

time this act takes effect but this act shall be construed to be a continuation of the provisions of the several acts which are hereby amended.

SEC. 51. If any portion of this act, or its application to any individual or circumstance, be declared invalid or unconstitutional, such adjudication shall not affect, impair or invalidate the remainder of the act or its application to any other individual or circumstance not involved in the action wherein such adjudication was made. Partial
invalidity.

SEC. 52. This act is necessary for the immediate support of the state government and its existing public institutions and shall take effect immediately. Effective
immediately.

Passed the House March 8, 1939.

Passed the Senate March 8, 1939.

Approved by the Governor March 19, 1939.

CHAPTER 207.

[H. B. 90.]

RETIREMENT AND PENSION SYSTEM FOR DISABLED EMPLOYEES OF FIRST-CLASS CITIES.

AN ACT enabling the creation and establishment of retiring and pension systems for superannuated and disabled officers and employees of cities of the first class; providing for the payment of retirement allowances; prescribing the conditions on which said allowances shall be paid; fixing rates of contribution and providing for the adjustment thereof; and providing for the administration of said systems.

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

SECTION 1. Any city attaining the status of a first-class city after July 1, 1939, is empowered by this act to establish retirement and pension systems for superannuated or totally and permanently disabled officers and employees of cities of the first class. Retirement
and pension
system.

Definitions.

SEC. 2. Unless a different meaning is plainly required by the context, the following words and phrases as hereinafter used in this act shall have the following meanings:

"Retirement system."

(a) "Retirement system" shall mean "employee's retirement system," provided for in section 3 of this act.

"Employee."

(b) "Employee" shall mean any regularly appointed officer or regularly appointed employee of a first-class city as described in section 1, whose compensation in such employment is paid wholly by that city.

"Member."

(c) "Member" shall mean any person included in the membership of the retirement system as provided in section 4 of this act.

"City."

(d) "City" shall mean any city of the first class as described in section 1.

"Board."

(e) "Board" shall mean "board of administration" as provided in section 9 of this act.

"Retirement fund."

(f) "Retirement fund" shall mean "employee's retirement fund" as created and established in section 8 of this act.

"City service."

(g) "City service" shall mean service rendered to city for compensation, and for the purpose of this act, a member shall be considered as being in city service only while he is receiving compensation from the city for such service.

"Prior service."

(h) "Prior service" shall mean the service of a member for compensation rendered to the city prior to July 1, 1939, and shall also include military or naval service of a member to the extent specified in section 6 of this act.

"Continuous service."

(i) "Continuous service" shall mean uninterrupted employment by that city, except that discontinuance of city service of a member caused by lay-off, leave of absence, suspension, or dismissal, followed by re-entrance into city service within one year, shall not count as a break in the continuity of

service: *Provided*, That for the purpose of establishing membership in the retirement system continuous service shall mean six (6) months' service in any one year.

(j) "Beneficiary" shall mean any person in receipt of a pension, annuity, retirement allowance, disability allowance, or any other benefit provided in this act. "Beneficiary."

(k) "Compensation" shall mean the compensation payable in cash, plus the monetary value, as determined by the Board of Administration, of any allowance in lieu thereof, but such compensation shall not exceed four hundred dollars (\$400) per month. "Compensation."

(l) "Compensation earnable" by a member shall mean the average compensation as determined by the Board of Administration upon the basis of the average period of employment of members in the same group or class of employment and at the same rate of pay, but such "compensation earnable" shall not exceed four hundred dollars (\$400) per month. "Compensation earnable."

(m) "Final compensation" shall mean the average annual compensation earnable by a member during the ten (10) years immediately preceding his retirement. "Final compensation."

(n) "Normal contributions" shall mean contributions at the rate provided for in subdivision (a) of section 5 of this act. "Normal contributions."

(o) "Additional contributions" shall mean the contributions provided for in subdivision (d) of section 5 of this act. "Additional contributions."

(p) "Regular interest," unless changed by the Board of Administration as provided in section 7 of this act, shall mean interest at four per cent (4%) per annum, compounded annually. "Regular interest."

