

CHAPTER 120
[House Bill No. 1245]
LAW ENFORCEMENT OFFICERS AND
FIRE FIGHTERS' RETIREMENT SYSTEM

AN ACT Relating to public employment; amending section 3, chapter 209, Laws of 1969 ex. sess. as last amended by section 1, chapter 131, Laws of 1972 ex. sess. and RCW 41.26.030; amending section 3, chapter 257, Laws of 1971 ex. sess. and RCW 41.26.045; amending section 5, chapter 209, Laws of 1969 ex. sess. as last amended by section 4, chapter 131, Laws of 1972 ex. sess. and RCW 41.26.050; amending section 10, chapter 209, Laws of 1969 ex. sess. as last amended by section 7, chapter 131, Laws of 1972 1st ex. sess. and RCW 41.26.100; amending section 11, chapter 209, Laws of 1969 ex. sess. as last amended by section 6, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.110; amending section 12, chapter 209, Laws of 1969 ex. sess. as last amended by section 8, chapter 131, Laws of 1972 ex. sess. and RCW 41.26.120; amending section 14, chapter 209, Laws of 1969 ex. sess. as amended by section 9, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.140; amending section 17, chapter 209, Laws of 1969 ex. sess. as last amended by section 9, chapter 131, Laws of 1972 ex. sess. and RCW 41.26.160; amending section 16, chapter 209, Laws of 1969 ex. sess. as last amended by section 13, chapter 257, Laws of 1971 ex. sess. and RCW 41.26.200; amending section 4, chapter 209, Laws of 1969 ex. sess. as last amended by section 44, chapter 195, Laws of 1973 1st ex. sess. and RCW 41.26.040; amending section 15, chapter 209, Laws of 1969 ex. sess. as last amended by section 10, chapter 257, Laws of 1971 ex. sess. and RCW 41.26.150; amending section 4, chapter 257, Laws of 1971 ex. sess. as amended by section 2, chapter 131, Laws of 1972 ex. sess. and RCW 41.26.046; amending section 24, chapter 209, Laws of 1969 ex. sess. as amended by section 16, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.240; and declaring an emergency.

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

Section 1. Section 3, chapter 209, Laws of 1969 ex. sess. as last amended by section 1, chapter 131, Laws of 1972 ex. sess. and RCW 41.26.030 are each amended to read as follows:

As used in this chapter, unless a different meaning is plainly required by the context:

(1) "Retirement system" means the "Washington law enforcement officers' and fire fighters' retirement system" provided herein.

(2) "Employer" means the legislative authority of any city, town, county or district or the elected officials of any municipal corporation that employs any law enforcement officer and/or fire fighter, any authorized association of such municipalities, and, except for the purposes of RCW 41.26.150, any labor guild, association, or organization, which represents the fire fighters or law enforcement officers of at least seven cities of over 20,000 population ((7)) and the membership of ((a)) each local lodge or division of which is composed of at least sixty percent law enforcement officers or fire fighters as defined in this chapter.

(3) "Law enforcement officer" means any person who is serving on a full time, fully compensated basis as a county sheriff or deputy sheriff, including sheriffs or deputy sheriffs serving under a different title pursuant to a county charter, city police officer, or town marshal or deputy marshal ((: PROVIDED; That the term "city police officer" shall only include such regular, full time personnel of a city police department as have been appointed to offices, positions or ranks in the department which have been specifically created or otherwise expressly provided for and designated by city charter provision or by ordinance enacted by the legislative body of the city; PROVIDED FURTHER; That)), with the following qualifications:

(a) No person who is serving in a position that is basically clerical or secretarial in nature, and who is not commissioned shall be considered a law enforcement officer;

(b) Only those deputy sheriffs, including those serving under a different title pursuant to county charter, who have successfully completed a civil service examination for deputy sheriff or the equivalent position, where a different title is used, and those persons serving in unclassified positions authorized by RCW 41.14.070 except a private secretary will be considered law enforcement officers;

(c) Only such full time commissioned law enforcement personnel as have been appointed to offices, positions, or ranks in the police department which have been specifically created or otherwise expressly provided for and designated by city charter provision or by ordinance enacted by the legislative body of the city shall be considered city police officers; and

(d) The term "law enforcement officer" also includes the executive secretary of a labor guild, association or organization (which is an employer under RCW 41.26.030 (2) as now or hereafter amended) if such individual has five years previous membership in the retirement system established in chapter 41.20 RCW.

