found or the address is known, or can with reasonable diligence be ascertained, service of the summons may be made either by delivering a copy thereof to the party personally or by mailing a copy thereof to the party by certified mail at least ten court days before the fact-finding hearing, or such time as set by the court.

- (8) Service of summons may be made under the direction of the court by any person eighteen years of age or older who is not a party to the proceedings or by any law enforcement officer, probation counselor, or department of social and health services social worker.
- (9) In any proceeding brought under this chapter where the court knows or has reason to know that the child involved is a member of an Indian tribe, notice of the pendency of the proceeding shall also be sent by registered mail, return receipt requested, to the child's tribe. If the identity or location of the tribe cannot be determined, such notice shall be transmitted to the secretary of the interior of the United States.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 13.34 RCW to read as follows:

A dependency may only be maintained for a maximum period of two years, at which time the court shall: (1) Approve a permanent plan of care which can include one of the following: Adoption, guardianship, or placement of the child in the home of the child's parent; (2) require filing of a petition for termination of parental rights; or (3) dismiss the dependency, unless the court finds, based on clear, cogent, and convincing evidence, that it is in the best interest of the child to continue the dependency beyond two years, based on a permanent plan of care. Extensions may only be granted in increments of six months or less unless a juvenile court guardianship is in effect.

Passed the House March 9, 1988.

Passed the Senate March 5, 1988.

Approved by the Governor March 22, 1988.

Filed in Office of Secretary of State March 22, 1988.

CHAPTER 195

[House Bill No. 1649]
RETIREMENT—PORTABILITY

AN ACT Relating to clarifying the administration of public employment retirement portability benefits; amending RCW 41.54.010, 41.54.030, 41.54.040, 41.54.070, and 41.04.270; adding a new section to chapter 41.54 RCW; and providing an effective date.

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

Sec. 1. Section 1, chapter 192, Laws of 1987 and RCW 41.54.010 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) (("Actuary" means the state actuary as established under chapter 44.44 RCW:
- (2))) "Base salary" means salaries or wages earned by a member of a system during a payroll period for personal services and includes wages and salaries deferred under provisions ((established pursuant to sections 403(b), 414(h), and 457)) of the United States internal revenue code, but shall exclude overtime payments, nonmoney maintenance compensation, and lump sum payments for deferred annual sick leave, unused accumulated vacation, unused accumulated annual leave, any form of severance pay, any bonus for voluntary retirement, any other form of leave, or any similar lump sum payment.
- (((3) "Average compensation" means, respectively, "final compensation" as defined in RCW 41.28.010 and 41.44.030(14), "average final compensation" as defined in RCW 41.32.010 and 41.40.010, "average earnable compensation" as used in RCW 41.32.498, and "average final salary" as defined in RCW 43.43.120.
- (4) "Service retirement allowance" means, respectively, "retirement allowance" as used or defined in RCW 41.28.130, 41.32.010, 41.40.010, 41.44.030(22), and 43.43.260.
- (5) "Current system average final compensation" means that compensation or average compensation used in the service retirement benefit calculation of the current system with compensation being either that earned in the current system or the base salary earned in a prior system, whichever produces the greater benefit.
- (6) "Prior system average final compensation" means the compensation or average compensation used in the service retirement benefit calculation of the prior system, with compensation being either that carned in the prior system or the base salary earned in any system in which dual membership is held, whichever produces the greater benefit.
- (7) "Compensation" means, respectively, "compensation earnable" as defined in RCW 41.28.010, "earnable compensation" as defined in RCW 41.32.010, "compensation earnable" as defined in RCW 41.40.010, "compensation earnable" as defined in RCW 41.44.030, and "average final salary" as used in RCW 43.43.120(15).
- (8) "Current system" means the system in which a member is currently making contributions and accruing service credit.
 - (9))) (2) "Department" means the department of retirement systems.
- (((10))) (3) "Director" means the director of the department of retirement systems.
- (((11))) (4) "Dual member" means a person who (a) is or becomes a member of a system on or after July 1, 1988, (b) has been a member of one

or more other systems, and (c) has never been retired for service from a retirement system and is not receiving a disability retirement or disability leave benefit from ((a prior)) any retirement system listed in RCW 41.50.030 or subsection (6) of this section.

- (((12) "Prior system" means a system in which a person had previous membership but is no longer making member contributions.
- (13))) (5) "Service" means the same as it may be defined in each respective system. For the purposes of RCW 41.54.030, military service granted under RCW 41.40.170(3) or 43.43.260 may only be based on service accrued under chapter 41.40 or 43.43 RCW, respectively.
- (((14))) (6) "System" means the retirement systems established under chapters ((41.28;)) 41.32, 41.40, ((41.44;)) and 43.43 RCW and the city employee retirement systems for Seattle, Tacoma, and Spokane. The inclusion of an individual first class city system is subject to the procedure set forth in RCW 41.54.060.
- Sec. 2. Section 3, chapter 192, Laws of 1987 and RCW 41.54.030 are each amended to read as follows:
- (1) ((As used in this section, the percentage factor to be used in calculating a benefit under chapter 41.28 RCW shall be determined using only the service earned in a retirement system created under that chapter.
- (2) The service retirement allowances to be paid to a dual member upon retiring from the current system because of service shall be the sum of:
- (a) The service retirement allowance received under the current system as a result of multiplying the current system average final compensation by the percentage factor of the current system and the service earned under the current system; and
- (b) The sum of the respective service retirement allowances received under prior systems as a result of multiplying each prior system's average final compensation by the percentage factor of that prior system and the service earned under that prior system.
- (3) Eligibility to receive a service benefit under this chapter shall be based on (a) the criteria of any system in which dual membership is held, and (b) the dual member's combined systems' service.)) A dual member's service in all systems may be combined for the sole purpose of determining the member's eligibility to receive a service retirement allowance. This subsection does not, however, permit a member to combine service for the purpose of determining the percentage factor to be used in calculating a service retirement allowance in the city employee retirement systems for Scattle and Tacoma.
- (2) A dual member who is eligible to retire under any system may elect to retire from all the member's systems and to receive service retirement allowances calculated as provided in this section. Each system shall calculate the allowance using its own criteria except that the member shall be

