

the state department of ((public assistance)) social and health services or the county office is responsible, and who has been placed in a licensed or approved child care institution or foster home as a result of such determination and who: (1) Was receiving an aid to families with dependent children grant for the month in which court proceedings leading to such determination were initiated; or (2) would have received aid to families with dependent children for such month if application had been made therefor; or (3) in the case of a child who had been living with a specified relative within six months prior to the month in which such proceedings were initiated, would have received aid to families with dependent children for such month if in such month he had been living with such a relative and application had been made therefor, as authorized by the Social Security Act: PROVIDED, That the director shall have discretion to provide that aid to families with dependent children assistance shall be available to any child in need who has been deprived of parental support or care by reason of the unemployment of a parent or stepparent liable under this chapter for the support of such child, to the extent that matching funds are available from the federal government.

"Aid to families with dependent children" means money payments, services, and remedial care with respect to a dependent child or dependent children and the needy parent or relative with whom the child lives and may include the spouse of such relative if living with him and if such relative is the child's parent and the child is a dependent child by reason of the physical or mental incapacity or unemployment of a parent or stepparent liable under this chapter for the support of such child.

NEW SECTION. Sec. 2. This 1973 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.

Passed the Senate September 14, 1973.

Passed the House September 14, 1973.

Approved by the Governor September 22, 1973.

Filed in Office of Secretary of State September 24, 1973.

CHAPTER 32

[House Bill No. 1121]

WASHINGTON STATE TEACHERS' RETIREMENT SYSTEM

AN ACT Relating to the Washington state teachers' retirement system; amending section 9, chapter 189, Laws of 1973 1st ex. sess.

and RCW (____); amending section 6, chapter 151, Laws of 1967 and RCW 41.32.4931; amending section 52, chapter 80, Laws of 1947 as last amended by section 76, chapter 154, Laws of 1973 1st ex. sess. and RCW 41.32.520; amending section 58, chapter 80, Laws of 1947 and RCW 41.32.580; amending section 31, chapter 80, Laws of 1947 as last amended by section 9, chapter 150, Laws of 1969 ex. sess. and RCW 41.32.310; and declaring an emergency.

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

Section 1. Section 9, chapter 189, Laws of 1973 1st ex. sess. and RCW (____) are each amended to read as follows:

(1) "Index" for the purposes of this section shall mean, for any calendar year, that year's annual average consumer price index for urban wage earners and clerical workers, all items (1957-1959 equal one hundred)--compiled by the Bureau of Labor Statistics, United States Department of Labor;

(2) "Cost-of-living factor" for the purposes of this section for any year shall mean the ratio of the index for the previous year to the index for the year preceding the initial date of payment of the retirement allowance, except that, in no event, shall the cost-of-living factor, for any year subsequent to 1971, be

(a) less than 1.000;

(b) more than one hundred three percent or less than ninety-seven percent of the previous year's cost-of-living factor; or

(c) such as to yield a retirement allowance, for any individual, less than that which was in effect July 1, 1972;

(3) The "initial date of payment" for the purposes of adjusting the annuity portion of a retirement allowance for the purposes of this section shall mean the date of retirement of a member.

(4) The "initial date of payment" for the purposes of adjusting the pension portion of a retirement allowance for the purposes of this section shall mean the date of retirement of a member or ((June 30, 1970)) July 1, 1972, whichever is later; PROVIDED, That this 1973 amendment to this subsection shall be retroactive to July 1, 1973.

(5) Each service retirement allowance payable from July 1, 1973, until any subsequent adjustment pursuant to subsection (6) of this section shall be adjusted so as to equal the product of the cost-of-living factor for 1973 and the amount of said retirement allowance on the initial date of payment.

(6) Each service retirement allowance payable from July 1st of any year after 1973 until any subsequent adjustment pursuant to this subsection shall be adjusted so as to equal the product of the cost-of-living factor for such year and the amount of said retirement

allowance on the initial date of payment: PROVIDED, That the board finds, at its sole discretion, that the cost of such adjustments shall have been met by the excess of the growth in the assets of the system over that required for meeting the actuarial liabilities of the system at that time.

