

from the date of the deposit of moneys in trust as provided herein and of the notification to the department of conservation and development of such deposit, the depositor may have the moneys so deposited returned to it without restrictions upon their use, upon the depositor's requesting the director of said department to terminate the trust status of such funds and to return them to it.

Note: See also section 24, chapter 215, Laws of 1957.

Passed the House February 6, 1957.

Passed the Senate March 12, 1957.

Approved by the Governor March 21, 1957.

CHAPTER 158.

[H. B. 147.]

STATE-WIDE CITY EMPLOYEES RETIREMENT SYSTEM.

AN ACT relating to cities and towns and to pension, relief, disability and retirement systems, and pension, relief, disability and retirement funds therein; amending section 10, chapter 71, Laws of 1947 as last amended by section 3, chapter 228, Laws of 1953, and RCW 41.44.100; amending section 12, chapter 71, Laws of 1947 as last amended by section 8, chapter 275, Laws of 1951, and RCW 41.44.120; amending section 13, chapter 71, Laws of 1947 as last amended by section 9, chapter 275, Laws of 1951, and RCW 41.44.130; amending section 15, chapter 71, Laws of 1947 as last amended by section 6, chapter 228, Laws of 1953, and RCW 41.44.140; amending section 17, chapter 71, Laws of 1947 as last amended by section 7, chapter 228, Laws of 1953, and RCW 41.44.170; and amending section 21, chapter 71, Laws of 1947 and RCW 41.44.210.

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

RCW 41.44.100
amended.

SECTION 1. Section 10, chapter 71, Laws of 1947, as last amended by section 3, chapter 228, Laws of 1953 and RCW 41.44.100 are each amended to read as follows:

Retirement
fund—Deposit
—Investment.

(1) A fund is hereby created and established to be known as the "state-wide city employees retire-

ment fund," and shall consist of all moneys paid into it in accordance with the provisions of this chapter, whether such moneys shall take the form of cash, securities, or other assets: *Provided*, That such assets shall be public funds to the extent necessary to authorize any bank to deposit such collateral security necessary and required under the laws of the state to secure the deposit of public funds belonging to a city. Proviso.

(2) The board of trustees shall be the custodian of the retirement fund and shall arrange for the safe-keeping thereof. Subject to such provisions as may be prescribed by law for the deposit of city funds in banks, cash belonging to the retirement fund may be deposited in any licensed national bank or banks in the state, 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; and may be withdrawn on order of the board for the purpose of making such payments as are authorized and required by this chapter.

(3) The board may invest pension fund moneys in such securities of the United States, states, Dominion of Canada, public housing authorities, municipal corporations and other public bodies, as are designated by the laws of the state as lawful investments for the funds of mutual savings banks, and to invest not to exceed twenty-five percent of the system's total investments in the securities of any corporations or public utility bodies as are designated by the laws of the state as lawful investments for the funds of mutual savings banks: *Provided*, That not more than five percent of the system's total investments may be made in the securities of any one of such corporations or public utility bodies. Proviso.

(4) Subject to the limitations hereinafter provided, investment of pension funds may also be made in amounts not to exceed twenty-five percent of the

Proviso.

system's total investments in the shares of certain open-end investment companies: *Provided*, That not more than five percent of the system's total investments may be made in the shares of any one such open-end investment company. The total amount invested in any one company shall not exceed five percent of the assets of such company, and shall only be made in the shares of such companies as are registered as "open-end companies" under the federal investment company act of 1940, as amended. Such company must be at least ten years old and have net assets of at least five million dollars. It must have no outstanding bonds, debentures, notes, or other evidences of indebtedness, or any stock having priority over the shares being purchased, either as to distribution of assets or payment of dividends. It must have paid dividends from investment income in each of the ten years next preceding purchase. The maximum selling commission on its shares may not exceed seven and one-half percent of the sum of the asset value plus such commission.

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employees'
retirement.
Retirement
fund—Deposit
—Investment.

(5) Investment of pension funds may also be made in the bonds of any municipal corporation or other public body of the state; and in any of the bonds or warrants, including local improvement bonds or warrants within the protection of the local improvement guaranty fund law, issued by any city or town which is a member of the system. Investment of pension funds may also be made in the bonds or other obligations of any other state or territory of the United States or of any political subdivision, agency or instrumentality of any such state, territory, or political subdivision thereof.

(6) In order to provide for an equitable apportionment of the cost of the making and handling of the system's investments, the board may charge against the annual earnings from the system's investments, including income from the same and gains

realized from the purchase and sale of its securities, a portion of such earnings computed on the book value of the investments held by the system at the end of its fiscal year, for the purpose of paying the cost of purchasing, safekeeping, servicing and handling its securities: *Provided*, That such portion shall not exceed one-fourth of one percent of such value and shall not exceed the net gain from the operations for the year: *Provided further*, That such charge shall not be considered as an administrative expense payable solely by the cities.

Retirement
fund—Deposit
—Investment.

Proviso.

Proviso.

SEC. 2. Section 12, chapter 71, Laws of 1947 as last amended by section 8, chapter 275, Laws of 1951, and RCW 41.44.120 are each amended to read as follows:

RCW 41.44.120
amended.

(1) Subject to subsection (4) of this section the following members shall be entitled to prior service credit:

Prior service
credit.

(a) Each member in service on the effective date.

(b) Each member entering after the effective date if such entry is within one year after rendering service prior to the effective date.

As soon as practicable, the board shall issue to each member entitled to prior service credit a certificate certifying the aggregate length of service rendered prior to the effective date. Such certificate shall be final and conclusive as to his prior service unless hereafter modified by the board, upon application of the member.

(2) Each city joining the system shall have the privilege of selecting the rate at which prior service pensions shall be calculated for its employees and may select any one of the three rates set forth below:

(a) 1.33% of final compensation multiplied by the number of years of prior service credited to the member. This rate may be referred to as "full prior service credit."

(b) 1.00% of final compensation multiplied by the number of years of prior service credited to the

State-wide city employees' retirement. Prior service credit.

member. This rate may be referred to as "three-fourths prior service credit."

(c) .667% of final compensation multiplied by the number of years of prior service credited to the member. This rate may be referred to as "one-half prior service credit."

(3) The above rates shall apply at the age of sixty-two or over for members included in the miscellaneous personnel and at age sixty or over for members in the uniformed personnel: *Provided*, That if a member shall retire before attaining either of the ages above referred to, the total prior service pension shall be reduced to the percentages computed and established in accordance with the following tables, to-wit:

Miscellaneous Personnel			
Percent of Full Prior Service Allowable			
Male		Female	
Age	Factor	Age	Factor
45	65.48	45	66.78
46	66.86	46	67.91
47	68.29	47	69.09
48	69.77	48	70.34
49	71.28	49	71.67
50	72.82	50	73.10
51	74.43	51	74.71
52	76.13	52	76.41
53	77.93	53	78.21
54	79.84	54	80.11
55	81.86	55	82.12
56	84.00	56	84.24
57	86.28	57	86.50
58	88.69	58	88.89
59	91.26	59	91.42
60	94.00	60	94.11
61	96.90	61	96.96
62	100.00	62	100.00

Percent of full Prior Service Allowable
Uniformed Personnel

Prior service
credit.

Age	Factor
45	69.66
46	71.13
47	72.65
48	74.22
49	75.83
50	77.47
51	79.18
52	80.99
53	82.91
54	84.93
55	87.09
56	89.37
57	91.79
58	94.36
59	97.09
60	100.00

(4) If sickness, injury or service in the armed forces of the United States during the national emergency identified with World War I or World War II and/or service in the armed forces of the United States of America for extended active duty by any employee who shall have been regularly granted a leave of absence from the city service by reason thereof, prevents any regular employee from being in service on the effective date, the board shall grant prior service credit to such person when he is again employed. The legislative authority in each participating city shall specify the amount of prior service to be granted or current service credit to be made available to such employees: *Provided*, That in no case shall such service credit exceed five years. Certificate of honorable discharge from or documentary evidence of such service shall be submitted to the board before any such credit may be granted or made available. Prior or current service rates, or

Proviso.

both, for such employees shall not exceed the rates established for fellow employees.

RCW 41.44.130 amended.

State-wide city employees' retirement. Contributions by employees.

SEC. 3. Section 13, chapter 71, Laws of 1947 as last amended by section 9, chapter 275, Laws of 1951, and RCW 41.44.130 are each amended to read as follows:

(1) The normal rates of contribution of members shall be based on sex and age at time of entry into the system, which age shall be the age at the birthday nearest the date of such entry.

(2) The normal rates of contribution for miscellaneous personnel shall be so fixed as to provide an annuity which, together with the pension provided by the city, shall produce as nearly as may be, a retirement allowance at the age of sixty-two years, of one and one-third percent of the final compensation multiplied by the number of years of service of the retiring employee. The normal rate established for age sixty shall be the rate for any member who has attained a greater age before entrance into the retirement system and the normal contribution established for age twenty-four shall be the rate for any member who enters the system at an earlier age.

