

this chapter, or of which the owners or cultivators are unknown, or which are wild growths, may be seized and summarily forfeited to the board.

(i) The failure, upon demand by a board inspector or law enforcement officer, of the person in occupancy or in control of land or premises upon which the species of plants are growing or being stored to produce an appropriate registration or proof that he is the holder thereof constitutes authority for the seizure and forfeiture of the plants.

(j) Upon the entry of an order of forfeiture of real property, the court shall forward a copy of the order to the assessor of the county in which the property is located. Orders for the forfeiture of real property shall be entered by the superior court, subject to court rules. Such an order shall be filed by the seizing agency in the county auditor's records in the county in which the real property is located.

Passed the House February 9, 1990.

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CHAPTER 249

[Substitute House Bill No. 2643]

STATE RETIREMENT SYSTEMS—SURVIVORSHIP OPTIONS

AN ACT Relating to survivor benefit options offered by the department of retirement systems; amending RCW 2.10.146, 41.26.460, 41.32.498, 41.32.530, 41.32.785, 41.40.185, 41.40.190, 41.40.660, 41.40.270, 41.32.497, 2.10.144, 41.26.510, 41.32.520, 41.32.805, 41.40.700, 41.32.790, and 41.40.670; reenacting and amending RCW 41.40.150 and 41.26.470; adding a new section to chapter 41.40 RCW; creating new sections; repealing RCW 41.32.493, 41.32.4932, and 41.40.508; and making an appropriation.

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

NEW SECTION. Sec. 1. The legislature finds that:

(1) It would be advantageous for some retirees to have survivorship options available other than the options currently listed in statute. Allowing the department of retirement systems to adopt several different survivor options will assist retirees in their financial planning; and

(2) Disabled members of the retirement systems listed in RCW 41.50-.030, except for members of the law enforcement officers' and fire fighters' retirement system plan I, must forfeit any right to leave a benefit to their survivors if they wish to go on disability retirement. This results in some disabled workers holding onto their jobs in order to provide for their dependents. The provisions of this act allow members to go on disability retirement while still providing for their survivors.

Sec. 2. Section 9, chapter 109, Laws of 1988 and RCW 2.10.146 are each amended to read as follows:

(1) Upon making application for a service retirement allowance under RCW 2.10.100 or a disability allowance under RCW 2.10.120, a judge who is eligible therefor shall make an election as to the manner in which such service retirement shall be paid from among the following designated options, calculated so as to be actuarially equivalent to each other:

~~((+))~~ (a) Standard Allowance. A member selecting this option shall receive a retirement allowance, which shall be computed as provided in RCW 2.10.110. The retirement allowance shall be payable throughout the judge's life. However, if the judge dies before the total of the retirement allowance paid to the judge equals the amount of the judge's accumulated contributions at the time of retirement, then the balance shall be paid to such person or persons having an insurable interest in the judge's life, as the judge has nominated by written designation duly executed and filed with the department of retirement systems or, if there is no such designated person or persons still living at the time of the judge's death, then to the surviving spouse or, if there is neither such designated person or persons still living at the time of death nor a surviving spouse, then to the judge's legal representative.

~~((2))~~ Option II. A judge who selects this option shall receive a reduced retirement allowance which upon death shall be continued throughout the life of and paid to such person, having an insurable interest in the judge's life, as the judge has nominated by written designation duly executed and filed with the department of retirement systems at the time of retirement.

~~((3))~~ Option III. A judge who selects this option shall receive a reduced retirement allowance and upon death, one-half of the judge's reduced retirement allowance shall be continued throughout the life of and paid to such person, having an insurable interest in the judge's life, as the judge has nominated by written designation duly executed and filed with the department of retirement systems at the time of retirement.))

(b) The department shall adopt rules that allow a judge to select a retirement option that pays the judge a reduced retirement allowance and upon death, such portion of the judge's reduced retirement allowance as the department by rule designates shall be continued throughout the life of and paid to a person who has an insurable interest in the judge's life. Such person shall be nominated by the judge by written designation duly executed and filed with the department at the time of retirement. The options adopted by the department shall include, but are not limited to, a joint and one hundred percent survivor option and a joint and fifty percent survivor option.

(2) A judge, if married, must provide the written consent of his or her spouse to the option selected under this section. If a judge is married and both the judge and the judge's spouse do not give written consent to an option under this section, the department will pay the judge a joint and fifty percent survivor benefit and record the judge's spouse as the beneficiary.

Such benefit shall be calculated to be actuarially equivalent to the benefit options available under subsection (1) of this section.

Sec. 3. Section 7, chapter 294, Laws of 1977 ex. sess. and RCW 41.26.460 are each amended to read as follows:

(1) Upon retirement for service as prescribed in RCW 41.26.430 or disability retirement under RCW 41.26.470, a member shall elect to have the retirement allowance paid pursuant to ((Option 1, 2, or 3 with)) the following options ((2 and 3)), calculated so as to be actuarially equivalent to ((Option 1)) each other.

~~((1) OPTION 1)~~ (a) Standard allowance. A member electing this option shall receive a retirement allowance payable throughout such member's life. However, if the retiree dies before the total of the retirement allowance paid to such retiree equals the amount of such retiree's accumulated contributions at the time of retirement, then the balance shall be paid to such person or persons having an insurable interest in the retiree's life as the retiree shall have nominated by written designation duly executed and filed with the department; or if there be no such designated person or persons still living at the time of the retiree's death, then to the surviving spouse; or if there be neither such designated person or persons still living at the time of death nor a surviving spouse, then to the retiree's legal representative.

~~((2) OPTION 2.~~ A member who elects this option shall receive a reduced retirement allowance, which upon the member's death shall be continued throughout the life of and paid to such person having an insurable interest in the retiree's life as the retiree shall have nominated by written designation duly executed and filed with the department at the time of the retiree's retirement.

~~((3) OPTION 3.~~ A member who elects this option shall receive a reduced retirement allowance, and upon the member's death one-half of the retiree's reduced retirement allowance shall be continued throughout the life of and paid to such person having an insurable interest in the retiree's life as the retiree shall have nominated by written designation duly executed and filed with the department at the time of the retiree's retirement.))

(b) The department shall adopt rules that allow a member to select a retirement option that pays the member a reduced retirement allowance and upon death, such portion of the member's reduced retirement allowance as the department by rule designates shall be continued throughout the life of and paid to a person who has an insurable interest in the member's life. Such person shall be nominated by the member by written designation duly executed and filed with the department at the time of retirement. The options adopted by the department shall include, but are not limited to, a joint and one hundred percent survivor option and a joint and fifty percent survivor option.

(2) A member, if married, must provide the written consent of his or her spouse to the option selected under this section. If a member is married and both the member and member's spouse do not give written consent to an option under this section, the department will pay the member a joint and fifty percent survivor benefit and record the member's spouse as the beneficiary. Such benefit shall be calculated to be actuarially equivalent to the benefit options available under subsection (1) of this section.