Sec. 2. Section 31, chapter 80, Laws of 1947 as last amended by section 9, chapter 150, Laws of 1969 ex. sess. and RCW 41.32.310 are each amended to read as follows:

Any member desiring to establish credit for services previously rendered, must present proof and make the necessary payments before (~~June 30, 1970~~) January 31, 1974 (~~or, if not employed on the effective date of this act, before June 30th of the fifth school year after entry into public school employment in this state~~). Payments covering all types of membership service credit (~~may~~) must be made in a lump sum (~~when due, or in annual installments, with three percent interest. The first annual installment of at least twenty percent of the amount due must be paid before the date specified above, and the final payment before June 30th of the fourth school year following that in which the first payment was made~~) prior to January 31, 1974: PROVIDED, That a member who had the opportunity under this section prior to July 1, 1965 to establish credit for services previously rendered and failed to do so shall be permitted to establish such credit only for previous public school service rendered in the state of Washington: PROVIDED FURTHER, That a member who had the opportunity under chapter 41.32 RCW prior to July 1, 1969, to establish credit for active United States military service or credit for professional preparation and failed to do so shall be permitted to establish such additional credit within the provisions of RCW 41.32.260 and 41.32.330. Any member desiring to establish credit under the provisions of this 1969 amendment must present proof and make the necessary payment before June 30, 1974; or, if not employed on the effective date of this amendment, before June 30th of the fifth school year upon returning to public school employment in this state.

Sec. 3. Section 6, chapter 151, Laws of 1967 and RCW 41.32.4931 are each amended to read as follows:

(1) Any former member of the teachers' retirement system or a former fund who is receiving a retirement allowance for service or disability on July 1, 1967, shall upon application approved by the board of trustees of the retirement system receive a pension of five dollars and fifty cents per month for each year of creditable service established with the retirement system: PROVIDED, That such former members who were retired pursuant to option 2 or option 3 of RCW 41.32.530 shall upon like application receive a pension which is actuarially equivalent under said option to the benefits provided in

this section: PROVIDED FURTHER, That the benefits provided under this section shall be available only to former members who have reached age sixty-five or are disabled for further public school service and are not receiving federal old age, survivors or disability benefit payments (social security) and are not able to qualify for such benefits: PROVIDED FURTHER, That anyone qualifying for benefits pursuant to this section shall not receive a smaller pension than he was receiving prior to July 1, 1967.

(2) Effective the first day of the month following the effective date of this 1973 amendatory act, former members who have qualified for and have been granted benefits under this section shall receive an additional special pension of three dollars per month per year of service credit. Such special pension shall be in addition to the minimum pension provided by RCW 41.32.497 and the cost-of-living increases provided under section 9, chapter 189, Laws of 1973 1st ex. sess. RCW (. . .).

Sec. 4. Section 52, chapter 80, Laws of 1947 as last amended by section 76, chapter 154, Laws of 1973 1st ex. sess. and RCW 41.32.520 are each amended to read as follows:

Upon receipt of proper proofs of death of any member before retirement or before the first installment of his retirement allowance shall become due his accumulated contributions and/or other benefits payable upon his death shall be paid to his estate or to such persons as he shall have nominated by written designation duly executed and filed with the board of trustees. If a member fails to file a new beneficiary designation subsequent to marriage, divorce, lapsation, or retirement, payment of his accumulated contributions and/or other benefits upon death before retirement shall be made to the surviving spouse, if any; otherwise, to his estate. If a member had established ((five)) ten or more years of Washington membership service credit, the beneficiary or the surviving spouse if otherwise eligible may elect, in lieu of a cash refund of the member's accumulated contributions, the following survivor benefit plan:

(1) A widow or widower, without a child or children under eighteen years of age, may elect a monthly payment of fifty dollars to become effective at age fifty, provided the member had fifteen or more years of Washington membership service credit.

(2) ((If the member was eligible for retirement)) The beneficiary, if the surviving spouse or a dependent child or dependent parent, may elect to receive a retirement allowance under Option 2 ((r This election shall also be available to the spouse or a dependent of a member who has died while eligible for retirement during the period July 1, 1947, to June 30, 1955, inclusive, upon the repayment to the teachers' retirement fund of the refunded

contributions: No benefits may be paid for any months prior to July 4, 1955) of RCW 41.32.530 until attainment of majority or so long as the board judges that the circumstances which created his dependent status continue to exist. If at the time dependent status ceases, an amount equal to the amount of accumulated contributions of the deceased member has not been paid to the beneficiary, the remainder shall then be paid in a lump sum to the beneficiary; PROVIDED, That if at the time of death, the member was not then qualified for a service retirement allowance, such Option 2 benefit shall be based upon the actuarial equivalent of the sum necessary to pay the accrued regular retirement allowance commencing when the deceased member would have first qualified for a service retirement allowance.