(q) "Accumulated normal contribution" shall mean the sum of all normal contributions, deducted from the compensation of a member, standing to the "Accumulated normal contribution."

credit of his individual account, together with regular interest thereon.

"Accumulated additional contributions."

(r) "Accumulated additional contributions" shall mean the sum of all the additional contributions, deducted from the compensation of a member, standing to the credit of his individual account, together with regular interest thereon.

"Accumulated contributions."

(s) "Accumulated contributions" shall mean accumulated normal contributions plus accumulated additional contributions.

"Pension."

(t) "Pension" shall mean payments derived from contributions made by the city as provided for in sections 14 and 16 of this act.

"Annuity."

(u) "Annuity" shall mean payments derived from contributions made by a member as provided in sections 14 and 16 of this act.

"Retirement allowance."

(v) "Retirement allowance" shall mean the pension plus the annuity.

"Fiscal year."

(w) "Fiscal year" shall mean any year commencing with January 1, and ending with December 31, next following.

"Creditable service."

(x) "Creditable service" shall mean such service as is evidenced by the record of normal contributions received from the employee plus prior service if credit for same is still intact or not lost through withdrawal of accumulated normal contributions as provided in section 12 of this act.

Establishment of retirement system.

SEC. 3. A retirement system is hereby created and established in each city of the first class in each first-class county to be known as the "employee's retirement system." This act shall become effective as to any such city when by ordinance of the city duly enacted its terms are expressly accepted and made applicable thereto. This section shall not be construed as preventing performance before July 1, 1939, of any preliminary work which any City Council, City Commission or Board of Administration shall deem necessary.

SEC. 4. (a) With the exception of those employees who are excluded from membership as herein provided, all employees shall become members of the retirement system as follows: Members.

(1) Every employee in city service as defined in this act, on July 1, 1939, shall become a member of the retirement system on that date.

(2) Every employee who enters or re-enters city service after July 1, 1939, shall become a member of the retirement system upon the completion of six (6) months of continuous service.

(b) The following shall be specifically exempted from the provisions of this act: Exemptions.

(1) Members of the police departments who are entitled to the benefits of the police relief and pension fund as established by state law.

(2) Members of the fire departments who are entitled to the benefits of the firemen's relief and pension fund as established by state law.

(c) It shall be the duty of the head of each office or department to give immediate notice in writing to the Board of Administration of the change in status of any member of his office or department, resulting from transfer, promotion, leave of absence, resignation, reinstatement, dismissal or death. The head of each office or department shall furnish such other information concerning any member as the board may require. Notice of
change in
status of
member.

(d) Each member shall be subject to all the provisions of this act and to all the rules and regulations adopted by the Board of Administration. Should the service of any member, in any period of ten (10) consecutive years, amount to less than five (5) years, or should he withdraw more than one quarter of his accumulated contributions, or should he die or be retired, he shall thereupon cease to be a member.

SEC. 5. (a) The normal rate of contribution of members shall be those adopted by the Board of Contribu-
tions.

Administration, subject to the approval of the City Council or City Commission, and for the first five-year period such rates shall be based on sex and on age of entry into the retirement system, which age shall be the age at the birthday nearest the time of entry into the system. The rates so adopted shall remain in full force and effect until revised or changed by the Board of Administration in the manner provided in section 7 of this act. The normal rates of contribution shall be so fixed as to provide an annuity which, together with the pension provided by the city, shall give as nearly as may be a retirement allowance at the age of sixty-two (62) years of one and one-third per cent ($1\frac{1}{3}\%$) of the final compensation multiplied by the number of years of service of the retiring employee. The normal rate established for age sixty-one (61) shall be the rate for any member who has attained a greater age before entry into the retirement system. The normal rate of contribution for age twenty (20) shall be the rate for any member who enters the retirement system at an earlier age.

Rates.

Deduction of
contribu-
tions.

