J) Physical therapy by a registered physical therapist;

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

Sec. 7. Section 5, chapter 209, Laws of 1969 ex. sess. as amended by section 3, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.050 are each amended to read as follows:

The retirement board shall be composed of the members of the public employees' retirement board established in chapter 41.40 RCW. Their terms of office shall be the same as their term of office with the public employees' retirement board. The members of the retirement system shall elect two additional members to the board who shall be members of the Washington law enforcement officers' and fire fighters' retirement system. ((These additional board members shall serve on the retirement board only for the purposes of administering this chapter:)) One board member shall be a fire fighter and shall be elected by the fire fighter members and one shall be a law enforcement officer elected by the law enforcement members. ((These

board members shall serve two year terms:)) The first board member elected by the law enforcement officer members shall serve for one year only, the first board member elected by the fire fighters shall serve a two year term, and thereafter both shall serve two years unless they cease to be members of the retirement system. In such case there shall be elected in the same manner another member from the same service to fill out the remaining part of the term. Two additional representatives of counties and cities shall be added to the retirement board. One of these representatives shall be appointed by the Washington state association of counties and the other shall be appointed by the association of Washington cities. In case of a vacancy in these county and city representative positions, a new appointee will be designated by the appropriate organization to fill out the unexpired term. The additional board members shall serve on the retirement board only for the purpose of administering this chapter. These board members shall serve two year terms. All administrative services of this system shall be performed by the director and staff of the public employees' retirement system with the cost of administration as determined by the retirement board charged against the Washington law enforcement officers' and fire fighters' retirement fund as provided in this chapter from funds appropriated for this purpose.

Sec. 8. Section 9, chapter 209, Laws of 1969 ex. sess. as amended by section 4, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.090 are each amended to read as follows:

Retirement of a member for service shall be made by the board as follows:

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

(2) Any member having five or more years of service, who terminates his employment with any employer, may leave his contributions in the fund. Any employee who so elects, upon attaining age fifty, shall be eligible to apply for and receive a service retirement allowance based on his years of service, commencing on the first day following his attainment of age fifty. This section shall also apply to a person who rendered service as a law enforcement officer or fire fighter, as those terms are defined in RCW 41.26.030, on or after July 1, 1969, but who was not employed as a law enforcement officer or fire fighter on March 1, 1970, by reason of his having been elected to a public office. Any member selecting this optional vesting with less than twenty years of service shall not be covered by the provisions of RCW 41.26.150



~~((or))~~, and his survivors shall not be entitled to the benefits of RCW 41.26.160 unless his death occurs after he has attained the age of fifty years. Those members selecting this optional vesting with twenty or more years service shall not be covered by the provisions of RCW 41.26.150 until the attainment of the age of fifty years: PROVIDED, That a member selecting this option who shall die prior to attaining the age of fifty years, shall have paid from the Washington law enforcement officers' and fire fighters' retirement fund, to such member's surviving spouse, if any, otherwise to such beneficiary as the member shall have designated in writing, or if no such designation has been made, to the personal representative of his estate, a lump sum which is equal to the amount of such member's accumulated contributions plus accrued interest: PROVIDED FURTHER, That if the vested member has twenty or more years of service credit the surviving spouse or children shall then become eligible for the benefits of RCW 41.26.160 regardless of his age at the time of his death.

(3) Any member who has attained the age of sixty years shall be retired on the first day of the calendar month next succeeding that in which said member shall have attained the age of sixty and may not thereafter be employed as a law enforcement officer or fire fighter: PROVIDED, That for any member who is elected or appointed to the office of sheriff, his election or appointment shall be considered as a waiver of the age sixty provision for retirement and nonemployment for whatever number of years remain in his present term of office and any succeeding periods for which he may be so elected or appointed: PROVIDED FURTHER, That the provisions of this subsection shall not apply to any member who is employed as a law enforcement officer or fire fighter on March 1, 1970.

