CHAPTER 12 [Senate Bill No. 206] STATE PATROL RETIREMENT SYSTEM

AN ACT Relating to the state patrol retirement system; amending section 43.43.120, chapter 8, Laws of 1965 and RCW 43.43.120; amending section 43.43.170, chapter 8, Laws of 1965 and RCW 43.43.170; amending section 43.43.250, chapter 8, Laws of 1965 and RCW 43.43.250; amending section 43.43.260, chapter 8, Laws of 1965 and RCW 43.43.260; amending section 43.43.270, chapter 8, Laws of 1965 and RCW 43.43.270; amending section 43.43.280, chapter 8, Laws of 1965 and RCW 43.43.270; amending sections to chapter 8, Laws of 1965, and to chapter 43.43 RCW; and repealing section 43.43.210, chapter 8, Laws of 1965 and RCW 43.43.210.

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

Section 1. Section 43.43.120, chapter 8, Laws of 1965 and RCW 43.43.120 are each amended to read as follows:

As used in the following sections:

(1) "Retirement system" means the Washington state patrol retirement system.

(2) "Retirement fund" means the Washington state patrol retirement fund.

(3) "State treasurer" means the treasurer of the state of Washington.

(4) "Member" means any person included in the membership of the retirement fund.

(5) "Employee" means any commissioned employee of the Washington state patrol.

(6) "Beneficiary" means any person in receipt of retirement allowance or any other benefit allowed by this chapter.

(7) "Regular interest" means interest compounded annually at such rates as may be determined by the retirement board.

(8) "Retirement board" means the board provided for in this chapter.

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(9) "Insurance commissioner" means the insurance commissioner of the state of Washington.

(10) (("6tate-auditor")) "Lieutenant governor" means the ((auditor)) lieutenant governor of the state of Washington.

(11) "Service" shall mean services rendered to the state of Washington or any political subdivisions thereof for which compensation has been paid. Full time employment for ten days or more in any given calendar month shall constitute one month of service. Only months of service shall be counted in the computation of any retirement allowance or other benefit provided for herein. Years of service shall be determined by dividing the total number of months of service by twelve. Any fraction of a year of service as so determined shall be taken into account in the computation of such retirement allowance or benefit.

(12) "Prior service" shall mean all services rendered by a member to the state of Washington, or any of its political subdivisions prior to August 1, 1947, unless such service has been credited in another public retirement or pension system operating in the state of Washington.

(13) "Current service" shall mean all service as a member rendered on or after August 1, 1947.

(14) "Average final salary" shall mean the average monthly salary received by a member during his last ((five)) two years of service or any consecutive ((five)) two year period of service, which-ever is the greater, as an employee of the Washington state patrol; or if he has less than ((five)) two years of service, then the average monthly salary received by him during his total years of service.

(15) "Actuarial equivalent" shall mean a benefit of equal value when computed upon the basis of such mortality table as may be adopted and such interest rate as may be determined by the board.

Sec. 2. Section 43.43.170, chapter 8, Laws of 1965 and RCW 43.43.170 are each amended to read as follows:

Whenever the state patrol retirement board determine that the

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state patrol retirement fund contains moneys in excess of current needs, they shall authorize the state finance committee to invest such surplus in such bonds or other obligations as are <u>or may be in the fu-</u> <u>ture</u> authorized for the investment of the funds of the state employees' retirement system.

Sec. 3. Section 43.43.250, chapter 8, Laws of 1965 and RCW 43.43.250 are each amended to read as follows:

(1) 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.

(2) Any member who has completed twenty-five years of credited service or has attained the age of fifty-five may retire as provided in RCW 43.43.260, on his retirement application to the retirement board, setting forth at what time, not less than thirty days subsequent to the execution and filing thereof, he desires to be retired.

(3) ((No-member-shall-contribute-to-the-retirement-fund-or-reecive-service-eredit-after-he-has-completed-twenty-five-years-of-service:--PROVIDED;-That-any-member-who-was-a-member-prior-to-the-effective-date-of-this-act-(1963-e-75-§-1;-effective-date-was-June-13;-1963) may-contribute-to-the-retirement-fund-and-receive-service-eredit-until he-attains-the-percentage-of-average-final-salary-provided-by-any-previous-act-under-which-he-has-served)) Any member who has ceased making contributions to the retirement fund because of having reached the maximum percentage of average final salary provided by a previous act may repay to the retirement fund those contributions which he would normally have made, if such restriction on service credit had not existed, by making these payments prior to retirement. The payment of these contributions will entitle the member to service credit as provided in RCW 43.43.260 (2).

Sec. 4. Section 43.43.260, chapter 8, Laws of 1965 and RCW 43.43.260 are each amended to read as follows:

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

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(1) A prior service annuity which shall be equal to one and one-half percent of the member's average final salary multiplied by the number of years of prior service rendered by the member.