If no qualified beneficiary survives a member, at his death his accumulated contributions shall be paid to his estate, or his dependents may qualify for survivor benefits under benefit plan (2) in lieu of a cash refund of the members accumulated contributions in the following order: Widow or widower, guardian of a dependent child or children under age eighteen, or dependent parent or parents.

Under survivors' benefit plan (1) the board of trustees shall transfer to the survivors' benefit fund the accumulated contributions of the deceased member together with an amount from the pension fund determined by actuarial tables to be sufficient to fully fund the liability. Benefits shall be paid from the survivors' benefit fund monthly and terminated at the marriage of the beneficiary.

Sec. 5. Section 58, chapter 80, Laws of 1947 and RCW 41.32.580 are each amended to read as follows:

A retired teacher upon returning to service in the public schools of Washington may elect to again become a member of the retirement system; PROVIDED, That if such a retired teacher elects to be restored to membership he must establish two full years of service credit before he will be eligible to retire under the provision of a formula other than the one in effect at the time of his previous retirement; PROVIDED FURTHER, That where any such right to again retire is exercised to become effective before a member has established two full years of service credit he may elect to retire only under the provisions of the formula in effect at the time of his previous retirement; AND PROVIDED FURTHER, That this section shall not apply to any individual who has returned to service and is presently in service on the effective date of this 1973 amendatory act.

NEW SECTION. Sec. 6. If any provision of this 1973 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.

NEW SECTION. Sec. 7. This 1973 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.

Passed the Senate September 15, 1973.

Passed the House September 15, 1973.

Approved by the Governor September 27, 1973.

Filed in Office of Secretary of State September 27, 1973.

CHAPTER 33
[House Bill No. 1128]
BASIC PROGRAM OF EDUCATION FINANCIAL EQUALIZATION
ACT OF 1973

AN ACT Relating to education; amending section 2, chapter 46, Laws of 1973 as amended by section 137, chapter 195, Laws of 1973 1st ex. sess. and RCW 28A.41.130; amending section 4, chapter 217, Laws of 1969 ex. sess. as amended by section 1, chapter 14, Laws of 1972 ex. sess. and RCW 28A.41.145; amending section 28A.44.040, chapter 223, Laws of 1969 ex. sess. and RCW 28A.44.040; amending section 2, chapter 244, Laws of 1969 ex. sess. as amended by section 5, chapter 42, Laws of 1970 ex. sess. and RCW 28A.47.801; amending section 3, chapter 244, Laws of 1969 ex. sess. and RCW 28A.47.802; amending section 4, chapter 244, Laws of 1969 ex. sess. and RCW 28A.47.803; amending section 6, chapter 244, Laws of 1969 ex. sess. and RCW 28A.47.805; amending section 8, chapter 244, Laws of 1969 ex. sess. and RCW 28A.47.807; amending section 9, chapter 244, Laws of 1969 ex. sess. and RCW 28A.47.808; amending section 10, chapter 244, Laws of 1969 ex. sess. and RCW 28A.47.809; amending section 11, chapter 244, Laws of 1969 ex. sess. and RCW 28A.47.810; adding new sections to chapter 223, Laws of 1969 ex. sess. and to chapter 28A.41 RCW; repealing section 2, chapter 46, Laws of 1973 as last amended by section ..., chapter ..., Laws of 1973 2nd ex. sess. and RCW 28A.41.130; repealing section 2, chapter 46, Laws of 1973 as last amended by sections 9, 136, 138 and 139, chapter 195, Laws of 1973 1st ex. sess., all codified as RCW 28A.41.130; repealing section 14, chapter 244, Laws of 1969 ex. sess. and RCW 28A.41.140; making an effective date; and providing for the expiration of this act.

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

NEW SECTION. Section 1. This 1973 amendatory act shall be known and may be cited as "the basic program of education financial