

The legislation also restates the Department of Agriculture's legitimate role as an advocate of water resources projects needed to help meet future agricultural water needs, and seeks to preserve the state's option to participate in the second half of a feasible Columbia Basin irrigation project.

Section 2 requires the Department of Agriculture to establish a committee to study water supply availability in the Columbia Basin area and make a preliminary report to the Governor and Legislature by January 1, 1987, with the final report by January 1, 1988.

The primary objective of the study is to develop a formal process to enable the state to maintain its option to participate in a feasible Columbia Basin project.

The Federal Bureau of Reclamation is in the initial stages of preparing its required Environmental Impact Statement (EIS) on the second half of the Columbia Basin project. The draft EIS is scheduled to be available for review and comment in December 1986, and will require a state response. The study timetable called for in section 2(2) could place the state in the untenable position of having to respond to the EIS and indicate a preferred project alternative as much as one full year in advance of completion of its own study.

Therefore, I am vetoing section 2(2) and asking the Director of the Department of Agriculture to develop a time schedule for activities, including dates for preliminary and final reports, and to inform the Legislature of the timetable. The timetable for the Columbia Basin water availability study should be consistent with the schedule for the Bureau of Reclamation's Environmental Impact Statement. That schedule calls for the draft EIS to be available for review in December 1986.

The committee specifically called for in section 2(1) would contain a number of key interest groups vital to the Columbia Basin project decision-making process. Other equally important interests—local government, recognized environmental organizations and Indian tribes—are absent. I am asking the Director of the Department of Agriculture to review the composition of the committee and to make certain that the entire range of interests and organizations necessary to make timely, objective decisions on appropriate participation in the Columbia Basin Project serve on the committee. The committee shall establish and maintain communications with the Governor and the Legislature.

A number of the issues identified for study in section 2(1) have already been at least partially addressed in past studies or ongoing assessments conducted by the state, the Bureau of Reclamation, the Bonneville Power Administration or the Northwest Power Planning Council. Section 2(1)(i) instructs the committee not to duplicate data being developed by the Bureau of Reclamation in its Environmental Impact Statement process. I am further directing the Department to ensure that the committee extends the mandate to avoid duplication, including duplication of previous or ongoing studies, to all elements of the study, not just those items enumerated in section 2(1)(i).

With the exception of section 2(2), Substitute Senate Bill 4418 is approved."

CHAPTER 317

[Reengrossed Substitute Senate Bill No. 3182]

RETIREMENT—REENTER STATE SERVICE—REINSTATEMENT OF WITHDRAWN CONTRIBUTIONS PROVIDED FOR

AN ACT Relating to retirement from public service; amending RCW 41.32.500, 41.40.150, 41.40.120, 44.44.040 and 41.04.330; adding a new section to chapter 41.40 RCW; creating a new section; making appropriations; and declaring an emergency.

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

NEW SECTION. Sec. 1. The legislature finds that in the past public employees and teachers who had terminated employment, withdrawn their retirement contributions, and subsequently returned to public employment or teaching either did not receive proper notification of the procedure to reinstate their withdrawn contributions or they did not fully understand the limitation on such reinstatement. In 1973, the legislature recognized this fact and provided an extraordinary reinstatement period for such employees. Further in 1983, the legislature established clear notification procedures for the proper notification of the reinstatement policy for all such returning employees. Therefore, it is the intent of this 1985 act to provide one last opportunity for reinstatement of withdrawn contributions to those who may have not been properly informed or misunderstood the reinstatement procedure.

Sec. 2. Section 50, chapter 80, Laws of 1947 as last amended by section 1, chapter 233, Laws of 1983 and RCW 41.32.500 are each amended to read as follows:

(1) Membership in the retirement system is terminated when a member retires for service or disability, dies, withdraws his accumulated contributions or does not establish service credit with the retirement system for five consecutive years; however, a member may retain membership in the teachers' retirement system by leaving his accumulated contributions in the teachers' retirement fund under one of the following conditions:

(a) If he is eligible for retirement;

(b) If he is a member of another public retirement system in the state of Washington by reason of change in employment and has arranged to have membership extended during the period of such employment;

(c) If he is not eligible for retirement but has established five or more years of Washington membership service credit.