Sec. 4. Section 3, chapter 189, Laws of 1973 1st ex. sess. as last amended by section 1, chapter 116, Laws of 1988 and RCW 41.32.498 are each amended to read as follows:

Any person who becomes a member subsequent to April 25, 1973 or who has made the election, provided by RCW 41.32.497, to receive the benefit provided by this section, shall receive a retirement allowance consisting of:

(1) An annuity which shall be the actuarial equivalent of his additional contributions on full salary as provided by chapter 274, Laws of 1955 and his or her lump sum payment in excess of the required contribution rate made at date of retirement, pursuant to RCW 41.32.350, if any; and

(2) A combined pension and annuity service retirement allowance which shall be equal to two percent of his or her average earnable compensation for his or her two highest compensated consecutive years of service times the total years of creditable service established with the retirement system, to a maximum of sixty percent of such average earnable compensation: PROVIDED, That any member may irrevocably elect, at time of retirement, to withdraw all or a part of his accumulated contributions and to receive, in lieu of the full retirement allowance provided by this subsection, a reduction in the standard two percent allowance, of the actuarially determined amount of monthly annuity which would have been purchased by said contributions: PROVIDED FURTHER, That no member may withdraw an amount of accumulated contributions which would lower his or her retirement allowance below the minimum allowance provided by RCW 41.32.497 as now or hereafter amended: AND PROVIDED FURTHER, That said reduced amount may be reduced even further pursuant to the options provided in ~~((subsection (4) below))~~ RCW 41.32.530;

(3) Notwithstanding the provisions of subsections (1) and (2) of this section, the retirement allowance payable for service of a member who was state superintendent of public instruction on January 1, 1973 shall be equal to three percent of the average earnable compensation of his two highest consecutive years of service for each year of such service.

~~((4) Upon an application for retirement approved by the board of trustees every member shall receive the maximum retirement allowance available to him throughout life unless prior to the time the first installment thereof becomes due he has elected to receive the reduced amount provided in subsection (2) and/or has elected by executing the proper application~~

therefor, to receive the actuarial equivalent of his retirement allowance in reduced payments throughout his life, with the options listed below:

(a) Option 1. If he dies before he has received the present value of his accumulated contributions at the time of his retirement by virtue of the annuity portion of his retirement allowance, the unpaid balance shall be paid to his estate or to such person as he shall have nominated by written designation executed and filed with the board of trustees:

(b) Option 2. Upon his death his adjusted retirement allowance shall be continued throughout the life of and paid to such person as he shall have nominated by written designation duly executed and filed with the board of trustees at the time of his retirement:

(c) Option 3. Upon his death one-half of his adjusted retirement allowance shall be continued throughout the life of and paid to such person as he shall have nominated by written designation executed and filed with the board of trustees at the time of his retirement:

(d) Option 4. In addition to the other options provided under this subsection, the member may also elect to receive the maximum retirement allowance or a retirement allowance based on options 1, 2, or 3 which also includes the benefit provided under RCW 41.32.770. This retirement allowance option shall also be calculated so as to be actuarially equivalent to the maximum retirement allowance and to options 1, 2, and 3 as provided in this subsection:))

Sec. 5. Section 53, chapter 80, Laws of 1947 as amended by section 26, chapter 274, Laws of 1955 and RCW 41.32.530 are each amended to read as follows:

(1) Upon an application for retirement for service under RCW 41.32-.480 or retirement for disability under RCW 41.32.550, approved by the ((board of trustees)) department, every member shall receive the maximum retirement allowance available to him or her throughout life unless prior to the time the first installment thereof becomes due he or she has elected, by executing the proper application therefor, to receive the actuarial equivalent of his or her retirement allowance in reduced payments throughout his or her life with the following options:

((Option 1)) (a) Standard allowance. If he or she dies before he or she has received the present value of his or her accumulated contributions at the time of his or her retirement in annuity payments, the unpaid balance shall be paid to his or her estate or to such person as he or she shall have nominated by written designation executed and filed with the ((board of trustees:

Option 2. Upon his death his adjusted retirement allowance shall be continued throughout the life of and paid to such person as he shall have nominated by written designation duly executed and filed with the board of trustees at the time of his retirement:

Option 3. Upon his death one-half of his adjusted retirement allowance shall be continued throughout the life of and paid to such person as he shall

have nominated by written designation executed and filed with the board of trustees at the time of his retirement:

~~Option 4))~~ department.

(b) The department shall adopt rules that allow a member to select a retirement option that pays the member a reduced retirement allowance and upon death, such portion of the member's reduced retirement allowance as the department by rule designates shall be continued throughout the life of and paid to a person who has an insurable interest in the member's life. Such person shall be nominated by the member by written designation duly executed and filed with the department at the time of retirement. The options adopted by the department shall include, but are not limited to, a joint and one hundred percent survivor option and a joint and fifty percent survivor option.

(c) Such other benefits shall be paid to a member receiving a retirement allowance under RCW 41.32.497 as the member may designate for himself, herself, or others equal to the actuarial value of his or her retirement annuity at the time of his retirement: PROVIDED, That the board of trustees shall limit withdrawals of accumulated contributions to such sums as will not reduce the member's retirement allowance below one hundred and twenty dollars per month.

(d) A member whose retirement allowance is calculated under RCW 41.32.498 may also elect to receive a retirement allowance based on options available under this subsection that includes the benefit provided under RCW 41.32.770. This retirement allowance option shall also be calculated so as to be actuarially equivalent to the maximum retirement allowance and to the options available under this subsection.

(2) A member, if married, must provide the written consent of his or her spouse to the option selected under this section. If a member is married and both the member and the member's spouse do not give written consent to an option under this section, the department will pay the member a joint and fifty percent survivor benefit and record the member's spouse as the beneficiary. Such benefit shall be calculated to be actuarially equivalent to the benefit options available under subsection (1) of this section.

Sec. 6. Section 8, chapter 293, Laws of 1977 ex. sess. and RCW 41.32.785 are each amended to read as follows:

(1) Upon retirement for service as prescribed in RCW 41.32.765 or retirement for disability under RCW 41.32.790, a member shall elect to have the retirement allowance paid pursuant to (~~Option 1, 2, or 3 with Options 2 and 3~~) the following options, calculated so as to be actuarially equivalent to (~~Option 1~~) each other.

(~~(+)~~ OPTION 1) (a) Standard allowance. A member electing this option shall receive a retirement allowance payable throughout such member's life. However, if the retiree dies before the total of the retirement allowance paid to such retiree equals the amount of such retiree's

accumulated contributions at the time of retirement, then the balance shall be paid to such person or persons having an insurable interest in the retiree's life as the retiree shall have nominated by written designation duly executed and filed with the department; or if there be no such designated person or persons still living at the time of the retiree's death, then to the surviving spouse; or if there be neither such designated person or persons still living at the time of death nor a surviving spouse, then to the retiree's legal representative.