(b) Subject to the provision of this act, the Board of Administration shall adopt rules and regulations governing the making of deductions from the compensation of employees and shall certify to the head of each office or department the normal rate of contribution for each member provided for in subdivision (a) of this section. The head of the department shall apply such rate of contribution to so much of the compensation of a member as does not exceed four hundred dollars (\$400) per month, and shall certify to the City Comptroller on each and every payroll the amount to be contributed and shall furnish immediately to the board a copy of each and every payroll; and each of said amounts shall be deducted by the City Comptroller and shall be paid into the retirement fund, hereinafter pro-

vided for, and shall be credited by the board together with regular interest to an individual account of the member for whom the contribution was made.

Every member shall be deemed to consent and agree to the contribution made and provided for herein, and shall receipt in full for his salary or compensation. Payment less said contribution shall be a full and complete discharge of all claims and demands whatsoever for the service rendered by such person during the period covered by such payment, except his claim to the benefits to which he may be entitled under the provisions of this act.

Consent presumed.

(c) At the end of each payroll period, the board shall determine the aggregate amount of the normal contributions for such period, and shall certify such aggregate to the City Comptroller, who shall thereupon transfer to the retirement fund, hereinafter provided for, from the money appropriated for that purpose in the budget for the fiscal year, an amount equal to the aggregate normal contributions for the period received from members.

City to match aggregate contributions.

(d) Any member may elect to contribute at rates in excess of those provided for in subdivision (a) of this section, for the purpose of providing additional benefits, but the exercise of this privilege by a member shall not place on the city any additional financial obligation. The Board of Administration, upon application, shall furnish to such member information concerning the nature and amount of additional benefits to be provided by such additional contribution.

Election to contribute in excess of rate.

SEC. 6. (a) Subject to the following and all other provisions of this act, including such rules and regulations as the board shall adopt in pursuance thereof, the board, subject to the approval of the City Council or City Commission, shall determine and may modify allowance for service.

Allowance for service determined and modified.

Time during which a member is absent on leave without pay shall not be allowed in computing service: *Provided, however,* That any member shall be given credit for any period served by him in the National Guard, or in the United States Army, Navy, or Marine Corps, upon the call of the President, if at the time of such service such member was a regular employee under leave of absence. Certificate of honorable discharge from and/or documentary evidence of such service shall be submitted to the board in order to obtain credit for such service.

Member to
furnish
information.

Each member shall file with the board such information affecting his status as a member of the retirement system as the board may require.

Credit for
prior
service.

(b) The board shall grant credit for prior service to each member entering the retirement system on July 1, 1939, and to each member entering after that date, if such entry is within one year after rendering service prior to July 1, 1939: *Provided, however,* That the board may grant credit for prior service to those entering the retirement system after July 1, 1939, where the employee, because of sickness or other disability, has been on leave of absence, regularly granted, since discontinuance of city service, regardless of the length of such leave. No prior service credit shall be used as a basis for retirement or other benefit unless the membership continues until retirement on a retirement allowance or until the granting of other benefits.

Administra-
tion.

SEC. 7. The administration of the retirement system is hereby vested in the Board of Administration created in section 9 of this act. The board shall exercise the powers and duties conferred upon it by said section, and in addition thereto:

Data on file
for actuarial
valuation.

(a) The board shall keep in convenient form such data as shall be necessary for the actuarial valuation of the retirement fund created by this act. At the end of the five-year period beginning with the

year 1939, and at the end of every five-year period thereafter, the board shall cause to be made an actuarial investigation into the mortality, service and compensation experience of the members, and beneficiaries as defined by this act; and shall further cause to be made an actuarial valuation of the assets and liabilities of the retirement fund, and upon the basis of such investigation and valuation and subject to the approval of the City Council or City Commission, shall:

Actuarial investigation and valuation.

Revisions.

(1) Make any necessary changes in the rate of interest;

(2) Adopt for the retirement system such mortality, service and other tables as shall be necessary;

(3) Revise or change the rates of contribution by members on the basis of such mortality, service and other tables.

(b) The board shall promptly transmit to the City Council or City Commission a report covering the actuarial investigation and actuarial valuation provided for in subdivision (a) of this section.

