CHAPTER 37.
[H. B. 218.]

TEACHERS' RETIREMENT SYSTEM.

An Act relating to teachers' retirement system; amending section 54, chapter 80, Laws of 1947, as amended by section 27, chapter 274, Laws of 1955, and RCW 41.32.540; amending section 55, chapter 80, Laws of 1947, as amended by section 28, chapter 274, Laws of 1955, and RCW 41.32.550; amending section 57, chapter 80, Laws of 1947, as amended by section 30, chapter 274, Laws of 1955, and RCW 41.32.570; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 54, chapter 80, Laws of 1947, RCW 41.32.540 amended, as amended by section 27, chapter 274, Laws of 1955,
and RCW 41.32.540 are each amended to read as follows:

Upon application of a member in service or of his employer any member may be granted a temporary disability allowance by the board of trustees if the medical director, after a medical examination of such member, shall certify that such member is mentally or physically incapacitated for the further performance of duty. Any member receiving a temporary disability allowance or whose application for a temporary disability allowance is approved after the effective date of this act shall receive a temporary disability allowance of one hundred dollars per month payable from the disability reserve fund for a period not to exceed two years, but no payments shall be made for a disability period of less than sixty days.

SEC. 2. Section 55, chapter 80, Laws of 1947, as amended by section 28, chapter 274, Laws of 1955, and RCW 41.32.550 are each amended to read as follows:

Should the board determine from the report of the medical director at the end of a two year disability period that a member's disability will continue, a member who had fifteen years or more of service credit when first granted the temporary disability allowance shall have the option of then receiving all accumulated contributions in a lump sum payment and canceling his membership, or of accepting a retirement allowance because of disability. If the member elects to receive a retirement allowance because of disability he shall be paid an annuity which shall be the actuarial equivalent of his accumulated contributions at his age of retirement and a pension which shall be the actuarial equivalent of the pension to which he would be entitled at age sixty according to his years of service credit, but in no event shall the total allowance for disability be less than seventy-five dollars per month. If the
member dies before he has received in annuity payments the present value of his accumulated contributions at the time of his retirement, the unpaid balance shall be paid to his estate or to such persons as he shall have nominated by written designation executed and filed with the board of trustees.

Sec. 3. Section 57, chapter 80, Laws of 1947, as amended by section 30, chapter 274, Laws of 1955, and RCW 41.32.570 are each amended to read as follows:

Any retired teacher who enters service in any public educational institution shall cease to receive pension payments while engaged in such service: Provided, That service may be rendered up to forty-five days per school year without reduction of pension.

Sec. 4. If any provision of this 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.

Sec. 5. This act shall take effect on July 1, 1959.

Passed the House February 9, 1959.
Passed the Senate February 18, 1959.
Approved by the Governor February 26, 1959.