The prior service certificate becomes void when a member dies, withdraws his accumulated contributions or does not establish service credit with the retirement system for five consecutive years, and any prior administrative interpretation of the board of trustees, consistent with this section, is hereby ratified, affirmed and approved.

(2) Any member, except an elected official, who reentered service and who failed to restore withdrawn contributions, shall now have from the effective date of this 1986 act through June 30, 1987, to restore the contributions, with interest as determined by the director.

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

Sec. 3. Section 16, chapter 274, Laws of 1947 as last amended by section 2, chapter 233, Laws of 1983 and RCW 41.40.150 are each amended to read as follows:

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

(1) As provided in RCW 41.40.170.

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

(3) Any member, except an elected official, who reentered service and who failed to restore withdrawn contributions, shall now have from the effective date of this 1986 act through June 30, 1987, to restore the contributions, with interest as determined by the director.

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

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

(6) (a) The recipient of a retirement allowance who is employed in an eligible position other than under RCW 41.40.120(12) shall be considered to have terminated his or her retirement status and shall immediately become a member of the retirement system with the status of membership the member held as of the date of retirement. Retirement benefits shall be suspended during the period of eligible employment and the individual shall

make contributions and receive membership credit. Such a member shall have the right to again retire if eligible in accordance with RCW 41.40.180: PROVIDED, That where any such right to retire is exercised to become effective before the member has rendered two uninterrupted years of service the type of retirement allowance the member had at the time of the member's previous retirement shall be reinstated, but no additional service credit shall be allowed;

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

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

NEW SECTION. Sec. 4. A new section is added to chapter 41.40 RCW to read as follows:

Those currently employed members who were eligible to recover service earned prior to July 1, 1953, under a retirement system authorized pursuant to RCW 28B.10.400 through 28B.10.430, but who failed to do so, shall have until June 30, 1987, to pay the appropriate employee and employer contributions plus interest, as determined by the director of retirement systems, for such service which was not so recovered.

Sec. 5. Section 13, chapter 274, Laws of 1947 as last amended by section 13, chapter 184, Laws of 1984 and RCW 41.40.120 are each amended to read as follows:

Membership in the retirement system shall consist of all regularly compensated employees and appointive and elective officials of employers, as defined in this chapter, with the following exceptions:

- (1) Persons in ineligible positions;
- (2) Employees of the legislature except the officers thereof elected by the members of the senate and the house and legislative committees, unless membership of such employees be authorized by the said committee;
- (3) Persons holding elective offices or persons appointed directly by the governor: PROVIDED, That such persons shall have the option of applying for membership during such periods of employment: AND PROVIDED FURTHER, That any persons holding or who have held elective offices or persons appointed by the governor who are members in the retirement system and who have, prior to becoming such members, previously held an elective office, and did not at the start of such initial or successive terms of office exercise their option to become members, may apply for membership to be effective during such term or terms of office, and shall be allowed to establish the service credit applicable to such term or terms of office upon payment of the employee contributions therefor by the employee with interest as determined by the director and employer contributions therefor by the employer or employee with interest as determined by the director: AND PROVIDED FURTHER, That all contributions with interest submitted by the employee under this subsection shall be placed in the employee's individual account in the employee's savings fund and be treated as any other contribution made by the employee, with the exception that any contributions submitted by the employee in payment of the employer's obligation, together with the interest the director may apply to the employer's contribution, shall not be considered part of the member's annuity for any purpose except withdrawal of contributions;
- (4) Employees holding membership in, or receiving pension benefits under, any retirement plan operated wholly or in part by an agency of the state or political subdivision thereof, or who are by reason of their current employment contributing to or otherwise establishing the right to receive benefits from any such retirement plan: PROVIDED, HOWEVER, In any case where the retirement system has in existence an agreement with another retirement system in connection with exchange of service credit or an

agreement whereby members can retain service credit in more than one system, such an employee shall be allowed membership rights should the agreement so provide: **AND PROVIDED FURTHER**, That an employee shall be allowed membership if otherwise eligible while receiving survivor's benefits: **AND PROVIDED FURTHER**, That an employee shall not either before or after June 7, 1984, be excluded from membership or denied service credit pursuant to this subsection solely on account of enrollment under the relief and compensation provisions or the pension provisions of the volunteer firemen's relief and pension fund under chapter 41.24 RCW;