(c) In addition to other records and accounts, the board shall keep such detailed reports and accounts as shall be necessary to show the financial condition of the retirement fund at all times.

(d) The board shall annually transmit to the City Council or City Commission a report showing the financial condition of the fund established by this act.

SEC. 8. A fund is hereby created and established in all cities of the first class as under this act provided to be known as the "employee's retirement fund" and shall consist of all the moneys paid into it in accordance with the provisions of this act, whether such moneys shall take the form of cash, securities, or other assets.

Employees' retirement fund.

SEC. 9. (a) There is hereby created and established a Board of Administration in each city coming

Board of Administration established.

under this act, which shall, under the provisions of this act and the direction of the City Council or City Commission, administer the retirement system and the retirement fund created by this act. Under and pursuant to the direction of the City Council or City Commission, the board shall provide for the proper investment of the moneys in the said retirement fund.

Members.

(b) The Board of Administration shall consist of seven (7) members, as follows: three (3) members appointed by the regular appointing authority of the city, and three (3) employees who are eligible to membership in the retirement system, to be elected by the employees. The above six members shall appoint the seventh member.

Investments.

(c) The investment of all or any part of the retirement fund shall be subject to the terms, conditions, limitations and restrictions imposed by the laws of the State of Washington upon the making of investments by savings banks: *Provided, however,* That the board may invest in any of the bonds or warrants issued by the city including local improvement bonds and warrants and utility bonds and warrants.

Deposits.

(d) Subject to such provisions as may be prescribed by law for the deposit of municipal funds in banks, cash belonging to the retirement fund may be deposited in any licensed national bank or in any bank, banks or corporations authorized or licensed to do a banking business and organized under the laws of the State of Washington.

Custodian of retirement fund.

(e) The City Treasurer shall be the custodian of the retirement fund. All payments from said fund shall be made by the City Treasurer but only upon warrant duly executed by the City Comptroller.

Beneficial interest in investments prohibited.

(f) Except as herein provided, no member and no employee of the Board of Administration shall

have any interest, direct or indirect, in the making of any investments from the retirement fund, or in the gains or profits accruing therefrom. And no member or employee of said board, directly or indirectly, for himself or as an agent or partner of others, shall borrow any of its funds or deposits or in any manner use the same except to make such current and necessary payments as are authorized by said board; nor shall any member or employee of said board become an endorser or surety or become in any manner an obligor for moneys invested by the board.

SEC. 10. (a) There shall be paid into the retirement fund by contributions of the city, the amounts necessary to pay all pensions and all other benefits allowable under this act to members on account of prior service, and minimum allowances provided for in section 14 of this act. Until the amount accumulated in the retirement fund becomes at least as large as the present value of all amounts thereafter payable from said fund the amount annually due to the said fund under this section shall be the amount payable from said fund in the ensuing fiscal year on account of prior service and minimum allowances.

Payments
into fund
by city.

SEC. 11. The payments of the city due the retirement fund as provided for in this act are hereby made obligations of the city as defined in this act. The board shall annually, on or before the 10th day of July each year, prepare and submit to the City Council or City Commission an estimate of the amounts necessary to meet such obligations, and the City Council or City Commission shall provide for the raising of such amounts as are necessary to make such payments.

Payments
due,
obligation
of city.

SEC. 12. (a) Should the service of a member be discontinued, except by death or retirement, he shall be paid not later than six (6) months after the day of discontinuance such part of his accumulated con-

Service of
member
discontinued.