(4) "Fire fighter" means:

(a) any person who is serving on a full time, fully compensated basis as a member of a fire department of an employer and who is serving in a position which requires passing a civil service examination for fire fighter, or fireman if this title is used by the department, and who is actively employed as such;

(b) anyone who is actively employed as a full time fire fighter where the fire department does not have a civil service examination;

(c) supervisory fire fighter personnel;

(d) any full time executive secretary of an association of fire protection districts authorized under chapter 52.08 RCW;

(e) the executive secretary of a labor guild, association or organization (which is an employer under RCW 41.26.030 (2) as now or hereafter amended), if such individual has five years previous membership in a retirement system established in chapter((§)) 41.16 or 41.18 RCW;

(f) any person who is serving on a full time, fully compensated basis for an employer, as a fire dispatcher, in a department in which, on March 1, 1970, a dispatcher was required to have passed a civil service examination for fireman or fire fighter; and

(g) any person who on March 1, 1970, was employed on a full time, fully compensated basis by an employer, and who on May 21, 1971 was making retirement contributions under the provisions of chapter 41.16 or 41.18 RCW.

(5) "Retirement board" means the Washington public employees' retirement system board established in chapter 41.40 RCW, including two members of the retirement system and two employer representatives as provided for in RCW 41.26.050. The retirement board shall be called the Washington law enforcement officers' and fire fighters' retirement board and may enter in legal relationships in that name. Any legal relationships entered into in that name prior to the adoption of this 1972 amendatory act are hereby ratified.

(6) "Surviving spouse" means the surviving widow or widower of a member. The word shall not include the divorced spouse of a member.

(7) "Child" or "children" whenever used in this chapter means every natural born child, posthumous child, child legally adopted or made a legal ward of a member prior to the date benefits are payable under this chapter, stepchild and illegitimate child legitimized prior to the date any benefits are payable under this chapter, all while unmarried, and either under the age of eighteen years or mentally or physically handicapped as determined by the retirement board except a handicapped person in the full time care of a state

institution. A person shall also be deemed to be a child up to and including the age of twenty years and eleven months while attending any high school, college, or vocational or other educational institution accredited, licensed, or approved by the state (of Washington), in which it is located, including the summer vacation months and all other normal and regular vacation periods at the particular educational institution after which the child returns to school.

(8) "Member" means any fire fighter, law enforcement officer, or other person as would apply under subsections (3) or (4) of this section whose membership is transferred to the Washington law enforcement officers' and fire fighters' retirement system on or after March 1, 1970, and every law enforcement officer and fire fighter who is employed in that capacity on or after such date.

(9) "Retirement fund" means the "Washington law enforcement officers' and fire fighters' retirement system fund" as provided for herein.

(10) "Employee" means any law enforcement officer or fire fighter as defined in subsections (3) and (4) above.

(11) "Beneficiary" means any person in receipt of a retirement allowance, disability allowance, death benefit, or any other benefit described herein.

(12) "Final average salary" means (a) for a member holding the same position or rank for a minimum of twelve months preceding the date of retirement, the basic salary attached to such same position or rank at time of retirement; (b) for any other member, including a civil service member who has not served a minimum of twelve months in the same position or rank preceding the date of retirement, the average of the greatest basic salaries payable to such member during any consecutive twenty-four month period within such member's last ten years of service for which service credit is allowed, computed by dividing the total basic salaries payable to such member during the selected twenty-four month period by twenty-four; (c) in the case of disability of any member, the basic salary payable to such member at the time of disability retirement; (d) in the case of a member who hereafter vests pursuant to RCW 41.26.090, the basic salary payable to such member at the time of vesting.

(13) "Basic salary" means the basic monthly rate of salary or wages, including longevity pay but not including overtime earnings or special salary or wages, upon which pension or retirement benefits will be computed and upon which employer contributions and salary deductions will be based.

(14) "Service" means all periods of employment for an employer as a fire fighter or law enforcement officer, for which

compensation is paid, together with periods of suspension not exceeding thirty days in duration. For the purposes of this chapter service shall also include service in the armed forces of the United States as provided in RCW 41.26.190. Credit shall be allowed for all months of service rendered by a member from and after his initial commencement of employment as a fire fighter or law enforcement officer, during which he worked for ten days or more, or the equivalent thereof, or was on disability leave or disability retirement. Only months of service shall be counted in the computation of any retirement allowance or other benefit provided for in this chapter. In addition to the foregoing, for members retiring after May 21, 1971 who were employed under the coverage of a prior pension act before March 1, 1970, "service" shall include (a) such military service not exceeding five years as was creditable to the member as of March 1, 1970, under his particular prior pension act, and (b) such other periods of service as were then creditable to a particular member under the provisions of RCW 41.18.165, 41.20.160 or 41.20.170. However, in no event shall credit be allowed for any service rendered prior to March 1, 1970, where the member at the time of rendition of such service was employed in a position covered by a prior pension act, unless such service, at the time credit is claimed therefor, is also creditable under the provisions of such prior act: PROVIDED, That if such member's prior service is not creditable due to the withdrawal of his contributions plus accrued interest thereon from a prior pension system, such member shall be credited with such prior service, as a law enforcement officer or fire fighter, by paying to the Washington law enforcement officers' and fire fighters' retirement system, on or before March 1, 1975, an amount which is equal to that which was withdrawn from the prior system by such member, as a law enforcement officer or fire fighter: PROVIDED FURTHER, That if such member's prior service is not creditable because, although employed in a position covered by a prior pension act, such member had not yet become a member of the pension system governed by such act, such member shall be credited with such prior service as a law enforcement officer or fire fighter, by paying to the Washington law enforcement officers' and fire fighters' retirement system, on or before March 1, 1975, an amount which is equal to the employer's contributions which would have been required under the prior act when such service was rendered if the member had been a member of such system during such period: AND PROVIDED FURTHER, That where a member is employed by two employers at the same time, he shall only be credited with service to one such employer for any month during which he rendered such dual service.