(5) Patient and inmate help in state charitable, penal, and correctional institutions;

(6) "Members" of a state veterans' home or state soldiers' home;

(7) Persons employed by an institution of higher learning or community college, primarily as an incident to and in furtherance of their education or training, or the education or training of a spouse;

(8) Employees of an institution of higher learning or community college during the period of service necessary to establish eligibility for membership in the retirement plans operated by such institutions;

(9) Persons rendering professional services to an employer on a fee, retainer, or contract basis or when the income from these services is less than fifty percent of the gross income received from the person's practice of a profession;

(10) Persons appointed after April 1, 1963, by the liquor control board as agency vendors;

(11) Employees of a labor guild, association, or organization: **PROVIDED**, That elective officials and employees of a labor guild, association, or organization which qualifies as an employer within this chapter shall have the option of applying for membership;

(12) Persons hired in eligible positions on a temporary basis for a period not to exceed six months: **PROVIDED**, That if such employees are employed for more than six months in an eligible position they shall become members of the system;

(13) Persons employed by or appointed or elected as an official of a first class city that has its own retirement system: **PROVIDED**, That any member elected or appointed to an elective office on or after April 1, 1971, shall have the option of continuing as a member of this system in lieu of becoming a member of the city system. A member who elects to continue as a member of this system shall pay the appropriate member contributions and the city shall pay the employer contributions at the rates prescribed by this chapter. The city shall also transfer to this system all of such member's accumulated contributions together with such further amounts as necessary to equal all employee and employer contributions which would have been paid into this system on account of such service with the city and thereupon

the member shall be granted credit for all such service. Any city that becomes an employer as defined in RCW 41.40.010(4) as the result of an individual's election under the first proviso of this subsection shall not be required to have all employees covered for retirement under the provisions of this chapter. Nothing in this subsection shall prohibit a city of the first class with its own retirement system from transferring all of its current employees to the retirement system established under this chapter. Notwithstanding any other provision of this chapter, persons transferring from employment with a first class city of over four hundred thousand population that has its own retirement system to employment with the state department of agriculture may elect to remain within the retirement system of such city and the state shall pay the employer contributions for such persons at like rates as prescribed for employers of other members of such system;

(14) Employees who (a) are not citizens of the United States, (b) do not reside in the United States, and (c) perform duties outside of the United States;

(15) Employees who (a) are not citizens of the United States, (b) are not covered by chapter 41.48 RCW, (c) are not excluded from membership under this chapter or chapter 41.04 RCW, (d) are residents of this state, and (e) make an irrevocable election to be excluded from membership, in writing, which is submitted to the director within thirty days after employment in an eligible position;

(16) Employees who are citizens of the United States and who reside and perform duties for an employer outside of the United States: PROVIDED, That unless otherwise excluded under this chapter or chapter 41.04 RCW, the employee may apply for membership (a) within thirty days after employment in an eligible position and membership service credit shall be granted from the first day of membership service, and (b) after this thirty-day period, but membership service credit shall be granted only from the date of application;

(17) The city manager or chief administrative officer of a city or town who serves at the pleasure of an appointing authority: PROVIDED, That such persons shall have the option of applying for membership within thirty days from date of their appointment to such positions. Persons serving in such positions as of the effective date of this 1986 act shall continue to be members in the retirement system unless they notify the director in writing prior to December 31, 1986, of their desire to withdraw from membership in the retirement system. A member who withdraws from membership in the system under this section shall receive a refund of the member's accumulated contributions.