(3) The normal rates of contribution for uniformed personnel shall be so fixed as to provide an annuity which, together with the pension provided by the city, shall produce as nearly as may be a retirement allowance at the age of sixty years, of one and one-third percent of the final compensation multiplied by the number of years of service of the retiring employee. The normal rate established for age fifty-eight shall be the rate for any member who has attained a greater age before entrance into the retirement system and the normal contribution established for age twenty-two shall be the rate for any member who enters the system at an earlier age.

(4) Subject to the provisions of this chapter,

the board shall adopt rules and regulations governing the making of deductions from the compensation of employees and shall certify to the proper officials in each city the normal rate of contribution for each member provided for in subsections (2) and (3) of this section. The proper officials in each city shall apply such rate of contribution to so much of the compensation of a member as does not exceed three hundred dollars per month, or four hundred dollars per month as to members whose member cities have duly elected to increase the limitation provided for in subsection (12) of RCW 41.44.030 and shall certify to the board on each and every payroll the total 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 forwarded immediately to the board and the board shall credit the deduction shown on such payroll to individual accounts of the members represented on such payrolls.

Contributions
by employees.

(5) 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 contributions 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 chapter.

(6) Any member may elect to contribute in excess of the contributions provided for in this section in accordance with rules to be established by the board for the purpose of providing additional benefits, but the exercise of this privilege shall not place on the member city or cities any additional financial obligation. The board shall have authority to fix the rate of interest to be paid or allowed upon the additional contributions and from time to time make any necessary changes in said rate. Refunds of additional contributions shall be governed by the same

rules as those covering normal contributions unless the board shall establish separate rules therefor.

RCW 41.44.150 amended.

SEC. 4. Section 15, chapter 71, Laws of 1947 as last amended by section 6, chapter 228, Laws of 1953, and RCW 41.44.150 are each amended to read as follows:

State-wide city employees' retirement. Allowance on retirement for service.

(1) A member, upon retirement for service, shall receive a retirement allowance subject to the provisions of subsection (2) of this section, which shall consist of:

(a) An annuity which shall be the actuarial equivalent of his accumulated normal contributions at the time of his retirement; and

(b) A pension provided by the contributions of the city, equal to the annuity purchased by the accumulated normal contributions of the member;

(c) For any member having credit for prior service an additional pension, provided by the contributions of the city, as set forth in RCW 41.44.120 at the rate selected by the city employing the member;

(d) Any member, excepting a part time employee, who has ten or more years of creditable service and who is retired by reason of attaining the age of sixty-five or over if included in the miscellaneous personnel or the age of sixty or over if included in the uniformed personnel, and whose retirement allowance is calculated to be less than sixty dollars per month, shall receive such additional pension, provided by the contributions of the city, as will make his total retirement allowance equal to sixty dollars per month. An annuity purchased by accumulated additional contributions in such case shall be paid in addition to the minimum guaranteed as herein provided. A part time employee having ten or more years of creditable service, retired by reason of attaining the ages in this subdivision specified and whose retirement allowance is calculated to

be less than forty dollars per month, shall receive such additional pension, provided by the contributions of the city, as will make the total retirement allowance equal to forty dollars per month, together with an annuity purchased by his accumulated additional contributions, if any, in addition to the minimum guaranteed.

Allowance on retirement for service.

Nothing herein contained shall be construed in a manner to increase or to decrease any pension being paid or to be paid to a member retired prior to June 11, 1953.

(e) Any member, excepting a part time employee, who has been or is retired by reason of attaining the age of sixty-five or over if included in the miscellaneous personnel or the age of sixty or over if included in the uniformed personnel, and whose retirement allowance is calculated to be less than sixty dollars per month, shall receive such additional pension, provided by the contributions of the city, as will make his total retirement allowance equal to six dollars per month for each year of his creditable service; provided that the total additional retirement allowance shall be limited to an amount equal to such amount as will make his total retirement allowance not more than sixty dollars per month. An annuity purchased by accumulated additional contributions, if any, in such case shall be paid in addition to the minimum guaranteed, as herein provided.

Nothing herein contained shall be construed in a manner to increase or to decrease any pension being paid or to be paid to a member retired prior to June 11, 1953.