(15) "Accumulated contributions" means the employee's contributions made by a member plus accrued interest credited thereon.

(16) "Actuarial reserve" means a method of financing a pension or retirement plan wherein reserves are accumulated as the liabilities for benefit payments are incurred in order that sufficient funds will be available on the date of retirement of each member to pay his future benefits during the period of his retirement.

(17) "Actuarial valuation" means a mathematical determination of the financial condition of a retirement plan. It includes the computation of the present monetary value of benefits payable to present members, and the present monetary value of future employer and employee contributions, giving effect to mortality among active and retired members and also to the rates of disability, retirement, withdrawal from service, salary and interest earned on investments.

(18) "Disability board" means either the county disability board or the city disability board established in RCW 41.26.110.

(19) "Disability leave" means the period of six months or any portion thereof during which a member is on leave at an allowance equal to his full salary prior to the commencement of disability retirement.

(20) "Disability retirement" means the period following termination of a member's disability leave, during which the member is in receipt of a disability retirement allowance.

(21) "Position" means the employment held at any particular time, which may or may not be the same as civil service rank.

(22) "Medical services" shall include the following as minimum services to be provided. Reasonable charges for these services shall be paid in accordance with RCW 41.26.150.

(a) Hospital expenses: These are the charges made by a hospital, in its own behalf, for

(i) Board and room not to exceed semiprivate room rate unless private room is required by the attending physician due to the condition of the patient.

(ii) Necessary hospital services, other than board and room, furnished by the hospital.

(b) Other medical expenses: The following charges are considered "other medical expenses", provided that they have not been considered as "hospital expenses".

(i) The fees of the following:

(A) A physician or surgeon licensed under the provisions of chapter 18.71 RCW;

(B) An osteopath licensed under the provisions of chapter 18.57 RCW;

(C) A chiropractor licensed under the provisions of chapter 18.25 RCW.

(ii) The charges of a registered graduate nurse other than a nurse who ordinarily resides in the member's home, or is a member of the family of either the member or the member's spouse.

(iii) The charges for the following medical services and supplies:

(A) Drugs and medicines upon a physician's prescription;

(B) Diagnostic x-ray and laboratory examinations;

(C) X-ray, radium, and radioactive isotopes therapy;

(D) Anesthesia and oxygen;

(E) Rental of iron lung and other durable medical and surgical equipment;

(F) Artificial limbs and eyes and casts, splints, and trusses;

(G) Professional ambulance service when used to transport the member to or from a hospital when he is injured by an accident or stricken by a disease;

(H) Dental charges incurred by a member who sustains an accidental injury to his teeth and who commences treatment by a legally licensed dentist within ninety days after the accident;

(I) Nursing home confinement or hospital extended care facility;

(J) Physical therapy by a registered physical therapist;

(K) Blood transfusions, including the cost of blood and blood plasma not replaced by voluntary donors;

(L) An optometrist licensed under the provisions of chapter 18.53 RCW.

Sec. 2. Section 5, chapter 209, Laws of 1969 ex. sess. as last amended by section 4, chapter 131, Laws of 1972 ex. sess. and RCW 41.26.050 are each amended to read as follows:

The retirement board shall be composed of the members of the public employees' retirement board established in RCW 41.40.030 as now or hereafter amended. Their terms of office shall be the same as their term of office with the public employees' retirement board. The members of the retirement system shall elect two additional members to the board who shall be members of the Washington law enforcement officers' and fire fighters' retirement system. One board member shall be a fire fighter and shall be elected by the fire fighter members and one shall be a law enforcement officer elected by the law enforcement members. ((The first board member elected by the law enforcement officer members shall serve for one year only; the

first board member elected by the fire fighters shall serve a two year term; and thereafter)) Both shall serve two years unless they cease to be members of the retirement system by separating from service (except when on disability leave), vesting or retiring. In such case there shall be elected in the same manner another member from the same service to fill out the remaining part of the term. Two additional representatives of counties and cities shall be added to the retirement board. One of these representatives shall be appointed by the Washington state association of counties and the other shall be appointed by the association of Washington cities. In case of a vacancy in these county and city representative positions, a new appointee will be designated by the appropriate organization to fill out the unexpired term. The additional elected and appointed board members shall serve on the retirement board for the purpose of administering this chapter and chapter 41.40 RCW. ((These)) The appointed board members shall serve two year terms. All administrative services of this system shall be performed by the director and staff of the public employees' retirement system with the cost of administration as determined by the retirement board charged against the Washington law enforcement officers' and fire fighters' retirement fund as provided in this chapter from funds appropriated for this purpose. The retirement board provided by this section shall be entitled the Washington law enforcement officers' and fire fighters' retirement board and may enter legal relationships in that name. Legal relationships entered into in that name prior to the effective date of this 1972 amendatory act are hereby ratified.

Sec. 3. Section 10, chapter 209, Laws of 1969 ex. sess. as last amended by section 7, chapter 131, Laws of 1972 first ex. sess. and RCW 41.26.100 are each amended to read as follows:

A member upon retirement for service shall receive a monthly retirement allowance computed according to his completed creditable service[,] as follows: Five years but under ten years, one-twelfth of one percent of his final average salary for each month of service; ten years but under twenty years, one-twelfth of one and one-half percent of his final average salary for each month of service; and twenty years and over one-twelfth of two percent of his final average salary for each month of service: PROVIDED, That the recipient of a retirement allowance who shall return to service as a law enforcement officer or fire fighter shall be considered to have terminated his retirement status and he shall immediately become a member of the retirement system with the status of membership he had as of the date of his retirement. Retirement benefits shall be suspended during the period of his return to service and he shall make contributions and receive service credit. Such a member shall have the right to again

retire at any time and his retirement allowance shall be recomputed, and paid, based upon additional service rendered and any change in final average salary; PROVIDED FURTHER, That no retirement allowance paid pursuant to this section shall exceed sixty percent of final average salary, except as such allowance may be increased by virtue of RCW 41.26.240, as now or hereafter amended.

Sec. 4. Section 14, chapter 209, Laws of 1969 ex. sess. as amended by section 9, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.140 are each amended to read as follows:

(1) Upon the basis of a semiannual reexamination of members on disability retirement, the disability board shall determine whether such disability beneficiary is still unable to perform his duties either physically or mentally for service in the department where he was employed.

(2) If the disability board shall determine that the beneficiary is not so incapacitated his retirement allowance shall be canceled and he shall be restored to duty in the same civil service rank, if any, held by the beneficiary at the time of his retirement or if unable to perform the duties of said rank, then, at his request, in such other like or lesser rank as may be or become open and available, the duties of which he is then able to perform. In no event, shall a beneficiary 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 said beneficiary at the date of his retirement for disability. If the disability board determines that the beneficiary is able to return to service he shall be entitled to notice and a hearing, both the notice and the hearing shall comply with the requirements of chapter 34.04 RCW, as now or hereafter amended.

(3) Should a disability beneficiary reenter service and be eligible for membership in the retirement system, his retirement allowance shall be canceled and he shall immediately become a member of the retirement system.

(4) Should any disability beneficiary under age fifty refuse to submit to medical examination, his retirement allowance shall be discontinued until his withdrawal of such refusal, and should such refusal continue for one year or more, his retirement allowance shall be canceled.

(5) ((Should a disability beneficiary whose disability was not incurred in line of duty; prior to attaining age fifty engage in a gainful occupation; the disability board shall reduce the amount of his retirement allowance to an amount which when added to the compensation earned by him in such occupation shall not exceed the basic salary currently being paid for the rank the retired member

held at the time he was disabled: All such disability beneficiaries under age fifty shall file with the disability board every six months a signed and sworn statement of earnings and any person who shall knowingly swear falsely on such statement shall be subject to prosecution for perjury: Should the earning capacity of such beneficiary be further altered, the disability board may further alter his retirement allowance as indicated above: The failure of any member to file the required statement of earnings shall be cause for cancellation of retirement benefits:

(6)) Should the disability retirement allowance of any disability beneficiary be canceled for any cause other than reentrance into service or retirement for service, he shall be paid the excess, if any, of his accumulated contributions at the time of his retirement over all payments made on his behalf under this chapter.