Sec. 9. Section 10, chapter 209, Laws of 1969 ex. sess. as amended by section 5, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.100 are each amended to read as follows:

A member upon retirement for service shall receive a monthly retirement allowance computed according to his completed ~~((years of))~~ creditable service, as follows: Five years but under ten years, ~~one-twelfth of~~ one percent of his final average salary for each ~~((year))~~ month of service; ten years but under twenty years, ~~one-twelfth of~~ one and one-half percent of his final average salary for each ~~((year))~~ month of service; and twenty years and over ~~one-twelfth of~~ two percent of his final average salary for each ~~((year))~~ month of service: PROVIDED, That the recipient of a retirement allowance who shall return to service as a law enforcement officer or fire fighter shall be considered to have terminated his retirement status and he shall immediately become a member of the retirement system with the status of membership he had as of the date

of his retirement. Retirement benefits shall be suspended during the period of his return to service and he shall make contributions and receive service credit. Such a member shall have the right to again retire at any time and his retirement allowance shall be recomputed, based upon additional service rendered and any change in final average salary, and shall be paid, one-twelfth of two percent of his final average salary for each additional completed month of service.

Sec. 10. Section 15, chapter 209, Laws of 1969 ex. sess. as last amended by section 10, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.150 are each amended to read as follows:

(1) Whenever any active member, or any member hereafter retired, on account of service, sickness or disability, not caused or brought on by dissipation or abuse, of which the disability board shall be judge, is confined in any hospital or in his home, and whether or not so confined, requires ~~((nursing, care, or attention))~~ medical services, the employer shall pay for such active or retired member the necessary ~~((hospital, care, and nursing expenses))~~ medical services not payable from some other source as provided for in subsection (2). In the case of active or retired fire fighters the employer may make the payments provided for in this section from the firemen's pension fund established pursuant to RCW 41.16.050 where such fund had been established prior to March 1, 1970: PROVIDED, That in the event the pension fund is depleted, the employer shall have the obligation to pay all ~~((retirement))~~ benefits payable under chapters 41.16 and 41.18 RCW: PROVIDED FURTHER, That the disability board in all cases may have the active or retired member suffering from such sickness or disability examined at any time by a licensed physician or physicians, to be appointed by the disability board, for the purpose of ascertaining the nature and extent of the sickness or disability, the physician or physicians to report to the disability board the result of the examination within three days thereafter. Any active or retired member who refuses to submit to such examination or examinations shall forfeit all his rights to benefits under this section for the period of such refusal: PROVIDED ~~((FURTHER))~~, That the disability board shall designate the ~~((hospital and))~~ medical services available to such sick or disabled member.

(2) The medical ~~((benefits))~~ services payable under this section will be reduced by any amount received or eligible to be received by the member under workmen's compensation, social security including the changes incorporated under Public Law 89-97 as now or hereafter amended, insurance provided by another employer, other pension plan, or any other similar source. Failure to apply for coverage if otherwise eligible under the provisions of Public Law 89-97 as now or hereafter amended shall not be deemed a refusal of payment of benefits thereby enabling collection of charges under the

provisions of this chapter.

(3) Upon making such payments as are provided for in subsection (1), the employer shall be subrogated to all rights of the member against any third party who may be held liable for the member's injuries to the extent necessary to recover the amount of payments made by the employer.

(4) Any employer under this chapter, either singly, or jointly with any other such employer or employers through an association thereof as provided for in chapter 48.21 RCW, may provide for all or part of one or more plans of group hospitalization and medical aid insurance to cover any of its employees who are members of the Washington law enforcement officers' and fire fighters' retirement system, and/or retired former employees who were, before retirement, members of said retirement system, through contracts with regularly constituted insurance carriers or with health care service contractors as defined in chapter 48.44 RCW. Benefits payable under any such plan or plans shall be deemed to be amounts received or eligible to be received by the active or retired member under subsection (2) of this section.

Sec. 11. Section 17, chapter 209, Laws of 1969 ex. sess. as amended by section 12, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.160 are each amended to read as follows:

(1) In the event of the death of any member who is in active service, or who has vested under the provisions of section 8 of this 1971 amendatory act with twenty or more years of service, or who is retired, his surviving spouse shall become entitled to receive a monthly allowance equal to fifty percent of his final average salary at the date of death if active, or the amount of retirement allowance the vested member would have received at age fifty, or the amount of the retirement allowance such retired member was receiving at the time of his death if retired for service or disability. The amount of this allowance will be increased five percent of final average salary for each child as defined in RCW 41.26.030 (7), subject to a maximum combined allowance of sixty percent of final average salary.

(2) If at the time of the death of a vested member as provided above or a member retired for service of twenty or more years or a member retired for disability, the surviving spouse has not been lawfully married to ((the)) such member for one year prior to his retirement or separation from service if a vested member, the surviving spouse shall not be eligible to receive the benefits under this section: PROVIDED, That if a member dies as a result of a disability incurred in the line of duty, then if he was married at the time he was disabled, his surviving spouse shall be eligible to receive the benefits under this section.

(3) If there be no surviving spouse eligible to receive

benefits at the time of such member's death, then the child or children of such member shall receive a monthly allowance equal to thirty percent of final average salary for one child and an additional ten percent for each additional child subject to a maximum combined payment, under this subsection, of sixty percent of final average salary. When there cease to be any eligible children as defined in RCW 41.26.030(7), there shall be paid to the legal heirs of said member the excess, if any, of accumulated contributions of said member at the time of his death over all payments made to his survivors on his behalf under this chapter.

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

(5) If a surviving spouse receiving benefits under the provisions of this section thereafter dies or remarries and there are children ((under eighteen years of age)) as defined in RCW 41.26.030(7), as now or hereafter amended, payment to the spouse shall cease and the child or children shall receive the benefits as provided in subsection (3) above.

Sec. 12. Section 23, chapter 209, Laws of 1969 ex. sess. as amended by section 15, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.180 are each amended to read as follows:

The right of a person to a retirement allowance, disability allowance, or death benefit, to the return of accumulated contributions, the retirement, disability or death allowance itself, any optional benefit, any other right accrued or accruing to any person under the provisions of this chapter, and the moneys in the fund created under this chapter, are hereby exempt from any state, county, municipal, or other local tax and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency laws, or any other process of law whatsoever, and shall be unassignable: PROVIDED, That on the written request of any person eligible to receive benefits under this section, the board may deduct from such payments the premiums for life, health, or other insurance. The request on behalf of any child or children shall be made by the legal guardian of such child or children. The board may provide for such persons one or more plans of group insurance, through contracts with regularly constituted insurance carriers or health care service contractors.

Sec. 13. Section 16, chapter 209, Laws of 1969 ex. sess. as amended by section 11, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.200 are each amended to read as follows:

(1) Any person feeling aggrieved by any order or determination of a disability board denying ((an application for)) disability leave

or disability retirement, or canceling a previously granted disability retirement allowance, shall have the right to appeal the said order or determination to the retirement board. The said retirement board shall have no jurisdiction to entertain the appeal unless a notice of appeal is filed with the said retirement board within thirty days following the rendition of the order by the applicable disability board. A copy of the notice of appeal shall be served upon the applicable disability board and, within ninety days thereof, the disability board shall certify its decision and order, together with a transcript of all proceedings in connection therewith, to the retirement board for its review. Upon its review of the record, the retirement board may affirm the order of the disability board or it may remand the case for such further proceedings as it may direct, in accordance with such rules of procedure as the retirement board shall promulgate.

(2) The said appeal authorized by this section shall be governed by the provisions of RCW 41.26.210 and 41.26.220.

NEW SECTION. Sec. 14. There is added to chapter 209, Laws of 1969 ex. sess. and to chapter 41.26 RCW a new section to read as follows:

The legislature of the state of Washington hereby declares that the relationship between members of the law enforcement officers' and fire fighters' retirement system and their governmental employers is similar to that of workmen to their employers and that the sure and certain relief granted by this chapter is desirable, and as beneficial to such law enforcement officers and fire fighters as workmen's compensation coverage is to persons covered by Title 51 RCW. The legislature further declares that removal of law enforcement officers and fire fighters from workmen's compensation coverage under Title 51 RCW necessitates the (1) continuance of sure and certain relief for injuries, which the legislature finds to be accomplished by the provisions of this chapter and (2) protection for the governmental employer from actions at law; and to this end the legislature further declares that the benefits and remedies conferred by this chapter upon law enforcement officers and fire fighters covered hereunder, shall be to the exclusion of any other remedy, proceeding, or compensation for personal injuries, caused by the governmental employer except as otherwise provided by this chapter; and to that end all civil actions and civil causes of actions by such law enforcement officers and fire fighters against their governmental employers for personal injuries are hereby abolished, except as otherwise provided in this chapter.