(2) If the retirement allowance of the member as provided in this section, is in excess of three-fourths of his final compensation, 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 equal to three-

fourths of his final compensation, except as provided in subdivision (3) of this section.

(3) A member, upon retirement from service, shall receive in addition to the retirement allowance provided in this section, an additional annuity which shall be the actuarial equivalent of any accumulated additional contributions which he has to his credit at the time of his retirement.

RCW 41.44.170
amended.

SEC. 5. Section 17, chapter 71, Laws of 1947 as last amended by section 7, chapter 228, Laws of 1953, and RCW 41.44.170 are each amended to read as follows:

State-wide city
employees'
retirement.
Allowance on
retirement
for disability.

On retirement for permanent and total disability a member shall receive a retirement allowance which shall consist of:

(1) An annuity which shall be the actuarial equivalent of his accumulated normal contributions; and

(2) A pension provided by the contributions of the city which, together with his annuity provided by his accumulated normal contributions, shall make the retirement allowance equal to one and one-fourth percent of his final compensation multiplied by the number of years of service credited to him, if such retirement allowance exceeds sixty dollars per month; otherwise he shall receive a retirement allowance of forty dollars per month or, except as to a part time employee, such sum, monthly, not in excess of sixty dollars per month, as is equal to six dollars per month for each year of his creditable service, whichever is the greater. If the retirement allowance of a part time employee, based upon the pension hereinabove provided, does not exceed forty dollars per month, then such part time employee shall receive a retirement allowance of forty dollars per month and no more.

Nothing herein contained shall be construed in a manner to increase or to decrease any pension be-

ing paid or to be paid to a member retired prior to June 11, 1953.

Allowance on retirement for disability.

(3) If it appears to the satisfaction of the board that disability was incurred in line of duty and the retirement allowance to be provided under subdivisions (1) and (2) of this section is less than sixty dollars per month, then there shall be provided by contributions of the city such additional pension as shall make the retirement allowance equal to sixty dollars per month.

(4) No disability retirement allowance shall exceed seventy-five percent of final compensation, anything herein to the contrary notwithstanding, except as provided in subdivision (7) of this section.

(5) 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.

(6) If disability is due to intemperance, wilful misconduct, or violation of law, on the part of the member, the board, in its discretion, may pay to said member, in one lump sum his accumulated contribution, in lieu of a retirement allowance, and such payment shall constitute full satisfaction of all obligations of the city to such member.

(7) In addition to the annuity and pension provided for in subdivisions (1) and (2) of this section, a member shall receive an annuity which shall be the actuarial equivalent of his accumulated additional contributions.

SEC. 6. Section 21, chapter 71, Laws of 1947 and RCW 41.44.210 are each amended to read as follows:

RCW 41.44.210 amended.

Upon the death of any member who dies from injuries or disease arising out of or incurred in the

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Benefit on
death in
line of duty.

performance of his duty or duties, of which the board of trustees shall be the judge, if death occurs within one year from date of discontinuance of city service caused by such injury, there shall be paid to his estate or 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 board, the sum of one thousand dollars, purchased by the contributions of the cities participating in the retirement system. Cost of this benefit shall be determined by actuarial calculation and prorated equitably to each city. This benefit shall be exclusive of any other benefits due the member under this chapter.

Passed the House February 14, 1957.

Passed the Senate March 12, 1957.

Approved by the Governor March 21, 1957.

CHAPTER 159.

[H. B. 332.]

VOLUNTEER FIREMEN'S RELIEF PENSIONS.

AN ACT relating to volunteer firemen's relief and pensions; providing for benefits payable for injuries and death; prescribing a time for filing claims; providing for payment of pension earned in addition to that under any other act; amending section 15, chapter 261, Laws of 1945, as amended by section 1, chapter 253, Laws of 1953, and RCW 41.24.150; amending section 16, chapter 261, Laws of 1945, as last amended by section 2, chapter 253, Laws of 1953, and RCW 41.24.160; amending section 21, chapter 261, Laws of 1945 and RCW 41.24.210; amending section 22, chapter 261, Laws of 1945, as last amended by section 7, chapter 253, Laws of 1953, and RCW 41.24.220; amending section 23, chapter 261, Laws of 1945, as amended by section 4, chapter 103, Laws of 1951, and RCW 41.24.230; and amending section 24, chapter 261, Laws of 1945 and RCW 41.24.240.

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

SECTION 1. Section 15, chapter 261, Laws of 1945, as amended by section 1, chapter 253, Laws of 1953,