Payment of
accumulated
contribu-
tions.

tributions as he shall demand: *Provided, however,* That a member may appeal to the board and by unanimous vote, the board may grant a request for immediate withdrawal of contributions. If in the opinion of the board said member is permanently separated from service by reason of such discontinuance he shall be paid forthwith all of his accumulated contributions with interest: *And provided also,* That the board may, in its discretion, withhold for not more than one (1) year after a member last rendered service all or part of his accumulated normal contributions if after a previous discontinuance of service he withdrew all or part of his accumulated normal contributions and failed to re-deposit such withdrawn amount in the retirement fund as provided in this section: *Provided further,* That the city shall receive credit for the full amount deposited by the city in the retirement fund for such member's benefit plus interest. Any member may re-deposit in the retirement fund an amount equal to that which he previously withdrew therefrom at the last termination of his membership, such re-deposit to be paid into the retirement fund in accordance with rules established by the board. If a member upon re-entering the retirement system after a termination of his membership shall not make such a re-deposit as hereinabove provided, the rate of his contributions for future years shall be the normal rate provided for in subdivision (a) of section 5 of this act at his age of re-entrance; otherwise his rate of contribution for future years shall be the same as his rate prior to the termination of his membership. In the event such re-deposit is made by a member, an amount equal to the accumulated normal contributions so re-deposited shall again be held for the benefit of said member, and shall no longer be included in the amounts available to meet the obligations of the city on account of benefits that have been

Re-entering
retirement
system,
re-deposit.

granted or liabilities that have been assumed on account of prior service of members, and the city shall reinstate the prior service credit for such member.

SEC. 13. Retirement of member for service shall be made by the Board of Administration as follows: Retirement
of member

(a) Each member now in the city service who, on or before July 1, 1939, has attained or thereafter shall have attained the age of seventy (70) years or over, shall be forthwith retired on the first day of the calendar month next succeeding the month in which the employee shall have attained the age of seventy (70) years: *Provided, however,* That the Board of Administration may from year to year grant to any member an extension of time for retirement, upon request of the head of the department in which the member is employed. Such extension, however, shall not exceed a total period of three (3) years.

(b) Any member in the city service may retire by filing with the board a written application, stating when he desires to be retired, such application to be made at least thirty (30) days prior to date of retirement: *Provided, however,* That said member, at the time specified for his retirement, shall have completed ten (10) years of city service as defined in this act, and shall have attained the age of fifty-seven (57) years, or shall have completed thirty (30) years of city service as defined in this act. Permanent discontinuance of city service after age of fifty-seven shall entitle the member to his retirement allowance: *Provided,* That such employee has had at least ten (10) years of city service to his credit: *And provided further,* That permanent discontinuance of city service after the completion of thirty (30) years of city service shall entitle the member to his retirement allowance.

Retirement allowance.

SEC. 14. (a) A member, upon retirement from service, shall receive a retirement allowance subject to the provisions of paragraph (b) of this section, which shall consist of:

(1) An annuity which shall be the actuarial equivalent of his accumulated contributions at the time of his retirement.

(2) A pension purchased by the contributions of the city, equal to the annuity purchased by the accumulated normal contributions of the member.

(3) For any member having credit for prior service an additional pension, purchased by the contributions of the city equal to one and one-third per cent (1 1/3%) of the final compensation, multiplied by the number of years of prior service credited to said member, except that if a member shall retire before attaining the age of sixty-two (62) years, the additional pension shall be reduced to an amount which shall be equal to a lesser percentage of final compensation, multiplied by the number of years of prior service credited to said member, which lesser percentage shall be applied to the respective ages of retirement in accordance with the following tabulation:

Percentage.

<i>Retirement Age</i>	<i>Percentage</i>
62	1.333
61	1.242
60	1.158
59	1.081
58	1.010
57	0.945
56	0.885
55	0.829
54	0.778
53	0.731
52	0.687
51	0.646
50	0.608

(b) If the retirement allowance of the member as provided in this section, exclusive of any annuity purchased by his accumulated additional contributions, is in excess of two-thirds of his final salary, the pension of the member, purchased by the contributions of the city, shall be reduced to such an amount as shall make the member's retirement allowance, exclusive of any annuity purchased by his accumulated additional contributions, equal to two-thirds of his final salary, and the actuarial equivalent of such reduction shall remain in the retirement fund to the credit of the city. Maximum allowance.

(c) Any member who enters the retirement system on July 1, 1939, or who enters after that date and who is given the credit for prior service, and who is retired by reason of attaining the age of seventy (70) years, shall receive such additional pension on account of prior service, purchased by the contributions of the city, as will make his total retirement allowance not less than four hundred twenty dollars (\$420) per year. Minimum allowance.

