

CHAPTER 25

[House Bill No. 358]

OFFICE OF THE STATE ACTUARY—QUALIFICATIONS, APPOINTMENT, AND DUTIES REVISED—JOINT COMMITTEE ON PENSION POLICY CREATED

AN ACT Relating to the office of the state actuary and creating a joint committee on pension policy; amending RCW 44.44.010, 44.44.030, and 44.44.040; adding new sections to chapter 44.44 RCW; and repealing RCW 44.44.020.

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

Sec. 1. Section 19, chapter 105, Laws of 1975-'76 2nd ex. sess. and RCW 44.44.010 are each amended to read as follows:

(1) There is hereby created an office within the legislative branch to be known as the office of the state actuary.

(2) The executive head of the office shall be the state actuary who shall be qualified by education and experience in the field of actuarial science ~~((and shall be a member of the American Academy of Actuaries. Such person shall be appointed by a special committee of the legislature consisting of: (a) Three members of the senate selected by the president, two of whom shall be members of the majority party and one of whom shall be a member of the minority party, and (b) three members of the house of representatives selected by the speaker, two of whom shall be members of the majority party and one of whom shall be a member of the minority party. The original appointment shall be made not later than ninety days after March 19, 1976. A two-thirds vote of the committee shall be required to make the appointment:~~

~~(3) If a vacancy occurs in the position of state actuary it shall be filled in the same manner as the original appointment)).~~

Sec. 2. Section 21, chapter 105, Laws of 1975-'76 2nd ex. sess. and RCW 44.44.030 are each amended to read as follows:

(1) The state actuary shall have the authority to select and employ such research, technical, clerical personnel, and consultants as the actuary deems necessary, whose salaries shall be fixed by the actuary and approved by the joint committee ~~((of legislators referred to in RCW 44.44.010))~~ on pension policy, and who shall be exempt from the provisions of the state civil service law, chapter 41.06 RCW.

(2) All actuarial valuations and experience studies performed by the office of the state actuary shall be signed by a member of the American academy of actuaries. If the state actuary is not such a member, the state actuary, after approval by the committee, shall contract for a period not to exceed two years with a member of the American academy of actuaries to assist in developing actuarial valuations and experience studies.

Sec. 3. Section 22, chapter 105, Laws of 1975-'76 2nd ex. sess. as amended by section 6, chapter 317, Laws of 1986 and RCW 44.44.040 are each amended to read as follows:

The office of 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))~~ pension benefit provisions, and funding policies~~((:))~~ and investment policies of the ~~((department of retirement systems))~~ state investment board.

(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 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.

(6) Provide staff and assistance to the committee established under section 4 of this 1987 act.

NEW SECTION. Sec. 4. A new section is added to chapter 44.44 RCW to read as follows:

(1) There is hereby created a joint committee on pension policy. The committee shall consist of: (a) Eight members of the senate appointed by the president of the senate, four of whom shall be members of the majority party and four of whom shall be members of the minority party; and (b) eight members of the house of representatives appointed by the speaker, four of whom shall be members of the majority party and four of whom shall be members of the minority party. Members of the committee shall be appointed before the close of the 1987 legislative session and before the close of each regular session during an odd-numbered year thereafter.

(2) Each member's term of office shall run from the close of the session in which he or she was appointed until the close of the next regular session

held in an odd-numbered year. If a successor is not appointed during a session, the member's term shall continue until the member is reappointed or a successor is appointed. The term of office for a committee member who does not continue as a member of the senate or house shall cease upon the convening of the next session of the legislature during an odd-numbered year after the member's appointment, or upon the member's resignation, whichever is earlier. Vacancies on the committee shall be filled by appointment in the same manner as described in subsection (1) of this section. All such vacancies shall be filled from the same political party and from the same house as the member whose seat was vacated.

(3) The committee shall elect a chairperson and a vice-chairperson. The chairperson shall be a member of the senate in even-numbered years and a member of the house of representatives in odd-numbered years.

(4) The committee shall establish an executive committee of four members, including the chairperson and the vice-chairperson, representing the majority and minority caucuses of each house.

NEW SECTION. Sec. 5. A new section is added to chapter 44.44 RCW to read as follows:

The joint committee on pension policy shall have the following powers and duties:

(1) Study pension issues, develop pension policies for public employees in state retirement systems, and make recommendations to the legislature;

(2) Study the financial condition of the state pension systems, develop funding policies, and make recommendations to the legislature; and

(3) Appoint or remove the state actuary by a two-thirds vote of the committee.

NEW SECTION. Sec. 6. Section 20, chapter 105, Laws of 1975-'76 2nd ex. sess. and RCW 44.44.020 are each repealed.

Passed the House March 13, 1987.

Passed the Senate March 27, 1987.

Approved by the Governor April 6, 1987.

Filed in Office of Secretary of State April 6, 1987.

CHAPTER 26

[Substitute House Bill No. 98]
MILITIA—CIVIL IMMUNITY

AN ACT Relating to the militia; adding a new section to chapter 38.40 RCW; creating a new section; and declaring an emergency.

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

NEW SECTION. Sec. 1. The legislature recognizes that Congress has established comprehensive administrative programs to compensate members