~~((2) OPTION 2. A member who elects this option shall receive a reduced retirement allowance, which upon the member's death shall be continued throughout the life of and paid to such person having an insurable interest in the retiree's life as the retiree shall have nominated by written designation duly executed and filed with the department at the time of the retiree's retirement.~~

~~(3) OPTION 3. A member who elects this option shall receive a reduced retirement allowance, and upon the member's death one-half of the retiree's reduced retirement allowance shall be continued throughout the life of and paid to such person having an insurable interest in the retiree's life as the retiree shall have nominated by written designation duly executed and filed with the department at the time of the retiree's retirement.)~~

(b) The department shall adopt rules that allow a member to select a retirement option that pays the member a reduced retirement allowance and upon death, such portion of the member's reduced retirement allowance as the department by rule designates shall be continued throughout the life of and paid to a person who has an insurable interest in the member's life. Such person shall be nominated by the member by written designation duly executed and filed with the department at the time of retirement. The options adopted by the department shall include, but are not limited to, a joint and one hundred percent survivor option and a joint and fifty percent survivor option.

(2) A member, if married, must provide the written consent of his or her spouse to the option selected under this section. If a member is married and both the member and member's spouse do not give written consent to an option under this section, the department will pay the member a joint and fifty percent survivor benefit and record the member's spouse as the beneficiary. Such benefit shall be calculated to be actuarially equivalent to the benefit options available under subsection (1) of this section.

Sec. 7. Section 5, chapter 151, Laws of 1972 ex. sess. as last amended by section 2, chapter 143, Laws of 1987 and RCW 41.40.185 are each amended to read as follows:

Upon retirement from service, as provided for in RCW 41.40.180 or 41.40.210, a member shall be eligible for a service retirement allowance computed on the basis of the law in effect at the time of retirement, together with such post-retirement pension increases as may from time to time be

expressly authorized by the legislature. The service retirement allowance payable to members retiring on and after February 25, 1972 shall consist of:

(1) An annuity which shall be the actuarial equivalent of his or her additional contributions made pursuant to RCW 41.40.330(2).

(2) A membership service pension, subject to the provisions of subsection (4) of this section, which shall be equal to two percent of his or her average final compensation for each year or fraction of a year of membership service.

(3) A prior service pension which shall be equal to one-seventieth of his or her average final compensation for each year or fraction of a year of prior service not to exceed thirty years credited to his service accounts. In no event, except as provided in this 1972 amendatory act, shall any member receive a retirement allowance pursuant to subsections (2) and (3) of this section of more than sixty percent of his or her average final compensation: PROVIDED, That no member shall receive a pension under this section of less than nine hundred dollars per annum if such member has twelve or more years of service credit, or less than one thousand and two hundred dollars per annum if such member has sixteen or more years of service credit, or less than one thousand five hundred and sixty dollars per annum if such member has twenty or more years of service credit.

(4) Notwithstanding the provisions of subsections (1) through (3) of this section, the retirement allowance payable for service where a member was elected or appointed pursuant to Articles II or III of the Constitution of the state of Washington or RCW 48.02.010 and the implementing statutes shall be a combined pension and annuity. Said retirement allowance shall be equal to three percent of the average final compensation for each year of such service. Any member covered by this subsection who upon retirement has served ten or more years shall receive a retirement allowance of at least one thousand two hundred dollars per annum; such member who has served fifteen or more years shall receive a retirement allowance of at least one thousand eight hundred dollars per annum; and such member who has served twenty or more years shall receive a retirement allowance of at least two thousand four hundred dollars per annum: PROVIDED, That the initial retirement allowance of a member retiring only under the provisions of this subsection shall not exceed the average final compensation upon which the retirement allowance is based. The minimum benefits provided in this subsection shall apply to all retired members or to the surviving spouse of deceased members who were elected to the office of state senator or state representative.

~~((5) Upon making application for a service retirement allowance under RCW 41.40.180, a member who is eligible therefor shall make an election as to the manner in which such service retirement shall be paid from among the following designated options, calculated so as to be actuarially equivalent to each other:~~

~~(a) Standard Allowance. A member selecting this option shall receive a retirement allowance, which shall be computed as provided in subsections (1), (2) and (3) of this section. The retirement allowance shall be payable throughout his life. However, if he dies before the total of the retirement allowance paid to him equals the amount of his accumulated contributions at the time of retirement, then the balance shall be paid to such person or persons having an insurable interest in his life, 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, still living at the time of his death, then to his surviving spouse, or if there be neither such designated person or persons still living at the time of his death nor a surviving spouse, then to his legal representative.~~

~~(b) Option II. A member who selects this option shall receive a reduced retirement allowance which upon his death shall be continued throughout the life of and paid to such person, having an insurable interest in his life, as he shall have nominated by written designation duly executed and filed with the retirement board at the time of his retirement.~~

~~(c) Option III. A member who selects this option shall receive a reduced retirement allowance and upon his death, one-half of his reduced retirement allowance shall be continued throughout the life of and paid to such person, having an insurable interest in his life, as he shall have nominated by written designation duly executed and filed with the retirement board at the time of his retirement.~~

~~(d) In addition to the other options provided under this subsection, the member may also elect to receive a standard allowance, an option II allowance, or an option III allowance, which includes the benefit provided under RCW 41.40.640. This retirement allowance option shall also be calculated so as to be actuarially equivalent to the options offered in (a), (b), and (c) of this subsection:))~~

Sec. 8. Section 20, chapter 274, Laws of 1947 as last amended by section 3, chapter 143, Laws of 1987 and RCW 41.40.190 are each amended to read as follows:

In lieu of the retirement allowance provided in RCW 41.40.185, an individual employed on or before April 25, 1973 may, after complying with RCW 41.40.180 or 41.40.210, make an irrevocable election to receive the retirement allowance provided by this section which shall consist of:

(1) An annuity which shall be the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement; and

(2) A basic service pension of one hundred dollars per annum; and

(3) A membership service pension, subject to the provisions of subdivision (4) of this section, which shall be equal to one one-hundredth of his or her average final compensation for each year or fraction of a year of membership service credited to his or her service account; and

(4) A prior service pension which shall be equal to one-seventieth of his or her average final compensation for each year or fraction of a year of prior service not to exceed thirty years credited to his or her service accounts. In no event shall any original member upon retirement at age seventy with ten or more years of service credit receive less than nine hundred dollars per annum as a retirement allowance, nor shall any member upon retirement at any age receive a retirement allowance of less than nine hundred dollars per annum if such member has twelve or more years of service credit, or less than one thousand and two hundred dollars per annum if such member has sixteen or more years of service credit, or less than one thousand five hundred and sixty dollars per annum if such member has twenty or more years of service credit. In the event that the retirement allowance as to such member provided by subdivisions (1), (2), (3), and (4) hereof shall amount to less than the aforesaid minimum retirement allowance, the basic service pension of the member shall be increased from one hundred dollars to a sum sufficient to make a retirement allowance of the applicable minimum amount.