(d) Any member who, at the time of his retirement, has at least ten (10) years of creditable service, as defined in this act, and who has attained the age of sixty-five (65) years or over, shall receive such additional pension, purchased by the contributions of the city, as will make his total retirement allowance not less than four hundred twenty dollars (\$420) per year.

SEC. 15. Any member while in city service may be retired by the Board of Administration for permanent and total disability, either ordinary or accidental, upon examination, as follows: Permanent and total disability.

(a) Any member who has not attained the age of sixty-five (65) years and who has at least ten (10) years of city service as defined in this act, to his credit: *Provided*, That the required ten (10) years of city service shall have been credited to the mem-

ber over a period of not to exceed fifteen (15) years immediately preceding retirement, within three (3) months after the discontinuance of city service, or while physically or mentally incapacitated for the performance of duty, if such incapacity has been continuous from discontinuance of city service, shall be examined by a physician or surgeon, appointed by the Board of Administration upon the application of the head of the office or department in which said member is employed, or upon application of said member, or a person acting in his behalf, stating that said member is permanently and totally incapacitated, either physically or mentally, for the performance of duty and ought to be retired. If such medical examination shows, to the satisfaction of the board, that the said member is permanently and totally incapacitated either physically or mentally for the performance of duty and ought to be retired, the board shall retire the said member for disability forthwith.

(b) The board shall secure such medical services and advice as it may deem necessary to carry out the purpose of this section and of section 17 of this act, and shall pay for such medical services and advice such compensation as the board shall deem reasonable.

Disability
allowance.

§EC. 16. (a) Upon retirement for disability, as herein above provided: *Provided*, The disability is not due to intemperance, wilful misconduct or violation of law, of which the board shall be the judge, a member shall receive a retirement allowance which shall consist of:

(1) An annuity which shall be the actuarial equivalent of his accumulated contributions at the time of his retirement.

(2) A pension purchased by the contributions of the city, which, together with his annuity provided by his accumulated normal contributions, shall make

the retirement allowance, exclusive of the annuity provided by his additional contributions equal to (a) one and one-fourth per cent ($1\frac{1}{4}\%$) of his final compensation multiplied by the number of years of service which would be creditable to him were his services to continue until attainment by him of age sixty-two, but such retirement allowance shall not exceed one-fourth of such final compensation except where such one-fourth is less than four hundred twenty dollars (\$420) per year, then the member shall receive the minimum disability retirement allowance of four hundred twenty dollars (\$420) per year.

(b) If disability is due to intemperance, wilful misconduct or violation of law on the part of the member, the Board of Administration in its discretion may pay to said member in one lump sum, his accumulated contributions, in lieu of a retirement allowance, and such payment shall constitute full satisfaction of all obligations of the city to such member, and upon receipt of such payment he shall cease to be a member of the retirement system.

Payment in lieu of allowance when.

(c) Upon the death of a member while in receipt of a disability retirement allowance, his accumulated contributions, as they were at the date of his retirement, less any annuity payments made to him, shall be paid to his estate, or to such persons having an insurable interest in his life as he shall have nominated by written designation duly executed and filed with the board.

Death of member.

SEC. 17. (a) The Board of Administration may at its pleasure require any disability beneficiary under age sixty-two (62) years to undergo medical examination to be made by a physician or surgeon appointed by the board, at a place to be designated by the board. Upon the basis of such examination the board shall determine whether such disability beneficiary is still totally and permanently incapacitated

Medical examination.

either mentally or physically for service in the office or department of the city where he was employed or in any other city service for which he is qualified. If the Board of Administration shall determine that said beneficiary is not so incapacitated, his retirement allowance shall be canceled and he shall be reinstated forthwith in the city service.

Disability beneficiary; re-entry into service.

(b) Should a disability beneficiary re-enter the city service and be eligible for membership in the retirement system in accordance with subdivision (a), section 4, of this act, his retirement allowance shall be canceled and he shall immediately become a member of the retirement system, his rate of contribution for future years being that established for his age at the time of re-entry. His individual account shall be credited with his accumulated contributions less the annuity payments made to him. An amount equal to the accumulated normal contributions so credited to him shall again be held for the benefit of said member and shall no longer be included in the amounts available to meet the obligations of the city on account of benefits that have been granted and on account of prior service of members. Such member shall receive credit for prior service in the same manner as if he had never been retired for disability.

Refusal of disability beneficiary to submit to physical examination.

(c) Should any disability beneficiary under age sixty-two (62) years refuse to submit to medical examination, his pension may be discontinued until his withdrawal of such refusal, and should refusal continue for one year, his retirement allowance may be canceled. Should said disability beneficiary, prior to attaining age sixty-two years, engage in a gainful occupation not in city service, or should he re-enter the city service and be ineligible for membership in the retirement system in accordance with subdivision (b) of section 4 of this act, the Board of Administration shall reduce the amount of his re-

Engaging in gainful occupation.

tirement allowance to an amount, which when added to the compensation earned by him in such occupation shall not exceed the amount of the final compensation on the basis of which his retirement allowance was determined. Should the earning capacity of such beneficiary be further altered, the board may further alter his retirement allowance to an amount which shall not exceed the amount upon which he was originally retired, but which, subject to such limitation shall equal, when added to the compensation earned by him, the amount of his final compensation on the basis of which his retirement allowance was determined. When said disability beneficiary reaches the age of sixty-two (62) years, his retirement allowance shall be made equal to the amount upon which he was originally retired, and shall not again be modified for any cause except as provided in section 23 hereof.

(d) Should the retirement allowance of any disability beneficiary be canceled for any cause other than re-entrance into the city service he shall be paid his accumulated contributions, less annuity payments made to him.

Cancellation
of disability
allowance.

SEC. 18. (a) A member may elect to receive, in lieu of the retirement allowance provided for in section 14, its actuarial equivalent in the form of a lesser retirement allowance, payable in accordance with the terms and conditions of one of the options set forth below in this section. Election of any option must be made by written application filed with the Board of Administration at least thirty (30) days in advance of retirement as provided in section 13, and shall not be effective unless approved by the board prior to retirement of the member.

Election of
option.

(b) Upon receipt by the board of any application requesting a lesser retirement allowance under option C, option D, or option E set forth below in this section, the applicant shall be examined by a physi-

cian or surgeon appointed by the board, and such application shall not be approved by the board unless such examination shall show that the applicant is then in good health and has a normal expectancy of life: *Provided, however,* That such examination shall not be required if the application is made at least five (5) years before the payment of the lesser retirement allowance is to commence. Revocation of the election of the lesser retirement allowance may be made by the member by written notice to the board at any time prior to retirement.

Options.

Option A. The lesser retirement allowance shall be payable to the member throughout his life: *Provided,* That if he die before he receive in annuity payments referred to in paragraph (1), subdivision (a) of section 14, a total amount equal to the amount of his accumulated contributions as it was at the date of his retirement, the balance of such accumulated contributions shall be paid in one sum to his estate or to such person having an insurable interest in his life as he shall nominate by written designation duly executed and filed with the board.

Option B. The lesser retirement allowance shall be payable to a member throughout his life: *Provided,* That if he die before he receive in annuity payments referred to in paragraph (1), subdivision (a), of section 14, a total amount equal to the amount of his accumulated contributions as it was at the date of his retirement, the said annuity payments resulting from his accumulated contributions shall be continued and paid to his estate or such person, having an insurable interest in his life, as he shall nominate by written designation duly executed and filed with the board until the total amount of annuity payments shall equal the amount of his accumulated contributions as it was at the date of his retirement.

Option C. The member shall elect a "guaranteed period" of any number of years. If he dies be-

fore the lesser retirement allowance has been paid to him for the number of years elected by him as the "guaranteed period", the lesser retirement allowance shall be continued to the end of the "guaranteed period", and during such continuation shall be paid to his estate or to such person having an insurable interest in his life as he shall nominate by written designation duly executed and filed with the board.

