

(5) The formation and operation of the group program in the organization will substantially improve accident prevention and claim management for the employers in the group.

In providing an employer group plan under this section, the department may consider an employer group as a single employing entity for purposes of dividends or premium discounts.

Passed the Senate February 29, 1980.

Passed the House February 28, 1980.

Approved by the Governor March 12, 1980.

Filed in Office of Secretary of State March 12, 1980.

CHAPTER 130

[Senate Bill No. 3244]

LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS' RETIREMENT SYSTEM—ELECTIVE MEMBERSHIP

AN ACT Relating to public employment; and adding a new section to chapter 41.26 RCW.

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

NEW SECTION. Section 1. There is added to chapter 41.26 RCW a new section to read as follows:

(1) Notwithstanding any provision of law to the contrary, any law enforcement officer or fire fighter who is not an active member of the retirement system under RCW 41.26.420 through 41.26.550 may become a member under RCW 41.26.420 through 41.26.550 by irrevocable election. For those persons employed as a law enforcement officer or fire fighter on the effective date of this act, the election shall be made on or before December 31, 1981. In the case of an individual not employed as a law enforcement officer or fire fighter on the effective date of this act, the election shall be made within one year from the date of reemployment in that capacity or by December 31, 1981, whichever is later. At the time the election is made, the individual must be employed by an employer, as defined in RCW 41.26.030(2)(b).

(2) If the election is made under subsection (1) of this section, the member shall not acquire any further rights or benefits in any other non-federal public retirement system in this state during any period of employment as a law enforcement officer or fire fighter.

(3) An individual who is or has been a member of the retirement system, except an individual who is or has been a member under RCW 41.26.420 through 41.26.550, may not elect to become a member under this section unless the individual has been denied membership or acquisition of service credit due solely to failure to successfully meet the minimum medical and health standards provided by RCW 41.26.045 when required to do so.

(4) An individual who elects membership under this section irrevocably waives any rights or benefits acquired by employment as a law enforcement officer or fire fighter in this or any other nonfederal public retirement system of this state except the right to any refund provided by such system and for the conversion of such rights as provided in this section.

(5) Any law enforcement officer or fire fighter, upon electing to be covered under RCW 41.26.420 through 41.26.550, shall have transferred all existing, previous service credited in a prior public retirement system in this state for periods of employment as a law enforcement officer or fire fighter, including all additional service granted indirectly to the employee for those periods of employment, such as authorized military service credit. Transfer of credit under this subsection shall be contingent on completion of the transfer of funds specified in subsection (7) of this section.

(6) Any law enforcement officer or fire fighter who received a refund of contributions covering the person's period of employment as a law enforcement officer or fire fighter may restore the contributions in the prior public retirement system in this state, for the purpose of transferring the service so recovered under subsection (5) of this section, if the employee would be allowed this right upon returning to membership under the prior retirement system. At the time of electing to be covered under RCW 41.26.420 through 41.26.550, the person shall make an irrevocable election whether to recover the service for the purpose of transfer. The recovery and transfer procedure must be completed within five years of the date of election or prior to retirement, whichever occurs first.

(7) Within sixty days of notification of a law enforcement officer's or fire fighter's service transfer under subsections (5) and (6) of this section, a prior retirement system shall transfer:

(a) The employee's accumulated contributions attributable to periods of employment as a law enforcement officer or fire fighter, including accumulated interest; and

(b) An additional amount equal to the amount under (a) of this subsection. This amount shall represent the employer's contribution and shall not be credited to the employee's account.

(8) Any law enforcement officer or fire fighter who was previously excluded from membership or acquisition of service credit in this retirement system due solely to failure to successfully meet the minimum medical and health standards provided by RCW 41.26.045 when required to do so and has not entered another public retirement system in the state for periods of service as a law enforcement officer or fire fighter shall, when electing to be covered under RCW 41.26.420 through 41.26.550, make an irrevocable election whether to recover prior service as a law enforcement officer or fire fighter. The employee shall make contributions for all periods of previous service as a law enforcement officer or fire fighter in accordance with the schedule established for employees in RCW 41.26.450 with interest as

computed by the director. The employer of record at the time the service was rendered shall be obligated for the employer contribution in accordance with the schedule established for employees under RCW 41.26.450 with interest as computed by the director. The payment shall be made within sixty days of billing or upon such terms and conditions as are established by the director. The service recovery payments must be completed within five years of the date of election or prior to retirement, whichever occurs first.

(9) When payments were made directly by the state of Washington to a prior public retirement system as part of the retirement system's funding program, the contributions shall not be affected or transferred as a result of any action called for in this section.

Passed the Senate February 1, 1980.

Passed the House February 28, 1980.

Approved by the Governor March 12, 1980.

Filed in Office of Secretary of State March 12, 1980.

CHAPTER 131

[Engrossed Substitute Senate Bill No. 3629]

ALCOHOL—MOTOR VEHICLE FUEL—TAX EXEMPTIONS

AN ACT Relating to alcohol fuels; amending section 82.36.280, chapter 15, Laws of 1961 as last amended by section 1, chapter 138, Laws of 1972 ex. sess. and RCW 82.36.280; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; adding a new section to chapter 82.36 RCW; adding a new section to chapter 82.38 RCW; and providing an expiration date.

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

NEW SECTION. Section 1. There is added to chapter 82.08 RCW a new section to read as follows:

The tax imposed by RCW 82.08.020 shall not apply to alcohol that is sold in this state for use solely as fuel in motor vehicles, farm implements and machines, or implements of husbandry.

NEW SECTION. Sec. 2. There is added to chapter 82.12 RCW a new section to read as follows:

The tax imposed by RCW 82.12.020 shall not apply to alcohol that is sold in this state for use solely as fuel in motor vehicles, farm implements and machines, or implements of husbandry.

NEW SECTION. Sec. 3. There is added to chapter 82.36 RCW a new section to read as follows:

Alcohol of any proof that is sold in this state for use as fuel in motor vehicles, farm implements and machines, or implements of husbandry is exempt from the motor vehicle fuel tax under this chapter.

NEW SECTION. Sec. 4. There is added to chapter 82.38 RCW a new section to read as follows: