

"AN ACT Relating to the health, safety, and welfare of the confederated tribes of the Colville reservation; authorizing retrocession of jurisdiction over Indian lands; and adding new sections to Chapter 37.12 RCW."

This bill authorizes a procedure for the state to retrocede (return) partial criminal jurisdiction to the United States over the Colville Indian reservation. The primary purpose of this bill is to make possible the Colville Tribe's application for federal funds for law enforcement functions. Currently, sixteen other tribal reservations in Washington State are already under a partial state jurisdiction similar to what this bill will allow. However, section 5 requires the Colville tribe to express their desire for retrocession by a majority vote of its enrolled adult members during the next general tribal election. Through their legitimate, elected governing body, the Colville Business Council, the tribal members have already expressed their official support for retrocession. The elected Boards of Commissioners from both Ferry and Okanogan Counties have also officially endorsed retrocession. The strong tribal and local expressions of support for retrocession make the tribal election vote called for in Section 5 unnecessary and I have vetoed this section.

With the exception of section 5, Substitute House Bill No. 495 is approved.

CHAPTER 268

[Substitute House Bill No. 588]

RETIREMENT CONTRIBUTION RATES MODIFIED—UNFUNDED LIABILITY REVISED—CONTRIBUTIONS REQUIRED ONLY IF SERVICE CREDIT EARNED

AN ACT Relating to setting retirement system contribution rates; amending RCW 41.26.450, 41.32.775, 41.40.330, 41.40.361, 41.40.370, and 41.40.650; and creating a new section.

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

Sec. 1. Section 6, chapter 294, Laws of 1977 ex. sess. as amended by section 10, chapter 184, Laws of 1984 and RCW 41.26.450 are each amended to read as follows:

The required contribution rates to the retirement system for members, employers, and the state of Washington shall be established by the director from time to time as may be necessary upon the advice of the state actuary. The state actuary shall use the aggregate actuarial cost method to calculate contribution rates.

The member, the employer and the state shall each contribute the following shares of the cost of the retirement system:

| | |
|----------|-----|
| Member | 50% |
| Employer | 30% |
| State | 20% |

Effective January 1, 1987, however, no member or employer contributions are required for any calendar month in which the member is not granted service credit.

Any adjustments in contribution rates required from time to time for future costs shall likewise be shared proportionally by the members, employers, and the state: PROVIDED, That the costs of amortizing the unfunded supplemental present value of the retirement system (~~(; in existence on)~~) for persons who established membership before September 30, 1977, shall be borne in full by the state.

Any increase in the contribution rate required as the result of a failure of the state or of an employer to make any contribution required by this section shall be borne in full by the state or by that employer not making the contribution.

The director shall notify all employers of any pending adjustment in the required contribution rate and such increase shall be announced at least thirty days prior to the effective date of the change.

Members' contributions required by this section shall be deducted from the members basic salary each payroll period. The members contribution and the employers contribution shall be remitted directly to the department within fifteen days following the end of the calendar month during which the payroll period ends.

~~((Until such time as the director shall establish other rates, members, employers of such members, and the state shall each contribute the following percentages of basic salary:~~

| | |
|----------|-------|
| Member | 8.14% |
| Employer | 4.88% |
| State | 3.28% |

~~In addition, the state shall initially contribute an additional twenty percent of basic salary per member to amortize the unfunded supplemental present value of the retirement system in effect on September 30, 1977:))~~

Sec. 2. Section 6, chapter 293, Laws of 1977 ex. sess. as amended by section 11, chapter 184, Laws of 1984 and RCW 41.32.775 are each amended to read as follows:

The required contribution rates to the retirement system for both members and employers shall be established by the director from time to time as may be necessary upon the advice of the state actuary: PROVIDED, That the employer contribution shall be contributed as provided in RCW 41.32.401. The state actuary shall use the aggregate actuarial cost method to calculate contribution rates.

Contribution rates required to fund the costs of the retirement system shall always be equal for members and employers, except as herein provided. Effective January 1, 1987, however, no member or employer contributions are required for any calendar month in which the member is not granted service credit. Any adjustments in contribution rates required from time to time for future costs shall likewise be shared equally by the members and employers: PROVIDED, That the costs of amortizing the unfunded supplemental present value of the retirement system ~~((; in existence on))~~ for persons who established membership before September 30, 1977, shall be borne in full by the employers.

Any increase in the contribution rate required as the result of a failure of an employer to make any contribution required by this section shall be borne in full by the employer not making the contribution.

The director shall notify all employers of any pending adjustment in the required contribution rate and such increase shall be announced at least thirty days prior to the effective date of the change.

Members contributions required by this section shall be deducted from the members earnable compensation each payroll period. The members contribution shall be remitted directly to the department within fifteen days following the end of the calendar month during which the payroll period ends and the employers contribution shall be remitted as provided by law.