(5) Notwithstanding the provisions of subsections (1) through (4) of this section, the retirement allowance payable for service where a member was elected or appointed pursuant to Articles II or III of the Constitution of the state of Washington or RCW 48.02.010 and the implementing statutes shall be a combined pension and annuity. Said retirement allowance shall be equal to three percent of the average final compensation for each year of such service. Any member covered by this subsection who upon retirement has served ten or more years shall receive a retirement allowance of at least one thousand two hundred dollars per annum; such member who has served fifteen or more years shall receive a retirement allowance of at least one thousand eight hundred dollars per annum; and such member who has served twenty or more years shall receive a retirement allowance of at least two thousand four hundred dollars per annum: PROVIDED, That the initial retirement allowance of a member retiring only under the provisions of this subsection shall not exceed the average final compensation upon which the retirement allowance is based. The minimum benefits provided in this subsection shall apply to all retired members or to the surviving spouse of deceased members who were elected under the provisions of Article II of the Washington state Constitution.

(6) ~~((Upon making application for a service retirement allowance under RCW 41.40.180, a member who is eligible therefor shall make an election as to the manner in which such service retirement shall be paid from among the following designated options, calculated so as to be actuarially equivalent to each other:~~

~~(a) Option IA. A member electing this option shall receive a retirement allowance payable throughout his life only with termination at death;~~

~~which shall be computed as provided for in subsections (1) through (4) or (5) of this section:~~

~~(b) Option I. If he dies before the total of the annuity portions of the retirement allowance paid to him equals the amount of his accumulated contributions at the time of retirement, then the balance shall be paid to such person or persons having an insurable interest in his life, 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, still living at the time of his death, then to his surviving spouse, or if there be neither such designated person or persons still living at the time of his death nor a surviving spouse, then to his legal representative; or~~

~~(c) Option H. Upon his death his reduced retirement allowance shall be continued throughout the life of and paid to such person, having an insurable interest in his life, as he shall have nominated by written designation duly executed and filed with the retirement board at the time of his retirement:)) Unless payment shall be made under RCW 41.40.270, ((option H)) a joint and one hundred percent survivor benefit under section 9 of this 1990 act shall automatically be given effect as if selected for the benefit of the surviving spouse upon the death in service, or while on authorized leave of absence for a period not to exceed one hundred and twenty days from the date of payroll separation, of any member who is qualified for a service retirement allowance or has completed ten years of service at the time of death, except that if the member is not then qualified for a service retirement allowance, such option II 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((; or~~

~~(d) Option III. Upon his death, one-half of his reduced retirement allowance shall be continued throughout the life of and paid to such person, having an insurable interest in his life, as he shall have nominated by written designation duly executed and filed with the retirement board at the time of his retirement:~~

~~(e) In addition to the other options provided under this subsection, the member may also elect to receive a retirement allowance based on options IA, I, H, or III, which includes the benefit provided under RCW 41.40.640. This retirement allowance option shall also be calculated so as to be actuarially equivalent to the options offered in (a), (b), (c), and (d) of this subsection)).~~

NEW SECTION. Sec. 9. A new section is added to chapter 41.40 RCW to read as follows:

(1) Upon retirement for service as prescribed in RCW 41.40.180 or retirement for disability under RCW 41.40.210 or 41.40.230, a member shall elect to have the retirement allowance paid pursuant to one of the following options calculated so as to be actuarially equivalent to each other.

(a) Standard allowance. A member electing this option shall receive a retirement allowance payable throughout such member's life. However, if the retiree dies before the total of the retirement allowance paid to such retiree equals the amount of such retiree's accumulated contributions at the time of retirement, then the balance shall be paid to such person or persons having an insurable interest in the retiree's life as the retiree shall have nominated by written designation duly executed and filed with the department; or if there be no such designated person or persons still living at the time of the retiree's death, then to the surviving spouse; or if there be neither such designated person or persons still living at the time of death nor a surviving spouse, then to the retiree's legal representative.

(b) The department shall adopt rules that allow a member to select a retirement option that pays the member a reduced retirement allowance and upon death, such portion of the member's reduced retirement allowance as the department by rule designates shall be continued throughout the life of and paid to a person who has an insurable interest in the member's life. Such person shall be nominated by the member by written designation duly executed and filed with the department at the time of retirement. The options adopted by the department shall include, but are not limited to, a joint and one hundred percent survivor option and a joint and fifty percent survivor option.

(c) A member may elect to include the benefit provided under RCW 41.40.640 along with the retirement options available under this section. This retirement allowance option shall be calculated so as to be actuarially equivalent to the options offered under this subsection.

(2) A member, if married, must provide the written consent of his or her spouse to the option selected under this section. If a member is married and both the member and the member's spouse do not give written consent to an option under this section, the department shall pay a joint and fifty percent survivor benefit calculated to be actuarially equivalent to the benefit options available under subsection (1) of this section.

Sec. 10. Section 7, chapter 295, Laws of 1977 ex. sess. and RCW 41.40.660 are each amended to read as follows:

(1) Upon retirement for service as prescribed in RCW 41.40.630 or retirement for disability under RCW 41.40.670, a member shall elect to have the retirement allowance paid pursuant to ((Option 1, 2, or 3 with Options 2 and 3)) one of the following options, calculated so as to be actuarially equivalent to ((Option 1)) each other.

((1) OPTION 1) (a) Standard allowance. A member electing this option shall receive a retirement allowance payable throughout such member's life. However, if the retiree dies before the total of the retirement allowance paid to such retiree equals the amount of such retiree's accumulated contributions at the time of retirement, then the balance shall

be paid to such person or persons having an insurable interest in the retiree's life as the retiree shall have nominated by written designation duly executed and filed with the department; or if there be no such designated person or persons still living at the time of the retiree's death, then to the surviving spouse; or if there be neither such designated person or persons still living at the time of death nor a surviving spouse, then to the retiree's legal representative.

~~((2) OPTION 2. A member who elects this option shall receive a reduced retirement allowance, which upon the member's death shall be continued throughout the life of and paid to such person having an insurable interest in the retiree's life as the retiree shall have nominated by written designation duly executed and filed with the department at the time of the retiree's retirement.~~

~~(3) OPTION 3. A member who elects this option shall receive a reduced retirement allowance, and upon the member's death one-half of the retiree's reduced retirement allowance shall be continued throughout the life of and paid to such person having an insurable interest in the retiree's life as the retiree shall have nominated by written designation duly executed and filed with the department at the time of the retiree's retirement.))~~

(b) The department shall adopt rules that allow a member to select a retirement option that pays the member a reduced retirement allowance and upon death, such portion of the member's reduced retirement allowance as the department by rule designates shall be continued throughout the life of and paid to a person who has an insurable interest in the member's life. Such person shall be nominated by the member by written designation duly executed and filed with the department at the time of retirement. The options adopted by the department shall include, but are not limited to, a joint and one hundred percent survivor option and a joint and fifty percent survivor option.