Sec. 5. Section 17, chapter 209, Laws of 1969 ex. sess. as last amended by section 9, chapter 131, Laws of 1972 ex. sess. and RCW 41.26.160 are each amended to read as follows:

(1) In the event of the death of any member who is in active service, or who has vested under the provisions of RCW 41.26.090 with twenty or more years of service, or who is on disability leave or retired, whether for disability or service, his surviving spouse shall become entitled to receive a monthly allowance equal to fifty percent of his final average salary at the date of death if active, or the amount of retirement allowance the vested member would have received at age fifty, or the amount of the retirement allowance such retired member was receiving at the time of his death if retired for service or disability. The amount of this allowance will be increased five percent of final average salary for each child as defined in RCW 41.26.030(7), as now or hereafter amended, subject to a maximum combined allowance of sixty percent of final average salary: PROVIDED, That if the child or children is or are in the care of a legal guardian, payment of the increase attributable to each child will be made to the child's legal guardian.

(2) If at the time of the death of a vested member with twenty or more years service as provided above or a member retired for service ((of twenty or more years)) or ((a member retired for)) disability, the surviving spouse has not been lawfully married to such member for one year prior to his retirement or separation from service if a vested member, the surviving spouse shall not be eligible to receive the benefits under this section: PROVIDED, That if a member dies as a result of a disability incurred in the line of duty, then if he was married at the time he was disabled, his

surviving spouse shall be eligible to receive the benefits under this section.

(3) If there be no surviving spouse eligible to receive benefits at the time of such member's death, then the child or children of such member shall receive a monthly allowance equal to thirty percent of final average salary for one child and an additional ten percent for each additional child subject to a maximum combined payment, under this subsection, of sixty percent of final average salary. When there cease to be any eligible children as defined in RCW 41.26.030 (7), as now or hereafter amended, there shall be paid to the legal heirs of said member the excess, if any, of accumulated contributions of said member at the time of his death over all payments made to his survivors on his behalf under this chapter: PROVIDED, That payments under this subsection to children shall be prorated equally among the children, if more than one.

(4) In the event that there is no surviving spouse eligible to receive benefits under this section, and that there be no child or children eligible to receive benefits under this section, then the accumulated contributions shall be paid to the estate of said member.

(5) If a surviving spouse receiving benefits under the provisions of this section thereafter dies or remarries and there are children as defined in RCW 41.26.030 (7), as now or hereafter amended, payment to the spouse shall cease and the child or children shall receive the benefits as provided in subsection (3) above.

(6) The payment provided by this section shall become due the day following the date of death and payments shall be retroactive to that date.

Sec. 6. Section 16, chapter 209, Laws of 1969 ex. sess. as last amended by section 13, chapter 257, Laws of 1971 ex. sess. and RCW 41.26.200 are each amended to read as follows:

(1) Any person feeling aggrieved by any order or determination of a disability board denying disability leave or disability retirement, or canceling a previously granted disability retirement allowance, shall have the right to appeal the said order or determination to the retirement board. The said retirement board shall have no jurisdiction to entertain the appeal unless a notice of appeal is filed with the said retirement board within thirty days following the rendition of the order by the applicable disability board. A copy of the notice of appeal shall be served upon the applicable disability board and, within ninety days thereof, the disability board shall certify its decision and order which shall include findings of fact and conclusions of law, together with a transcript of all proceedings in connection therewith, to the retirement board for its review. Upon its review of the record, the

retirement board may affirm the order of the disability board or it may remand the case for such further proceedings as it may direct, in accordance with such rules of procedure as the retirement board shall promulgate.

(2) The said appeal authorized by this section shall be governed by the provisions of RCW 41.26.210 and 41.26.220.

Sec. 7. Section 4, chapter 209, Laws of 1969 ex. sess. as [last] amended by section 44, chapter 195, Laws of 1973 1st ex. sess. and RCW 41.26.040 are each amended to read as follows:

The Washington law enforcement officers' and fire fighters' retirement system is hereby created for fire fighters and law enforcement officers.

(1) All fire fighters and law enforcement officers employed as such on or after March 1, 1970, on a full time fully compensated basis in this state shall be members of the retirement system established by this chapter with respect to all periods of service as such, to the exclusion of any pension system existing under any prior act except as provided in subsection (2) of this section.

(2) Any employee serving as a law enforcement officer or fire fighter on March 1, 1970, who is then making retirement contributions under any prior act shall have his membership transferred to the system established by this chapter as of such date. Upon retirement for service or for disability, or death, of any such employee, his retirement benefits earned under this chapter shall be computed and paid. In addition, his benefits under the prior retirement act to which he was making contributions at the time of this transfer shall be computed as if he had not transferred. For the purpose of such computations, the employee's creditability of service and eligibility for service or disability retirement and survivor and all other benefits shall continue to be as provided in such prior retirement act, as if transfer of membership had not occurred. The excess, if any, of the benefits so computed, giving full value to survivor benefits, over the benefits payable under this chapter shall be paid whether or not the employee has made application under the prior act. If the employee's prior retirement system was the Washington public employees' retirement system, payment of such excess shall be made by that system; if the employee's prior retirement system was the state-wide city employees' retirement system, payment of such excess shall be made by the employer which was the member's employer when his transfer of membership occurred: PROVIDED, That any death in line of duty lump sum benefit payment shall continue to be the obligation of that system as provided in RCW 41.44.210; in the case of all other prior retirement systems, payment of such excess shall be made by the

employer which was the member's employer when his transfer of membership occurred.