NEW SECTION. Sec. 15. There is added to chapter 209, Laws of 1969 ex. sess. and to chapter 41.26 RCW a new section to read as follows:

If injury or death results to a member from the intentional or negligent act or omission of his governmental employer, the member, the widow, widower, child, or dependent of the member shall have the privilege to benefit under this chapter and also have cause of action against the governmental employer as otherwise provided by law, for any excess of damages over the amount received or receivable under this chapter.

NEW SECTION. Sec. 16. There is added to chapter 209, Laws of 1969 ex. sess. and to chapter 41.26 RCW a new section to read as follows:

Should any change or error in the records result in any member or beneficiary receiving from the retirement system more or less than he would have been entitled to receive had the records been correct, the retirement board shall correct such error, and, as far as practicable, shall adjust the payment in such a manner that the actuarial equivalent of the benefit to which such member or beneficiary was correctly entitled shall be paid.

NEW SECTION. Sec. 17. There is added to chapter 41.16 RCW a new section to read as follows:

The increased benefits provided by this chapter are hereby declared applicable to all retired firemen who were retired prior to June 8, 1961, for disability whether incurred in the line of duty or otherwise, or their widows, effective July 1st of the first year when such benefits have heretofore or shall hereafter become payable and shall be payable commencing July 1, 1970. The manner of calculating the retroactive benefits payable to individual beneficiaries under chapter 37, Laws of 1970 ex. sess. and this 1971 amendatory act shall be to calculate the amount of benefit being received by such individual beneficiary on July 1, 1969; then to multiply that result times two percent times the number of full years that have elapsed following the retirement of the employee; then to add the result so reached to the said amount being received on July 1, 1969, prior to the statutory increase of that date, which total amount is to be paid each month for the next ensuing year until July 1, at which time an additional two percent shall be added and the process shall be repeated as provided in RCW 41.18.104.

NEW SECTION. Sec. 18. There is added to chapter 41.18 RCW a new section to read as follows:

The increased benefits provided by this chapter are hereby declared applicable to all retired firemen who were retired prior to June 8, 1961, for disability whether incurred in the line of duty or otherwise, or their widows, effective July 1st of the first year when such benefits have heretofore or shall hereafter become payable and shall be payable commencing July 1, 1970. The manner of calculating the retroactive benefits payable to individual beneficiaries under

chapter 37, Laws of 1970 ex. sess. and this 1971 amendatory act shall be to calculate the amount of benefit being received by such individual beneficiary on July 1, 1969; then to multiply that result times two percent times the number of full years that have elapsed following the retirement of the employee; then to add the result so reached to the said amount being received on July 1, 1969, prior to the statutory increase of that date, which total amount is to be paid each month for the next ensuing year until July 1, at which time an additional two percent shall be added and the process shall be repeated as provided in RCW 41.18.104.

Sec. 19. Section 3, chapter 184, Laws of 1951 as last amended by section 1, chapter 5, Laws of 1967 and RCW 41.48.030 are each amended to read as follows:

(1) The governor is hereby authorized to enter on behalf of the state into an agreement with the secretary of health, education, and welfare consistent with the terms and provisions of this chapter, for the purpose of extending the benefits of the federal old-age and survivors insurance system to employees of the state or any political subdivision not members of an existing retirement system, or to members of a retirement system established by the state or by a political subdivision thereof or by an institution of higher learning with respect to services specified in such agreement which constitute "employment" as defined in RCW 41.48.020. Such agreement may contain such provisions relating to coverage, benefits, contributions, effective date, modification and termination of the agreement, administration, and other appropriate provisions as the governor and secretary of health, education, and welfare shall agree upon, but, except as may be otherwise required by or under the social security act as to the services to be covered, such agreement shall provide in effect that--