(2) A member, if married, must provide the written consent of his or her spouse to the option selected under this section. If a member is married and both the member and the member's spouse do not give written consent to an option under this section, the department shall pay a joint and fifty percent survivor benefit calculated to be actuarially equivalent to the benefit options available under subsection (1) of this section.

Sec. 11. Section 28, chapter 274, Laws of 1947 as last amended by section 11, chapter 249, Laws of 1979 ex. sess. and RCW 41.40.270 are each amended to read as follows:

(1) Should a member die before the date of retirement the amount of the accumulated contributions standing to the member's credit in the employees' savings fund, at the time of death(;-):

(a) Shall be paid to such person or persons, having an insurable interest in the member's life, as the member shall have nominated by written designation duly executed and filed with the department(;-); or

(b) If there be no such designated person or persons still living at the time of the member's death, or if a member fails to file a new beneficiary designation subsequent to marriage, remarriage, dissolution of marriage, divorce, or reestablishment of membership following termination by withdrawal or retirement, ~~((the member's credited))~~ such accumulated contributions ~~((in the employees' savings fund))~~ shall be paid to the surviving spouse as if in fact such spouse had been nominated by written designation as aforesaid, or if there be no such surviving spouse, then to the member's legal representatives(;;).

(2) Upon the death in service, or while on authorized leave of absence for a period not to exceed one hundred and twenty days from the date of payroll separation, of any member who is qualified but has not applied for a service retirement allowance or has completed ten years of service at the time of death, the designated beneficiary, or the surviving spouse as provided in subsection (1) of this section, may elect to waive the payment provided by subsection (1) of this section. Upon such an election, ~~((option H of))~~ a joint and one hundred percent survivor option under section 9 of this 1990 act, calculated under the retirement allowance described in RCW 41.40.185 or ((option H of RCW)) 41.40.190, whichever is greater, shall automatically be given effect as if selected for the benefit of the surviving spouse or dependent who is the designated beneficiary(~~, except that~~). If the member is not then qualified for a service retirement allowance, such ~~((option H))~~ 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(~~, PROVIDED, That~~).

(3) Subsection (1) of this section, unless elected, shall not apply to any member who has applied for service retirement in RCW 41.40.180, as now or hereafter amended, and thereafter dies between the date of separation from service and the member's effective retirement date, where the member has selected ~~((either options H or HH in RCW 41.40.185 or 41.40.190))~~ a survivorship option under section 9 of this 1990 act. In those cases the beneficiary named in the member's final application for service retirement may elect to receive either a cash refund or monthly payments according to the option selected by the member.

Sec. 12. Section 16, chapter 14, Laws of 1963 ex. sess. as last amended by section 3, chapter 199, Laws of 1974 ex. sess. and RCW 41.32.497 are each amended to read as follows:

Any person who became a member on or before April 25, 1973 and who qualifies for a retirement allowance shall, at time of retirement, make an irrevocable election to receive either the retirement allowance by RCW 41.32.498 as now or hereafter amended or to receive a retirement allowance pursuant to this section consisting of: (1) An annuity which shall be the actuarial equivalent of his accumulated contributions at his age of retirement,

(2) A basic service pension of one hundred dollars per annum, and (3) A service pension which shall be equal to one one-hundredth of his average earnable compensation for his two highest compensated consecutive years of service times the total years of creditable service established with the retirement system: PROVIDED, That no beneficiary now receiving benefits or who receives benefits in the future, except those beneficiaries receiving reduced benefits pursuant to RCW 41.32.520(1)((~~options 2 and 3 provided in RCW~~) or 41.32.530, ((~~or options 2 or 3 of RCW 41.32.498 as now or hereafter amended;~~)) shall receive a pension of less than six dollars and fifty cents per month for each year of creditable service established with the retirement system. Pension benefits payable under the provisions of this section shall be prorated on a monthly basis and paid at the end of each month.

Sec. 13. Section 8, chapter 109, Laws of 1988 and RCW 2.10.144 are each amended to read as follows:

(1) If a judge dies before the date of retirement, the amount of the accumulated contributions standing to the judge's credit at the time of death shall be paid to such person or persons, having an insurable interest in the judge's life, as the judge has nominated by written designation duly executed and filed with the department of retirement systems. If there is no such designated person or persons still living at the time of the judge's death, or if the judge fails to file a new beneficiary designation subsequent to marriage, remarriage, dissolution of marriage, divorce, or reestablishment of membership following termination by withdrawal or retirement, the judge's credited accumulated contributions shall be paid to the surviving spouse as if in fact the spouse had been nominated by written designation or, if there is no such surviving spouse, then to the judge's legal representatives.

(2) Upon the death in service of any judge who is qualified but has not applied for a service retirement allowance or has completed ten years of service at the time of death, the designated beneficiary, or the surviving spouse as provided in subsection (1) of this section, may elect to waive the payment provided by subsection (1) of this section. Upon such an election, ((~~option II of~~) a joint and one hundred percent survivor option under RCW 2.10.146 shall automatically be given effect as if selected for the benefit of the surviving spouse or dependent who is the designated beneficiary, except that if the judge is not then qualified for a service retirement allowance, the option II benefit shall be based upon the actuarial equivalent of the sum necessary to pay the accrued regular retirement allowance commencing when the deceased judge would have first qualified for a service retirement allowance. However, subsection (1) of this section, unless elected, shall not apply to any judge who has applied for a service retirement and thereafter dies between the date of separation from service and the judge's effective retirement date, where the judge has selected ((either

~~option II or III of~~) a survivorship option under RCW 2.10.146(1)(b). In those cases, the beneficiary named in the judge's final application for service retirement may elect to receive either a cash refund or monthly payments according to the option selected by the judge.

Sec. 14. Section 12, chapter 294, Laws of 1977 ex. sess. and RCW 41.26.510 are each amended to read as follows:

(1) If a member or a vested member who has not completed at least ten years of service dies, the amount of the accumulated contributions standing to such member's credit in the retirement system at the time of such member's death shall be paid to such person or persons having an insurable interest in such member's life as the member shall have nominated by written designation duly executed and filed with the department. If there be no such designated person or persons still living at the time of the member's death, such member's accumulated contributions standing to such member's credit in the retirement system shall be paid to the member's surviving spouse as if in fact such spouse had been nominated by written designation, or if there be no such surviving spouse, then to such member's legal representatives.