(3) All funds held by any firemen's or policemen's relief and pension fund shall remain in that fund for the purpose of paying the obligations of the fund. The municipality shall continue to levy the dollar rate as provided in RCW 41.16.060, and this dollar rate shall be used for the purpose of paying the benefits provided in chapters 41.16 and 41.18 RCW. The obligations of chapter 41.20 RCW shall continue to be paid from whatever financial sources the city has been using for this purpose.

(4) Any member transferring from the Washington public employees' retirement system or the state-wide city employees' retirement system shall have transferred from the appropriate fund of the prior system of membership, a sum sufficient to pay into the Washington law enforcement officers' and fire fighters' retirement system fund the amount of the employees' and employers' contributions plus credited interest in the prior system for all service, as defined in this chapter, from the date of the employee's entrance therein until March 1, 1970. Except as provided for in subsection (2), such transfer of funds shall discharge said state retirement systems from any further obligation to pay benefits to such transferring members with respect to such service.

(5) All unfunded liabilities created by this or any other section of this chapter shall be computed by the actuary in his biennial evaluation. Such computation shall provide for amortization of the unfunded liabilities over a period of not more than forty years from March 1, 1970. The amount thus computed as necessary shall be reported to the governor by the board of the retirement system for inclusion in the budget. The legislature shall make the necessary appropriation to fund the unfunded liability from the state general fund beginning with the 1971-1973 biennium.

Sec. 8. Section 3, chapter 257, Laws of 1971 ex. sess. and RCW 41.26.045 are each amended to read as follows:

Notwithstanding any other provision of law after ((May 24, 1974)) the effective date of this 1974 amendatory act no law enforcement officer or fire fighter, ((including sheriff,)) may become eligible for coverage in the pension system established by this chapter, until he has met and has been certified as having met minimum medical and health standards: PROVIDED, That an elected sheriff shall not be required to meet the age standard: PROVIDED FURTHER, That in cities and towns having not more than two law enforcement officers and/or not more than two fire fighters and if one or more of such persons do not meet the minimum medical and health standards as required by the provisions of this chapter, then

such person or persons may join any other pension system that the city has available for its other employees; AND PROVIDED FURTHER, That for one year after the effective date of this 1974 amendatory act any such medical or health standard now existing or hereinafter adopted, insofar as it establishes a maximum age beyond which an applicant is to be deemed ineligible for coverage, shall be waived as to any applicant for employment or reemployment who is otherwise eligible except for his age, who has been a member of any one or more of the retirement systems created by chapter 41.20 of the Revised Code of Washington and who has restored all contributions which he has previously withdrawn from any such system or systems.

Sec. 9. Section 11, chapter 209, Laws of 1969 ex. sess. as last amended by section 6, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.110 are each amended to read as follows:

(1) All claims for disability shall be acted upon and either approved or disapproved by either type of disability board hereafter authorized to be created.

(a) Each city having a population of twenty thousand or more shall establish a disability board having jurisdiction over all members employed by said cities and composed of the following five members: Two members of the city legislative body to be appointed by the mayor, one fire fighter to be elected by the fire fighters employed by the city, one law enforcement officer to be elected by the law enforcement officers employed by the city and one member from the public at large who resides within the city to be appointed by the other four appointed members heretofore designated in this subsection. Beginning with the next election following the effective date of this 1974 amendatory act, the law enforcement officer member shall serve a one year term and the fire fighter member shall serve a two year term. Thereafter each of the elected members shall serve a two year term. ((§11)) The members appointed ((or elected)) pursuant to this subsection shall serve for two year terms: PROVIDED, That cities of the first class only, shall retain existing firemen's pension boards established pursuant to RCW 41.16.020 and existing boards of trustees of the relief and pension fund of the police department as established pursuant to RCW 41.20.010 which such boards shall have authority to act upon and approve or disapprove claims for disability by fire fighters' or law enforcement officers' as provided under the Washington law enforcement officers' and fire fighters' retirement system act.

(b) Each county shall establish a disability board having jurisdiction over all members residing in the county and not employed by a city in which a disability board is established. The county disability board so created shall be composed of five members to be

chosers as follows: One member of the legislative body of the county to be appointed by the county legislative body, one member of a city or town legislative body located within the county which does not contain a city disability board established pursuant to subsection (1) (a) of this section to be chosen by a majority of the mayors of such cities and towns within the county which does not contain a city disability board, one fire fighter to be elected by the fire fighters subject to the jurisdiction of the county disability board, one law enforcement officer to be elected by the law enforcement officers subject to the jurisdiction of the county disability board, and one member from the public at large who resides within the county but does not reside within a city in which a city disability board is established, to be appointed by the other four appointed members heretofore designated in this subsection. All members appointed or elected pursuant to this subsection shall serve for two year terms.

(2) The members of both the county and city disability boards shall not receive compensation for their service upon the boards but said members shall be reimbursed by their respective county or city for all expenses incidental to such service as to the amount authorized by law.

(3) The disability boards authorized for establishment by this section shall perform all functions, exercise all powers, and make all such determinations as specified in this chapter.

Sec. 10. Section 12, chapter 209, Laws of 1969 ex. sess. as last amended by section 8, chapter 131, Laws of 1972 ex. sess. and RCW 41.26.120 are each amended to read as follows:

Any member, regardless of his age or years of service may be retired by the disability board, subject to approval by the retirement board as hereinafter provided, for any disability which has been continuous since his discontinuance of active service and which renders him unable to continue his service, whether incurred in the line of duty or not. No disability retirement allowance shall be paid until the expiration of a period of six months after the disability is incurred during which period the member, if found to be physically or mentally unfit for duty by the disability board following receipt of his application for disability retirement, shall be granted a disability leave by the disability board and shall receive an allowance equal to his full monthly salary and shall continue to receive all other benefits provided to active employees from his employer for such period. However, if, at any time during the initial six-month period, the disability board finds the beneficiary is no longer disabled, his disability leave allowance shall be canceled and he shall be restored to duty in the same rank or position, if any, held by the beneficiary at the time he became

disabled. Applications for disability retirement shall be processed in accordance with the following procedures:

(1) Any member who believes he is or is believed to be physically or mentally disabled shall be examined by such medical authority as the disability board shall employ, upon application of said member, or a person acting in his behalf, stating that said member is disabled, either physically or mentally: PROVIDED, That no such application shall be considered unless said member or someone in his behalf, in case of the incapacity of a member, shall have filed the application within a period of one year from and after the discontinuance of service of said member.

(2) If the examination shows, to the satisfaction of the disability board, that the member is physically or mentally disabled from the further performance of duty, and that such disability has been continuous from the discontinuance of active service, the disability board shall enter its written decision and order, accompanied by appropriate findings of fact and by conclusions evidencing compliance with this chapter as now or hereafter amended, granting the member a disability retirement allowance; otherwise, if the member is not found by the disability board to be so disabled, the application shall be denied pursuant to a similar written decision and order, subject to appeal to the retirement board in accordance with RCW 41.26.200: PROVIDED, That the disability board shall make a finding of whether or not the disability was incurred in line of duty.

(3) Every order of a disability board granting a disability retirement allowance shall forthwith be reviewed by the retirement board for the purposes of determining (a) whether the facts as found by the disability board are supported by substantial evidence in the record, except the finding of whether or not the disability was incurred in line of duty; and (b) whether the order is in accordance with law on the basis of such facts. If an affirmative determination is made by the retirement board on both of the aspects of the decision and order, it shall be affirmed; otherwise, it shall be reversed and remanded to the disability board for such further proceedings as the retirement board may direct.

(4) Every member who can establish, to the disability board, that he is physically or mentally disabled from the further performance of duty and that such disability will be in existence for a period of at least six months may waive the six-month period of disability leave and be immediately granted a disability retirement allowance, subject to the approval of the state board as provided in subsection (3) above.

Sec. 11. Section 15, chapter 209, Laws of 1969 ex. sess. as last amended by section 10, chapter 257, Laws of 1971 [ex. sess.] and RCW 41.26.150 are each amended to read as follows:

(1) Whenever any active member, or any member hereafter retired, on account of service, sickness or disability, not caused or brought on by dissipation or abuse, of which the disability board shall be judge, is confined in any hospital or in his home, and whether or not so confined, requires medical services, the employer shall pay for such active or retired member the necessary medical services not payable from some other source as provided for in subsection (2). In the case of active or retired fire fighters the employer may make the payments provided for in this section from the firemen's pension fund established pursuant to RCW 41.16.050 where such fund had been established prior to March 1, 1970: PROVIDED, That in the event the pension fund is depleted, the employer shall have the obligation to pay all benefits payable under chapters 41.16 and 41.18 RCW: PROVIDED FURTHER, That the disability board in all cases may have the active or retired member suffering from such sickness or disability examined at any time by a licensed physician or physicians, to be appointed by the disability board, for the purpose of ascertaining the nature and extent of the sickness or disability, the physician or physicians to report to the disability board the result of the examination within three days thereafter. Any active or retired member who refuses to submit to such examination or examinations shall forfeit all his rights to benefits under this section for the period of such refusal: AND PROVIDED FURTHER, That the disability board shall designate the medical services available to ((such)) any sick or disabled member.