allowed to substitute the member's base salary from any system as the compensation used in calculating the allowance.

- (3) The service retirement allowances from a system which, but for this ((chapter)) section, would not be allowed to be paid at this date based on the dual member's age shall be either actuarially adjusted from the earliest age upon which the combined service would have made such dual member eligible in that system, or the dual member may choose to defer the benefit until fully eligible.
- Sec. 3. Section 4, chapter 192, Laws of 1987 and RCW 41.54.040 are each amended to read as follows:
- (1) The retirement allowances calculated under RCW 41.54.030 shall be paid separately by each respective current and prior system. Any deductions from such separate payments shall be according to the provisions of the respective systems.
- (2) Postretirement adjustments, if any, shall be applied by the respective systems based on the payments made under subsection (1) of this section.
- (3) If a dual member dies in service in any system, the surviving spouse shall receive the same benefit from each system that would have been received if the member were active in the system at the time of death based on service actually established in that system. However, this subsection does not make a surviving spouse eligible for the survivor benefits provided in RCW 43.43.270.
- Sec. 4. Section 7, chapter 192, Laws of 1987 and RCW 41.54.070 are each amended to read as follows:

The benefit granted by this chapter shall not result in a total benefit less than would have been received absent such benefit. The total sum of the retirement allowances received under this chapter shall not exceed the smallest an ount the dual member would receive if all the service had been rendered in any one system. When calculating the maximum benefit a dual member would receive: (1) Military service granted under RCW 41.40.170(3) or 43.43.260 shall be based only on service accrued under chapter 41.40 or 43.43 RCW, respectively; and (2) the calculation shall be made assuming that the dual member did not defer any allowances pursuant to RCW 41.54.030(3). When a dual member's combined retirement allowances would exceed the limitation imposed by this section, the allowances shall be reduced by the systems on a proportional basis, according to service.

- Sec. 5. Section 1, chapter 105, Laws of 1975-'76 2nd ex. sess. as last amended by section 9, chapter 192, Laws of 1987 and RCW 41.04.270 are each amended to read as follows:
- (1) Notwithstanding any provision of chapter 2.10, 2.12, 41.26, 41.28, 41.32, 41.40, or 43.43 RCW to the contrary, on and after March 19, 1976,

any member or former member who (a) receives a retirement allowance earned by said former member as deferred compensation from any public retirement system authorized by the general laws of this state, or (b) is eligible to receive a retirement allowance from any public retirement system listed in RCW 41.50.030, but chooses not to apply, or (c) is the beneficiary of a disability allowance from any public retirement system listed in RCW 41.50.030 shall be estopped from becoming a member of or accruing any contractual rights whatsoever in any other public retirement system listed in RCW 41.50.030: PROVIDED, That (a) and (b) of this subsection shall not apply to persons who have accumulated less than fifteen years service credit in any such system.

(2) Nothing in this section is intended to apply to (((a))) any retirement system except those listed in RCW 41.50.030 ((and chapter 41.28 RCW, or (b))) and the city employee retirement systems for Scattle, Tacoma, and Spokane. Subsection (1)(b) of this section does not apply to a dual member as defined in RCW 41.54.010.

NEW SECTION. Sec. 6. A new section is added to chapter 41.54 RCW to read as follows:

- (1) The systems may pay a dual member a lump sum payment in lieu of a monthly benefit if the initial monthly benefit computed in accordance with RCW 41.54.030 would be less than fifty dollars. The lump sum payment shall be the greater of the actuarial equivalent of such monthly benefits or an amount equal to the individual's accumulated contributions plus accrued interest.
- (2) It is the intent of the legislature that any member who receives a settlement under this section shall be deemed to be retired from the system making the lump sum payment.

NEW SECTION. Sec. 7. This act shall take effect July 1, 1988.

Passed the House February 15, 1988. Passed the Senate March 5, 1988. Approved by the Governor March 22, 1988. Filed in Office of Secretary of State March 22, 1988.

CHAPTER 196

[House Bill No. 1833]
MAYORS AND MAYORS PRO TEMPORE

AN ACT Relating to town officials; and amending RCW 35.27.160.

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

Sec. 1. Section 35.27.160, chapter 7, Laws of 1965 and RCW 35.27-.160 are each amended to read as follows:

The mayor shall preside over all meetings of the council at which he or she is present. ((In his absence;)) A mayor pro tempore may be chosen by