(2) If a member who is eligible for retirement or a member who has completed at least ten years of service dies, the surviving spouse or eligible child or children shall elect to receive either:

(a) A retirement allowance computed as provided for in RCW 41.26.430(1) actuarially adjusted to reflect (~~Option 2 of~~) a joint and one hundred percent survivor option under RCW 41.26.460 and if the member was not eligible for normal retirement at the date of death a further reduction as described in RCW 41.26.430(2); if a surviving spouse who is receiving a retirement allowance dies leaving a child or children of the member under the age of majority, then such child or children shall continue to receive an allowance in an amount equal to that which was being received by the surviving spouse, share and share alike, until such child or children reach the age of majority; if there is no surviving spouse eligible to receive an allowance at the time of the member's death, such member's child or children under the age of majority shall receive an allowance share and share alike calculated as herein provided making the assumption that the ages of the spouse and member were equal at the time of the member's death; or

(b) The member's accumulated contributions.

Sec. 15. Section 52, chapter 80, Laws of 1947 as last amended by section 5, chapter 193, Laws of 1974 ex. sess. and RCW 41.32.520 are each amended to read as follows:

(1) Upon receipt of proper proofs of death of any member before retirement or before the first installment of his or her retirement allowance shall become due his or her accumulated contributions and/or other benefits payable upon his or her death shall be paid to his or her estate or to such

persons as he or she 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, or reestablishment of membership following termination by withdrawal, lapsation, or retirement, payment of his or her accumulated contributions and/or other benefits upon death before retirement shall be made to the surviving spouse, if any; otherwise, to his or her estate. If a member had established ten or more years of Washington membership service credit or was eligible for retirement, 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) 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))~~ (b) The beneficiary, if a surviving spouse or a dependent (as that term is used in computing the dependent exemption for federal internal revenue purposes) may elect to receive a joint and one hundred percent retirement allowance under ~~((Option 2 of))~~ RCW 41.32.530.

(i) In the case of a dependent child the allowance shall continue until attainment of majority or so long as the board judges that the circumstances which created his or her dependent status continue to exist. In any case, 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))~~.

(ii) If at the time of death, the member was not then qualified for a service retirement allowance, ~~((such Option 2))~~ the 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.

(2) If no qualified beneficiary survives a member, at his or her death his or her accumulated contributions shall be paid to his or her estate, or his or her dependents may qualify for survivor benefits under benefit plan ~~((2))~~ (1)(b) 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.

(3) Under survivors' benefit plan (1)(a) 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. 16. Section 12, chapter 293, Laws of 1977 ex. sess. and RCW 41.32.805 are each amended to read as follows:

(1) If a member or a vested member who has not completed at least ten years of service dies, the amount of the accumulated contributions standing to such member's credit in the retirement system at the time of such member's death shall be paid to such person or persons having an insurable interest in such member's life as the member shall have nominated by written designation duly executed and filed with the department. If there be no such designated person or persons still living at the time of the member's death, such member's accumulated contributions standing to such member's credit in the retirement system shall be paid to the member's surviving spouse as if in fact such spouse had been nominated by written designation, or if there be no such surviving spouse, then to such member's legal representatives.

(2) If a member who is eligible for retirement or a member who has completed at least ten years of service dies, the surviving spouse or eligible children shall elect to receive either:

(a) A retirement allowance computed as provided for in RCW 41.32.765(1) actuarially adjusted to reflect ~~((Option 2 of))~~ a joint and one hundred percent survivor option under RCW 41.32.785 and if the member was not eligible for normal retirement at the date of death a further reduction as described in RCW 41.32.765(2); if a surviving spouse who is receiving a retirement allowance dies leaving a child or children of the member under the age of majority, then such child or children shall continue to receive an allowance in an amount equal to that which was being received by the surviving spouse, share and share alike, until such child or children reach the age of majority; if there is no surviving spouse eligible to receive an allowance at the time of the member's death, such member's child or children under the age of majority shall receive an allowance share and share alike calculated as herein provided making the assumption that the ages of the spouse and member were equal at the time of the member's death; or

(b) The member's accumulated contributions.

Sec. 17. Section 16, chapter 274, Laws of 1947 as last amended by section 1, chapter 88, Laws of 1987 and by section 1, chapter 384, Laws of 1987 and RCW 41.40.150 are each reenacted and amended to read as follows:

Should any member die, or should the individual separate or be separated from service without leave of absence before attaining age sixty years, or should the individual become a beneficiary, except a beneficiary of an optional retirement allowance as provided by ~~((RCW 41.40.185 or 41.40.190))~~ section 9 of this 1990 act, the individual shall thereupon cease to be a member except;

(1) As provided in RCW 41.40.170.

(2) An employee not previously retired who reenters service shall upon completion of six months of continuous service and upon the restoration of all withdrawn contributions with interest as computed by the director, which restoration must be completed within a total period of five years of membership service following the member's first resumption of employment, be returned to the status, either as an original member or new member which the member held at time of separation.

~~(3) ((Any member, except a state elected official, who reentered service and who failed to restore withdrawn contributions, shall now have from April 4, 1986, through June 30, 1987, to restore the contributions, with interest as determined by the director. Local elected officials may restore withdrawn contributions only for the period during which they served as non-elected officials. Local elected officials who have retired in the period from April 4, 1986, through June 30, 1987, may nevertheless restore these contributions through June 30, 1987.~~

(4)) Within the ninety days following the employee's resumption of employment, the employer shall notify the department of the resumption and the department shall then return to the employer a statement of the potential service credit to be restored, the amount of funds required for restoration, and the date when the restoration must be accomplished. The employee shall be given a copy of the statement and shall sign a copy of the statement which signed copy shall be placed in the employee's personnel file.

~~((5))~~ (4) A member who separates or has separated after having completed at least five years of service shall remain a member during the period of absence from service for the exclusive purpose of receiving a retirement allowance to begin at attainment of age sixty-five, however, such a member may on written notice to the director elect to receive a reduced retirement allowance on or after age sixty which allowance shall be the actuarial equivalent of the sum necessary to pay regular retirement benefits as of age sixty-five: PROVIDED, That if such member should withdraw all or part of the member's accumulated contributions except those additional contributions made pursuant to RCW 41.40.330(2), the individual shall thereupon cease to be a member and this section shall not apply.

~~((6))~~ (5) (a) The recipient of a retirement allowance who is employed in an eligible position other than under RCW 41.40.120(12) shall be considered to have terminated his or her retirement status and shall immediately become a member of the retirement system with the status of membership the member held as of the date of retirement. Retirement benefits shall be suspended during the period of eligible employment and the individual shall make contributions and receive membership credit. Such a member shall have the right to again retire if eligible in accordance with RCW 41.40.180: PROVIDED, That where any such right to retire is exercised to become effective before the member has rendered two uninterrupted

years of service the type of retirement allowance the member had at the time of the member's previous retirement shall be reinstated;

(b) The recipient of a retirement allowance elected to office or appointed to office directly by the governor, and who shall apply for and be accepted in membership as provided in RCW 41.40.120(3) shall be considered to have terminated his or her retirement status and shall become a member of the retirement system with the status of membership the member held as of the date of retirement. Retirement benefits shall be suspended from the date of return to membership until the date when the member again retires and the member shall make contributions and receive membership credit. Such a member shall have the right to again retire if eligible in accordance with RCW 41.40.180: PROVIDED, That where any such right to retire is exercised to become effective before the member has rendered six uninterrupted months of service the type of retirement allowance the member had at the time of the member's previous retirement shall be reinstated, but no additional service credit shall be allowed: AND PROVIDED FURTHER, That if such a recipient of a retirement allowance does not elect to apply for reentry into membership as provided in RCW 41.40.120(3), the member shall be considered to remain in a retirement status and the individual's retirement benefits shall continue without interruption.