(a) Benefits will be provided for employees whose services are covered by the agreement (and their dependents and survivors) on the same basis as though such services constituted employment within the meaning of title II of the social security act;

(b) The state will pay to the secretary of the treasury, at such time or times as may be prescribed under the social security act, contributions with respect to wages (as defined in RCW 41.48.020), equal to the sum of the taxes which would be imposed by the federal insurance contributions act if the services covered by the agreement constituted employment within the meaning of that act;

(c) Such agreement shall be effective with respect to services in employment covered by the agreement or modification thereof performed after a date specified therein but in no event may it be effective with respect to any such services performed prior to the first day of the calendar year immediately preceding the calendar

year in which such agreement or modification of the agreement is accepted by the secretary of health, education and welfare.

(d) All services which constitute employment as defined in RCW 41.48.020 and are performed in the employ of the state by employees of the state, shall be covered by the agreement;

(e) All services which (i) constitute employment as defined in RCW 41.48.020, (ii) are performed in the employ of a political subdivision of the state, and (iii) are covered by a plan which is in conformity with the terms of the agreement and has been approved by the governor under RCW 41.48.050, shall be covered by the agreement; and

(f) As modified, the agreement shall include all services described in either paragraph (d) or paragraph (e) of this subsection and performed by individuals to whom section 218(c) (3) (C) of the social security act is applicable, and shall provide that the service of any such individual shall continue to be covered by the agreement in case he thereafter becomes eligible to be a member of a retirement system; and

(g) As modified, the agreement shall include all services described in either paragraph (d) or paragraph (e) of this subsection and performed by individuals in positions covered by a retirement system with respect to which the governor has issued a certificate to the secretary of health, education, and welfare pursuant to subsection (5) of this section.

(h) Law enforcement officers and firemen of each political subdivision of this state who are covered by the Washington Law Enforcement Officers' and Fire Fighters' Retirement System Act (chapter 209, Laws of 1969 ex. sess.) as now in existence or hereafter amended shall constitute a separate "coverage group" for purposes of the agreement entered into under this section and for purposes of section 218 of the social security act. To the extent that the agreement between this state and the federal secretary of health, education, and welfare in existence on the date of adoption of this subsection is inconsistent with this subsection, the governor shall seek to modify the inconsistency.

(2) Any instrumentality jointly created by this state and any other state or states is hereby authorized, upon the granting of like authority by such other state or states, (a) to enter into an agreement with the secretary of health, education, and welfare whereby the benefits of the federal old-age and survivors insurance system shall be extended to employees of such instrumentality, (b) to require its employees to pay (and for that purpose to deduct from their wages) contributions equal to the amounts which they would be required to pay under RCW 41.48.040(1) if they were covered by an agreement made pursuant to subsection (1) of this section, and (c) to



make payments to the secretary of the treasury in accordance with such agreement, including payments from its own funds, and otherwise to comply with such agreements. Such agreement shall, to the extent practicable, be consistent with the terms and provisions of subsection (1) and other provisions of this chapter.

(3) The governor is empowered to authorize a referendum, and to designate an agency or individual to supervise its conduct, in accordance with the requirements of section 218(d) (3) of the social security act, and subsection (4) of this section on the question of whether service in all positions covered by a retirement system established by the state or by a political subdivision thereof should be excluded from or included under an agreement under this chapter. If a retirement system covers positions of employees of the state of Washington, ~~of the ((university of Washington, the state college of Washington and the several colleges of education))~~ institutions of higher learning, and positions of employees of one or more of the political subdivisions of the state, then for the purpose of the referendum as provided herein, there may be deemed to be a separate retirement system with respect to employees of the state, or any one or more of the political subdivisions, or institutions of higher learning ~~((named herein))~~ and the governor shall authorize a referendum upon request of the subdivisions' or institutions' of higher learning governing body: PROVIDED HOWEVER, That if a referendum of state employees generally fails to produce a favorable majority vote then the governor may authorize a referendum covering positions of employees in any state department who are compensated in whole or in part from grants made to this state under title III of the federal social security act: PROVIDED, That any city or town affiliated with the state-wide city employees retirement system organized under chapter 41.44 may at its option agree to a plan submitted by the board of trustees of said state-wide city employees retirement system for inclusion under an agreement under this chapter if the referendum to be held as provided herein indicates a favorable result: PROVIDED FURTHER, That the Teachers' Retirement System be considered one system for the purpose of the referendum except as applied to the several colleges of education. The notice of referendum required by section 218(d) (3) (C) of the social security act to be given to employees shall contain or shall be accompanied by a statement, in such form and such detail as the agency or individual designated to supervise the referendum shall deem necessary and sufficient, to inform the employees of the rights which will accrue to them and their dependents and survivors, and the liabilities to which they will be subject, if their services are included under an agreement under this chapter.