Sec. 6. Section 22, chapter 105, Laws of 1975-'76 2nd ex. sess. and RCW 44.44.040 are each amended to read as follows:

The state actuary shall have the following powers and duties:

(1) Perform all actuarial services for the department of retirement systems, including all studies required by law. Reimbursement for such services shall be made to the state actuary pursuant to the provisions of RCW 39-.34.130 as now or hereafter amended.

(2) Advise the legislature and the governor regarding the benefit provisions, funding policies, and investment policies of the department of retirement systems.

(3) Consult with the legislature and the governor concerning determination of actuarial assumptions used by the department of retirement systems.

(4) Prepare a report, to be known as the actuarial fiscal note, on each pension bill introduced in the legislature which ~~((shall))~~ briefly explains the financial impact of the bill. The actuarial fiscal note shall include: (a) The statutorily required contribution for the biennium and the following twenty-five years; (b) the biennial cost of the increased benefits if these exceed the required contribution; and (c) any change in the present value of the unfunded accrued benefits. An actuarial fiscal note shall also be prepared for all amendments which are offered in committee or on the floor of the house of representatives or the senate to any pension bill. However, a majority of the members present may suspend the requirement for an actuarial fiscal note for amendments offered on the floor of the house of representatives or the senate.

(5) Provide such actuarial services to the legislature as may be requested from time to time.

NEW SECTION. Sec. 7. There is created a sixteen-member joint committee on public retirement during the 1986 interim as follows:

(1) The president of the senate shall appoint eight members, with four members to be appointed from each caucus;

(2) The speaker of the house of representatives shall appoint eight members, with four members to be appointed from each caucus.

NEW SECTION. Sec. 8. Until June 1, 1987, the director of retirement systems is authorized to retroactively suspend any administrative action initiated on or after January 1, 1986, to recover pension overpayments from retirees who have returned to covered employment.

This section shall not be codified and shall be effective only until May 31, 1987.

*NEW SECTION. Sec. 9. (a) There is hereby appropriated for the biennium ending June 30, 1987, one hundred six thousand dollars from the retirement systems expense fund to the department of retirement systems to carry out the administrative purposes of this act.

(b) There is hereby appropriated for the biennium ending June 30, 1987, two million eight hundred thousand dollars from the general fund to the department of retirement systems for the increased contributions required of

the state by this act. Of this amount, one million two hundred thousand dollars shall be deposited in the public employees' retirement fund and one million six hundred thousand dollars shall be deposited in the teachers' retirement fund.

*Sec. 9 was partially vetoed, see message at end of chapter.

Sec. 10. Section 12, chapter 205, Laws of 1979 ex. sess. and RCW 41-.04.330 are each amended to read as follows:

The provisions of this 1979 amendatory act shall apply only to court decrees of dissolution or legal separation and court-approved property settlement agreements regardless of whether entered before or after ((May 25, 1979)) the effective date of this 1986 act, and only to those persons who have actually retired.

NEW SECTION. Sec. 11. If any provision of this 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.

NEW SECTION. Sec. 12. This 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.

Passed the Senate March 8, 1986.

Passed the House March 5, 1986.

Approved by the Governor April 4, 1986, with the exception of certain items which were vetoed.

Filed in Office of Secretary of State April 4, 1986.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 9(b), Reengrossed Substitute Senate Bill No. 3182, entitled:

"AN ACT Relating to retirement from public service."

Section 9(b) appropriates \$2,800,000 for contribution to the pension trust fund for this biennium. The fiscal impact for the remaining provisions of this measure is \$1,200,000 and therefore the appropriated amount is excessive.

The Department of Retirement Systems, in consultation with the Office of the State Actuary, will revise the employer contribution rate for the Public Employees and Teachers Systems so as to assure the appropriate cost of this legislation is collected by the system during this biennium.

With the exception of section 9(b), Reengrossed Substitute Senate Bill No. 3182 is approved."

CHAPTER 318

[Senate Bill No. 3397]

WILDLIFE—ILLEGAL POSSESSION—BAIL

AN ACT Relating to game and game fish; amending RCW 77.21.070; providing an effective date; and declaring an emergency.