~~((7))~~ (6) Any member who leaves the employment of an employer and enters the employ of a public agency or agencies of the state of Washington, other than those within the jurisdiction of the Washington public employees' retirement system, and who establishes membership in a retirement system or a pension fund operated by such agency or agencies and who shall continue membership therein until attaining age sixty, shall remain a member for the exclusive purpose of receiving a retirement allowance without the limitation found in RCW 41.40.180(1) to begin on attainment of age sixty-five; however, such a member may on written notice to the director elect to receive a reduced retirement allowance on or after age sixty which allowance shall be the actuarial equivalent of the sum necessary to pay regular retirement benefits commencing at age sixty-five: PROVIDED, That if such member should withdraw all or part of the member's accumulated contributions except those additional contributions made pursuant to RCW 41.40.330(2), the individual shall thereupon cease to be a member and this section shall not apply.

Sec. 18. Section 11, chapter 295, Laws of 1977 ex. sess. and RCW 41.40.700 are each amended to read as follows:

(1) If a member or a vested member who has not completed at least ten years of service dies, the amount of the accumulated contributions standing to such member's credit in the retirement system at the time of such member's death shall be paid to such person or persons having an insurable interest in such member's life as the member shall have nominated

by written designation duly executed and filed with the department. If there be no such designated person or persons still living at the time of the member's death, such member's accumulated contributions standing to such member's credit in the retirement system shall be paid to the member's surviving spouse as if in fact such spouse had been nominated by written designation, or if there be no such surviving spouse, then to such member's legal representatives.

(2) If a member who is eligible for retirement or a member who has completed at least ten years of service dies, the surviving spouse or eligible child or children shall elect to receive either:

(a) A retirement allowance computed as provided for in RCW 41.40.630(1) actuarially adjusted to reflect (~~Option 2 of~~) a joint and one hundred percent survivor option under RCW 41.40.660 and if the member was not eligible for normal retirement at the date of death a further reduction as described in RCW 41.40.630(2); if a surviving spouse who is receiving a retirement allowance dies leaving a child or children of the member under the age of majority, then such child or children shall continue to receive an allowance in an amount equal to that which was being received by the surviving spouse, share and share alike, until such child or children reach the age of majority; if there is no surviving spouse eligible to receive an allowance at the time of the member's death, such member's child or children under the age of majority shall receive an allowance share and share alike calculated as herein provided making the assumption that the ages of the spouse and member were equal at the time of the member's death; or

(b) The member's accumulated contributions.

Sec. 19. Section 8, chapter 294, Laws of 1977 ex. sess. as last amended by section 1, chapter 88, Laws of 1989 and by section 1, chapter 191, Laws of 1989 and RCW 41.26.470 are each reenacted and amended to read as follows:

(1) A member of the retirement system who becomes totally incapacitated for continued employment by an employer as determined by the director shall be eligible to receive an allowance under the provisions of RCW 41.26.410 through 41.26.550. Such member shall receive a monthly disability allowance computed as provided for in RCW 41.26.420 and shall have such allowance actuarially reduced to reflect the difference in the number of years between age at disability and the attainment of age fifty-eight.

(2) Any member who receives an allowance under the provisions of this section shall be subject to such comprehensive medical examinations as required by the department. If such medical examinations reveal that such a member has recovered from the incapacitating disability and the member is no longer entitled to benefits under Title 51 RCW, the retirement allowance shall be canceled and the member shall be restored to duty in the same civil

service rank, if any, held by the member at the time of retirement or, if unable to perform the duties of the rank, then, at the member's request, in such other like or lesser rank as may be or become open and available, the duties of which the member is then able to perform. In no event shall a member previously drawing a disability allowance be returned or be restored to duty at a salary or rate of pay less than the current salary attached to the rank or position held by the member at the date of the retirement for disability. If the department determines that the member is able to return to service, the member is entitled to notice and a hearing. Both the notice and the hearing shall comply with the requirements of chapter 34.05 RCW, the Administrative Procedure Act.

(3) Those members subject to this chapter who became disabled in the line of duty on or after July 23, 1989, and who receive benefits under RCW 41.04.500 through 41.04.530 or similar benefits under RCW 41.04.535 shall receive or continue to receive service credit subject to the following:

(a) No member may receive more than one month's service credit in a calendar month.

(b) No service credit under this section may be allowed after a member separates or is separated without leave of absence.

(c) Employer contributions shall be paid by the employer at the rate in effect for the period of the service credited.

(d) Employee contributions shall be collected by the employer and paid to the department at the rate in effect for the period of service credited.

(e) State contributions shall be as provided in RCW 41.26.450.

(f) Contributions shall be based on the regular compensation which the member would have received had the disability not occurred.

(g) The service and compensation credit under this section shall be granted for a period not to exceed six consecutive months.

(h) Should the legislature revoke the service credit authorized under this section or repeal this section, no affected employee is entitled to receive the credit as a matter of contractual right.

(4)(a) If the recipient of a monthly retirement allowance under this section dies before the total of the retirement allowance paid to the recipient equals the amount of the accumulated contributions at the date of retirement, then the balance shall be paid to such person or persons having an insurable interest in his or her life as the recipient has nominated by written designation duly executed and filed with the director, or, if there is no such designated person or persons still living at the time of the recipient's death, then to the surviving spouse, or, if there is neither such designated person or persons still living at the time of his or her death nor a surviving spouse, then to his or her legal representative.

(b) If a recipient of a monthly retirement allowance under this section died before April 27, 1989, and before the total of the retirement allowance

paid to the recipient equaled the amount of his or her accumulated contributions at the date of retirement, then the department shall pay the balance of the accumulated contributions to the member's surviving spouse or, if there is no surviving spouse, then in equal shares to the member's children. If there is no surviving spouse or children, the department shall retain the contributions.

Sec. 20. Section 9, chapter 293, Laws of 1977 ex. sess. as amended by section 2, chapter 191, Laws of 1989 and RCW 41.32.790 are each amended to read as follows:

(1) A member of the retirement system who becomes totally incapacitated for continued employment by an employer as determined by the department upon recommendation of the retirement board shall be eligible to receive an allowance under the provisions of RCW 41.32.755 through 41.32.825. Such member shall receive a monthly disability allowance computed as provided for in RCW 41.32.760 and shall have such allowance actuarially reduced to reflect the difference in the number of years between age at disability and the attainment of age sixty-five.