(4) The governor, before authorizing a referendum, shall

require the following conditions to be met:

(a) The referendum shall be by secret written ballot on the question of whether service in positions covered by such retirement system shall be excluded from or included under the agreement between the governor and the secretary of health, education, and welfare provided for in RCW 41.48.030(1);

(b) An opportunity to vote in such referendum shall be given and shall be limited to eligible employees;

(c) Not less than ninety days' notice of such referendum shall be given to all such employees;

(d) Such referendum shall be conducted under the supervision (of the governor or) of an agency or individual designated by the governor;

(e) The proposal for coverage shall be approved only if a majority of the eligible employees vote in favor of including services in such positions under the agreement;

(f) The state legislature, in the case of a referendum affecting the rights and liabilities of state employees covered under the state employees' retirement system and employees under the teachers' retirement system, and in all other cases the local legislative authority or governing body, shall have specifically approved the proposed plan and approved any necessary structural adjustment to the existing system to conform with the proposed plan.

(5) Upon receiving satisfactory evidence that with respect to any such referendum the conditions specified in subsection (4) of this section and section 218(d) (3) of the social security act have been met, the governor shall so certify to the secretary of health, education, and welfare.

(6) If the legislative body of any political subdivision of this state certifies to the governor that a referendum has been held under the terms of RCW 41.48.050(1) (i) and gives notice to the governor of termination of social security for any coverage group of the political subdivision, the governor shall give two years advance notice in writing to the federal department of health, education, and welfare of such termination of the agreement entered into under this section with respect to said coverage group.

Sec. 20. Section 5, chapter 184, Laws of 1951 as amended by section 5, chapter 4, Laws of 1955 ex. sess. and RCW 41.48.050 are each amended to read as follows:

(1) Each political subdivision of the state is hereby authorized to submit for approval by the governor a plan for extending the benefits of title II of the social security act, in conformity with the applicable provisions of such act, to those employees of such political subdivisions who are not covered by an existing pension or retirement system. Each pension or retirement

system established by the state or a political subdivision thereof is hereby authorized to submit for approval by the governor a plan for extending the benefits of title II of the social security act, in conformity with applicable provisions of such act, to members of such pension or retirement system. Each such plan and any amendment thereof shall be approved by the governor if he finds that such plan, or such plan as amended, is in conformity with such requirements as are provided in regulations of the governor, except that no such plan shall be approved unless--

(a) It is in conformity with the requirements of the social security act and with the agreement entered into under RCW 41.48.030;

(b) It provides that all services which constitute employment as defined in RCW 41.48.020 and are performed in the employ of the political subdivision by employees thereof, shall be covered by the plan;

(c) It specifies the source or sources from which the funds necessary to make the payments required by paragraph (a) of subsection (3) and by subsection (4) of this section are expected to be derived and contains reasonable assurance that such sources will be adequate for such purposes;

(d) It provides that in the plan of coverage for members of the state teachers' retirement system or for state employee members of the state employees' retirement system, there shall be no additional cost to or involvement of the state until such plan has received prior approval by the legislature;

(e) It provides for such methods of administration of the plan by the political subdivision as are found by the governor to be necessary for the proper and efficient administration of the plan;

(f) It provides that the political subdivision will make such reports, in such form and containing such information, as the governor may from time to time require and comply with such provisions as the governor or the secretary of health, education, and welfare may from time to time find necessary to assure the correctness and verification of such reports; and

(g) It authorizes the governor to terminate the plan in its entirety, in his discretion, if he finds that there has been a failure to comply substantially with any provision contained in such plan, such termination to take effect at the expiration of such notice and on such conditions as may be provided by regulations of the governor and may be consistent with the provisions of the social security act.

(h) It provides that law enforcement officers and fire fighters of each political subdivision of this state who are covered by the Washington Law Enforcement Officers' and Fire Fighters' Retirement System Act (Chapter 209, Laws of 1969 ex. sess.) as now in

existence or hereafter amended shall constitute a separate "coverage group" for purposes of the plan or agreement entered into under this section and for purposes of section 216 of the social security act. To the extent that the plan or agreement entered into between the state and any political subdivision of this state is inconsistent with this subsection, the governor shall seek to modify the inconsistency.

(1) It provides that the plan or agreement may be terminated by any political subdivision as to any such coverage group upon giving at least two years advance notice in writing to the governor, effective at the end of the calendar quarter specified in the notice. It shall specify that before notice of such termination is given, a referendum shall be held among the members of the coverage group under the following conditions:

(i) The referendum shall be conducted under the supervision of the legislative body of the political subdivision.

(ii) Not less than sixty days' notice of such referendum shall be given to members of the coverage group.

(iii) An opportunity to vote by secret ballot in such referendum shall be given and shall be limited to all members of the coverage group.

(iv) The proposal for termination shall be approved only if a majority of the coverage group vote in favor of termination.

(v) If a majority of the coverage group vote in favor of termination, the legislative body of the political subdivision shall certify the results of the referendum to the governor and give notice of termination of such coverage group.

(2) The governor shall not finally refuse to approve a plan submitted by a political subdivision under subsection (1), and shall not terminate an approved plan, without reasonable notice and opportunity for hearing to the political subdivision affected thereby.

(3) (a) Each political subdivision as to which a plan has been approved under this section shall pay into the contribution fund, with respect to wages (as defined in RCW 41.48.020), at such time or times as the governor may by regulation prescribe, contributions in the amounts and at the rates specified in the applicable agreement entered into by the governor under RCW 41.48.030.

(b) Each political subdivision required to make payments under paragraph (a) of this subsection is authorized, in consideration of the employee's retention in, or entry upon, employment after enactment of this chapter, to impose upon each of its employees, as to services which are covered by an approved plan, a contribution with respect to his wages (as defined in RCW 41.48.020), not exceeding the amount of employee tax which is imposed by the federal

insurance contributions act, and to deduct the amount of such contribution from his wages as and when paid. Contributions so collected shall be paid into the OASI contribution fund in partial discharge of the liability of such political subdivision or instrumentality under paragraph (a) of this subsection. Failure to deduct such contribution shall not relieve the employee or employer of liability therefor.

(4) Delinquent payments due under paragraph (a) of subsection (3) may, with interest at the rate of six percent per annum, be recovered by action in a court of competent jurisdiction against the political subdivision liable therefor or may, at the request of the governor, be deducted from any other moneys payable to such subdivision by any department or agency of the state.

NEW SECTION. Sec. 21. This 1971 amendatory act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

NEW SECTION. Sec. 22. If any provision of this 1971 amendatory act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected.

Passed the Senate May 7, 1971.

Passed the House May 6, 1971.

Approved by the Governor May 21, 1971.

Filed in Office of Secretary of State May 21, 1971.

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CHAPTER 258

[Engrossed Senate Bill No. 373]

PUBLIC WORKS--

PUBLIC BIDS

AN ACT Relating to bidding on certain public works; amending section 3, chapter 348, Laws of 1955 and RCW 53.08.120 and 53.08.130; and adding a new section to chapter 223, Laws of 1969 ex. sess. and to chapter 28B.10 RCW.

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

NEW SECTION. Section 1. There is added to chapter 223, Laws of 1969 ex. sess. and to chapter 28B.10 RCW a new section to read as follows:

When the cost to any state college or state university of any building, construction, renovation, remodeling or demolition other than ordinary maintenance or equipment repairs will equal or exceed the sum of ten thousand dollars, complete plans and specifications