(2) The medical services payable under this section will be reduced by any amount received or eligible to be received by the member under workmen's compensation, social security including the changes incorporated under Public Law 89-97 as now or hereafter amended, insurance provided by another employer, other pension plan, or any other similar source. Failure to apply for coverage if otherwise eligible under the provisions of Public Law 89-97 as now or hereafter amended shall not be deemed a refusal of payment of benefits thereby enabling collection of charges under the provisions of this chapter.

(3) Upon making such payments as are provided for in subsection (1), the employer shall be subrogated to all rights of the member against any third party who may be held liable for the member's injuries or for the payment of the cost of medical services in connection with a member's sickness or disability to the extent necessary to recover the amount of payments made by the employer.

(4) Any employer under this chapter, either singly, or jointly with any other such employer or employers through an association thereof as provided for in chapter 48.21 RCW, may provide for all or part of one or more plans of group hospitalization and medical aid insurance to cover any of its employees who are members of the Washington law enforcement officers' and fire fighters' retirement system, and/or retired former employees who were, before retirement, members of said retirement system, through contracts with regularly constituted insurance carriers or with health care service contractors as defined in chapter 48.44 RCW. Benefits payable under any such plan or plans shall be deemed to be amounts received or eligible to be received by the active or retired member under subsection (2) of this section.

Sec. 12. Section 4, chapter 257, Laws of 1971 ex. sess. as amended by section 2, chapter 131, Laws of 1972 ex. sess. and RCW 41.26.046 are each amended to read as follows:

By July 31, 1971, the retirement board shall adopt minimum medical and health standards for membership coverage into the Washington law enforcement officers' and fire fighters' retirement system act. In adopting such standards the retirement board shall consider existing standards recommended by the international association of chiefs of police and the international association of fire fighters, and shall adopt equal or higher standards, together with appropriate standards and procedures to insure uniform compliance with this chapter. The standards when adopted shall be published and distributed to each employer, and each employer shall adopt certification procedures and such other procedures as are required to insure that no law enforcement officer((7)) or fire fighter((7 or sheriff,)) receives membership coverage unless and until he has actually met minimum medical and health standards: PROVIDED, That ((after March 17 1972)) an elected sheriff shall not be required to meet the age standard. The retirement board may amend the minimum medical and health standards as experience indicates, even if the standards as so amended are lower or less rigid than those recommended by the international associations mentioned above. The cost of the medical examination contemplated by this section is to be paid by the employer.

Sec. 13. Section 24, chapter 209, Laws of 1969 ex. sess. as amended by section 16, chapter 6, Laws of 1970 ex. sess. and RCW 41.26.240 are each amended to read as follows:

For purposes of this section of this chapter:

(1) "Index" shall mean, for any calendar year, that year's average Consumer Price Index--Seattle, Washington area for urban wage

earners and clerical workers, all items (1957-1959=100), compiled by the Bureau of Labor Statistics, United States Department of Labor;

(2) "Retirement allowance" shall mean the retirement allowance provided for in RCW 41.26.100 and 41.26.130, and the monthly allowance provided for in RCW 41.26.160.

Effective April 1 of 1971, and of each succeeding year, every retirement allowance which has been in effect for more than one year shall be adjusted to that dollar amount which exceeds its original dollar amount by the percentage difference which the board finds to exist between the index for the previous calendar year and the index for the calendar year prior to the effective retirement date of the person to whom, or on behalf of whom, such retirement allowance is being paid (PROVIDED, That no retirement allowance shall in any event be reduced to a dollar amount less than its original dollar amount).

Whenever the amount of a benefit is to be recalculated because of a change in the number of children, the amount shall be calculated as if the new number of children had always been in existence).

For the purposes of this section, basic allowance shall mean that portion of a total retirement allowance, and any cost of living adjustment thereon, attributable to a member (individually) and shall not include the increased amounts attributable to the existence of a child or children. In those cases where a child ceases to be qualified as an eligible child, so as to lessen the total allowance, the allowance shall, at that time, be reduced to the basic allowance plus the amount attributable for the appropriate number of eligible children. In those cases where a child qualifies as an eligible child subsequent to the retirement of a member so as to increase the total allowance payable, such increased allowance shall at the time of the next and appropriate subsequent cost of living adjustments, be considered the original dollar amount of the allowance.

NEW SECTION. Sec. 14. This 1974 amendatory act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

NEW SECTION. Sec. 15. If any provision of this 1974 amendatory act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected.

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