Any member who receives an allowance under the provisions of this section shall be subject to such comprehensive medical examinations as required by the department. If such medical examinations reveal that such a member has recovered from the incapacitating disability and the member is offered reemployment by an employer at a comparable compensation, such member shall cease to be eligible for such allowance.

(2)(a) If the recipient of a monthly retirement allowance under this section dies before the total of the retirement allowance paid to the recipient equals the amount of the accumulated contributions at the date of retirement, then the balance shall be paid to such person or persons having an insurable interest in his or her life as the recipient has nominated by written designation duly executed and filed with the director, or, if there is no such designated person or persons still living at the time of the recipient's death, then to the surviving spouse, or, if there is neither such designated person or persons still living at the time of his or her death nor a surviving spouse, then to his or her legal representative.

(b) If a recipient of a monthly retirement allowance under this section died before April 27, 1989, and before the total of the retirement allowance paid to the recipient equaled the amount of his or her accumulated contributions at the date of retirement, then the department shall pay the balance of the accumulated contributions to the member's surviving spouse or, if there is no surviving spouse, then in equal shares to the member's children. If there is no surviving spouse or children, the department shall retain the contributions.

Sec. 21. Section 8, chapter 295, Laws of 1977 ex. sess. as last amended by section 3, chapter 191, Laws of 1989 and RCW 41.40.670 are each amended to read as follows:

(1) A member of the retirement system who becomes totally incapacitated for continued employment by an employer as determined by the department upon recommendation of the retirement board shall be eligible to receive an allowance under the provisions of RCW 41.40.610 through 41.40.740. Such member shall receive a monthly disability allowance computed as provided for in RCW 41.40.620 and shall have such allowance actuarially reduced to reflect the difference in the number of years between age at disability and the attainment of age sixty-five.

Any member who receives an allowance under the provisions of this section shall be subject to such comprehensive medical examinations as required by the department. If such medical examinations reveal that such a member has recovered from the incapacitating disability and the member is offered reemployment by an employer at a comparable compensation, such member shall cease to be eligible for such allowance.

(2) The retirement for disability of a judge, who is a member of the retirement system, by the supreme court under Article IV, section 31 of the Constitution of the state of Washington (House Joint Resolution No. 37, approved by the voters November 4, 1980), with the concurrence of the retirement board, shall be considered a retirement under subsection (1) of this section.

(3)(a) If the recipient of a monthly retirement allowance under this section dies before the total of the retirement allowance paid to the recipient equals the amount of the accumulated contributions at the date of retirement, then the balance shall be paid to such person or persons having an insurable interest in his or her life as the recipient has nominated by written designation duly executed and filed with the director, or, if there is no such designated person or persons still living at the time of the recipient's death, then to the surviving spouse, or, if there is neither such designated person or persons still living at the time of his or her death nor a surviving spouse, then to his or her legal representative.

(b) If a recipient of a monthly retirement allowance under this section died before April 27, 1989, and before the total of the retirement allowance paid to the recipient equaled the amount of his or her accumulated contributions at the date of retirement, then the department shall pay the balance of the accumulated contributions to the member's surviving spouse or, if there is no surviving spouse, then in equal shares to the member's children. If there is no surviving spouse or children, the department shall retain the contributions.

NEW SECTION. Sec. 22. The following acts or parts of acts are each repealed:

(1) Section 2, chapter 22, Laws of 1961 ex. sess., section 2, chapter 151, Laws of 1967 and RCW 41.32.493;

(2) Section 1, chapter 35, Laws of 1970 ex. sess., section 2, chapter 147, Laws of 1972 ex. sess. and RCW 41.32.4932; and

(3) Section 9, chapter 168, Laws of 1973 1st ex. sess. and RCW 41-40.508.

NEW SECTION. Sec. 23. The repeal of RCW 41.32.493, 41.32.4932, and 41.40.508 by section 22 of this act shall not be construed as affecting any existing right acquired under those sections or under any rule or order adopted under those sections, nor as affecting any proceedings instituted under those sections.

NEW SECTION. Sec. 24. The sum of twenty-eight thousand dollars, or as much thereof as may be necessary, is appropriated for the biennium ending June 30, 1991, from the retirement systems expense fund to the department of retirement systems solely for the purposes of this act.

Passed the House February 8, 1990.

Passed the Senate March 6, 1990.

Approved by the Governor March 28, 1990.

Filed in Office of Secretary of State March 28, 1990.

CHAPTER 250

[Substitute Senate Bill No. 6663]

SPECIAL LICENSE PLATES AND DEPARTMENT OF LICENSING STATUTES

AN ACT Relating to vehicle license plates and license plate emblems; amending RCW 46.16.350, 10.05.060, 46.01.030, 46.01.090, 46.01.100, 46.04.303, 46.04.304, 46.04.305, 46.04.330, 46.04.580, 46.09.030, 46.09.080, 46.09.140, 46.10.050, 46.10.140, 46.12.070, 46.12.140, 46.12.151, 46.12.181, 46.16.270, 46.20.021, 46.20.055, 46.20.091, 46.20.100, 46.20.118, 46.20.119, 46.20.130, 46.20.161, 46.20.181, 46.20.270, 46.20.285, 46.20.293, 46.20.311, 46.20.326, 46.20.342, 46.20.391, 46.20.911, 46.25.120, 46.29.110, 46.29.330, 46.29.430, 46.29.610, 46.61.655, 46.61.685, 46.61.688, 46.64.048, 46.64.020, 46.65.070, 46.70.029, 46.70.041, 46.70.061, 46.70.083, 46.70.085, 46.76.040, 46.79.010, 46.79.020, 46.79.070, 46.80.030, 46.82.410, 46.87.025, 46.87.120, 46.87.270, 46.90.300, 82.36.010, 82.36.190, 82.38.040, 82.38.050, 82.38.070, 82.38.090, 82.38.120, 46.20.308, 46.61.205, 46.01.140, and 73.04.115; reenacting and amending RCW 46.37.530 and 46.63.020; adding new sections to chapter 46.16 RCW; adding a new section to chapter 46.04 RCW; adding a new section to chapter 46.87 RCW; adding a new section to chapter 88.02 RCW; repealing RCW 46.16.310, 46.16.311, 46.16.315, 46.16.320, 46.16.330, 46.16.620, 46.16.625, 46.16.660, 46.20.171, 46.20.416, 46.20.418, and 46.20.599; prescribing penalties; and providing effective dates.

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

NEW SECTION. Sec. 1. A new section is added to chapter 46.16 RCW to read as follows:

(1) The department may create, design, and issue special license plates, upon terms and conditions as may be established by the department, that may be used in lieu of regular or personalized license plates upon vehicles. The special plates may denote the age or type of vehicle or may denote special activities or interests, status, or contribution or sacrifice for the United States, the state of Washington, or the citizens of the state of Washington, of a registered owner of that vehicle.

(2) The department has the sole discretion to determine whether or not to create, design, or issue any series of special license plates and whether