Option D. The lesser retirement allowance shall be payable to the member throughout life, and after the death of the member, one-half of the lesser retirement allowance shall be continued throughout the life of and paid to the wife or husband of the member.

Option E. The lesser retirement allowance shall be payable to the member throughout life, and after death of the member it shall be continued throughout the life of and paid to the wife or husband of the member.

SEC. 19. Upon the death of any person who has not been retired, pursuant to the provisions of this act, there shall be paid to his estate, or to such persons having an insurable interest in his life as he shall have nominated by written designation duly executed and filed with the board, his accumulated contributions less any payments therefrom already made to him, if any.

Death of active member.

SEC. 20. A pension annuity or a retirement allowance granted under the provisions of this act, unless otherwise specified herein, shall be payable in monthly installments, and each installment shall cover for the current calendar month.

Monthly installment payments.

SEC. 21. The right of a person to a pension, an annuity or a retirement allowance, to the return of contributions, the pension, annuity or retirement allowance itself, any optional benefit, any other right accrued or accruing to any person under the provisions of this act, and the moneys in the fund

Pension not subject to execution.

Unassign-
able.

created under this act shall not be subject to execution, garnishment, attachment, or any other process whatsoever and shall be unassignable except as in this act specifically provided.

Estimate
permitted.

SEC. 22. If it shall be impracticable for the Board of Administration to determine from the records the length of service, the compensation, or the age of any member, the said board may estimate for the purpose of this act, such length of service, compensation or age.

Recipient
of other
pension.

SEC. 23. The payment of any retirement allowance to a member who has been retired from service shall be suspended during the time that the beneficiary is in receipt of other pension or of other compensation for state or public service paid from direct or indirect state or municipal taxes or revenues of publicly owned utilities, except as to the amount by which such retirement allowance may exceed such compensation for the same period.

Preliminary
cost.

SEC. 24. The City Council or City Commission shall appropriate annually from the retirement fund the amount it deems necessary for the purpose of paying the expenses of administering the retirement system. The Board of Administration shall annually submit to the City Council or City Commission its estimate of the amount necessary to pay such expenses. The preliminary cost of establishment of said retirement system, such as clerical help and actuarial survey costs, etc., shall be paid by the department or departments affected.

Partial
invalidity.

SEC. 25. If any one or more sections, sub-sections, subdivisions, sentences, clauses or phrases of this act are for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this act, but the same shall remain in full force and effect.

Conflicting
acts repealed.

SEC. 26. All laws and parts of laws in conflict herewith be and the same are hereby repealed.

SEC. 27. The retirement system shall become effective on July 1, 1939, as provided in section 3 of this act. Effective date.

SEC. 28. Nothing in this act shall repeal, supersede, alter, amend or be regarded as a substitute for any existing retirement or pension system, duly established by city ordinance. Existing pension systems.

Passed the House March 9, 1939.

Passed the Senate March 9, 1939.

Approved by the Governor March 19, 1939.

CHAPTER 208.

[H. B. 92.]

PORT TOWNSEND HARBOR RELOCATION.

AN ACT providing for the re-location and re-establishment of the inner and outer harbor lines in front of Tideland District No. 110 of the tidelands of the first class in front of the City of Port Townsend; and making an appropriation for such purpose.

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

SECTION 1. That as soon as practicable after the taking effect of this act it shall be the duty of the Commissioner of Public Lands to re-locate and re-establish the inner and outer harbor lines in front of Tideland District No. 110 of the tidelands of the first class in front of the City of Port Townsend, or such part thereof as is now deemed feasible and advisable in the public interest: *Provided, however,* That such re-location or re-establishment shall not abrogate any existing vested rights. Relocation of inner and outer harbor lines.

SEC. 2. There is hereby appropriated from the general fund for the Commissioner of Public Lands the sum of thirty-five hundred dollars (\$3500), or so much thereof as may be necessary for the fiscal year Vetoed.