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

(3) A yearly increase in retirement allowance which shall amount to two percent of the retirement allowance computed at the time of retirement. This yearly increase shall be added to the retirement allowance on July 1st of each calendar year.

<u>NEW SECTION</u>. Sec. 5. There is added to chapter 8, Laws of 1965 and to chapter 43.43 RCW a new section to read as follows:

The average final salary of members already retired upon the effective date of this 1969 amendatory act shall be recomputed in accordance with RCW 43.43.120(14) as herein amended by this 1969 amendatory act and from the effective date of this 1969 amendatory act. The retirement allowance of such members shall be paid under RCW 43-.43.260 as amended by this 1969 amendatory act, upon the basis of the average final salary as recomputed.

Sec. 6. Section 43.43.270, chapter 8, Laws of 1965 and RCW 43-.43.270 are each amended to read as follows:

(1) The normal form of retirement allowance shall be an annuity which shall continue as long as the member lives.

(2) If a member should die, either while in service or after retirement, his lawful spouse shall be paid an annuity which shall be equal to ((twenty-five)) fifty percent of the average final salary of the member. If the member should die after retirement the average final salary will be the average final salary used in computing his retirement allowance at the time of his retirement. The annuity paid to the lawful spouse shall continue as long as she lives or until she remarries. To be eligible for an annuity the lawful surviving spouse of a retired member shall have been married to the member prior to his retirement and continuously thereafter until the date of his death or Ch. 12

shall have been married to the retired member at least two years prior to his death.

(3) If a member should die, either while in service or after retirement, his surviving children under the age of eighteen years shall be provided for in the following manner:

(a) ((If-the-member-is-survived-by-one-child-under-the-age-of eighteen-years-the-child-shall-be-paid-an-annuity-of-seventy-five-dollars-per-month-until-such-time-as-the-child-shall-attain-the-age-of eighteen-years-or-shall-marry-or-die.

(b)--If-the-member-is-survived-by-two-or-more-children-under the-age-of-eighteen-years-the-children-shall-be-paid-an-annuity-which shall-total-one-hundred-and-fifty-dollars-per-month-until-such-time as-the-children-shall-attain-the-age-of-eighteen-years-or-shall-marry or-die---When-the-number-of-children-under-the-age-of-eighteen-years and-unmarried-has-been-reduced-to-one,-the-annuity-shall-be-reduced-to seventy-five-dollars-per-month)) Each unmarried child under eighteen years_of age shall be entitled to a benefit equal to five percent of the final average salary of the member or retired member. The combined benefits to the surviving spouse and all children shall not exceed sixty percent of the final average salary of the member or retired member.

(4) The provisions of this section shall apply to members who have been retired on disability as provided in RCW 43.43.040 if the officer was a member of the Washington state patrol retirement system at the time of such disability retirement and if all contributions paid to the retirement fund have been left in the retirement fund. In the event that contributions have been refunded to a member on disability retirement, he may regain eligibility for survivor's benefits by repaying to the retirement fund the total amount refunded to him plus two and one-half percent interest, compounded annually, covering the period during which the refund was held by him.

Sec. 7. Section 43.43.280, chapter 8, Laws of 1965 and RCW 43.43.280 are each amended to read as follows:

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(1) If a member dies before retirement, and has no surviving spouse or children under the age of eighteen years, all contributions made by him with interest at two and one-half percent compounded annually shall be paid to such person or persons as he shall have nominated by written designation duly executed and filed with the retirement board, or if there be no such designated person or persons, then to his legal representative.

(2) If a member should cease to be an employee before attaining age sixty for reasons other than his death, or retirement, he may request upon a form provided by the retirement board a refund ((of-all or-part)) of his contributions to the retirement fund, with interest at two and one-half percent compounded annually, and this amount shall be paid to him.

NEW SECTION. Sec. 8. There is added to chapter 8, Laws of 1965 and to chapter 43.43 RCW a new section to read as follows:

The provisions of this 1969 amendatory act are intended to be remedial and procedural and any benefits heretofore paid to recipients hereunder pursuant to any previous act are retroactively included and authorized as a part of this act.

<u>NEW SECTION.</u> Sec. 9. There is added to chapter 8, Laws of 1965 and to chapter 43.43 RCW a new section to read as follows:

If any provision of this chapter or its application to any person or circumstance is held invalid the remainder of the chapter, or its application of the provision to any other person or circumstances is not affected.

NEW SECTION. Sec. 10. Section 43.43.210, chapter 8, Laws of 1965 and RCW 43.43.210 are each repealed.

Passed the Senate February 24, 1969. Passed the House March 1, 1969. Approved by the Governor March 10, 1969. Filed in office of Secretary of State March 10, 1969.

> CHAPTER 13 [Engrossed House Bill No. 127] COMMON SCHOOL PLANT FACILITIES -- BONDS

AN ACT Relating to the common schools and the support thereof; autho-