~~((Until such time as the director shall establish other rates, members and employers of such members shall each contribute 5.66% of earnable compensation. PROVIDED, That employers shall initially contribute an additional 5.80% of earnable compensation per member to amortize the unfunded supplemental present value of the retirement system in effect on September 30, 1977.))~~

Sec. 3. Section 34, chapter 274, Laws of 1947 as last amended by section 12, chapter 190, Laws of 1973 1st ex. sess. and RCW 41.40.330 are each amended to read as follows:

(1) Each employee who is a member of the retirement system shall contribute five percent of his total compensation earnable: PROVIDED, HOWEVER, That a department of retirement systems expense fund contribution of two dollars and fifty cents per annum shall be transferred in semiannual payments of one dollar and twenty-five cents from each employee account balance in the employees' savings fund to the department of retirement systems expense fund ~~((account))~~, as set forth in this section. On and after July 1, 1973, each employee who is a member of the retirement system shall contribute six percent of his total compensation earnable. Effective January 1, 1987, however, no contributions are required for any calendar month in which the member is not granted service credit. The officer responsible for making up the payroll shall deduct from the compensation of each member, on each and every payroll of such member for each and every payroll period subsequent to the date on which he became a member of the retirement system the contribution as provided by this section.

(2) Any member may, pursuant to regulations formulated from time to time by the board, provide for himself, by means of an increased rate of contribution to his account in the employees' savings fund, an increased prospective retirement allowance pursuant to RCW 41.40.190 and 41.40.185.

(3) The officer responsible for making up the payroll shall deduct from the compensation of each member covered by the provisions of RCW 41.40.190(5) and 41.40.185(4) on each and every payroll of such member for each and every payroll period subsequent to the date on which he thereafter becomes a member of the retirement system, an amount equal to seven and one-half percent of such member's compensation earnable.

Sec. 4. Section 4, chapter 231, Laws of 1957 as last amended by section 13, chapter 190, Laws of 1973 1st ex. sess. and RCW 41.40.361 are each amended to read as follows:

(1) For the purpose of this section, the "fundable employer liability" at any date shall be the present value of

(a) all future pension benefits payable in respect of all members in the retirement system at that date, and

(b) all future benefits in respect of beneficiaries then receiving retirement allowances or pensions.

(2) The contributions by the employer for benefits under the retirement system shall consist of the sum of a percentage of the compensation of members to be known as the "normal contribution", a percentage of such compensation to be known as the "unfunded liability contribution" and in the case of employers admitted to the retirement system after April 1, 1949, a percentage of such compensation to be known as the "additional contribution". The rates of such contributions shall be determined by the retirement board on the basis of assets and liabilities as shown by actuarial valuation: PROVIDED, That as to state employers effective July 1, 1973 the total combined contributions of the normal contribution and unfunded liability contribution shall not exceed a total combined percentage rate of seven percent for each employer unless authorized by the legislature.

(3) After the completion of each actuarial valuation subsequent to the first actuarial valuation of June 30, 1953, the retirement board shall determine the normal contribution rate and such contribution rate shall become effective in the ensuing biennium. In addition the board shall determine the additional employer contribution rate necessary to fund the benefits granted officials holding office pursuant to Articles II and III of the Constitution of the state of Washington and RCW 48.02.010. Said additional employer contribution rate shall be paid in the same manner as the normal contribution and the unfunded liability contribution. Until the unfunded liability contribution shall have been discontinued, such normal contribution rate shall be computed to be sufficient, when applied to the present value of the future compensation of the average new member entering the system, to provide for the payment of all prospective pension benefits in respect of such member. After the unfunded liability contributions have been discontinued, such normal contribution rate shall be determined as the uniform and constant percentage of the prospective compensation of all members of the retirement system at the date of such valuation which is equivalent to the excess of the fundable employer liability over the amount of funds currently standing to the credit of the benefit account fund.

(4) After the completion of each actuarial valuation subsequent to the first actuarial valuation of June 30, 1953, the retirement board shall determine the unfunded liability contribution, and such rate shall become effective in the ensuing biennium. The unfunded liability contribution rate shall

~~((not be less than the uniform and constant percentage of the prospective compensation of all members of the retirement system for the forty-year period following the date of such valuation which is equivalent to the unfunded liability))~~ be set at a percentage sufficient to provide for the amortization of unfunded retirement system liabilities over a period of not more than forty years from June 30, 1985. The unfunded liability shall be determined at such date as the excess of the fundable employer liability over the sum of the present value of the future normal contributions payable in respect of all members in the retirement system at that date, and the amount of all funds currently standing to the credit of the benefit account fund. The unfunded liability contributions shall continue until there remains no unfunded liability.

(5) Any employer admitted to the retirement system after April 1, 1949, shall make an additional contribution until such time as the sum of such additional contributions equals the amount of contributions which such employer and employee would have been required to contribute between April 1, 1949, and the date of such employer's admission to the retirement system: PROVIDED, That either the employee or employer may make the contributions the employee would have made during the same period of time: PROVIDED FURTHER, That all additional contributions hereunder and under the provisions of RCW 41.40.160(2) must be completed within fifteen years from the date of the employer's admission. Employee contributions for these periods must be made before the member will receive credit for those periods of service, pursuant to such regulations as the retirement board may adopt.

(6) For the biennium beginning July 1, 1971, and ending June 30, 1973, only, and notwithstanding any other provision of the chapter, the rate determined by the board for state employer contributions shall be only the percentage of compensation for members equal to the "normal contribution" computed to be four and thirty-six one-hundredths percent of compensation.

Sec. 5. Section 38, chapter 274, Laws of 1947 as last amended by section 1, chapter 138, Laws of 1985 and RCW 41.40.370 are each amended to read as follows:

(1) The director shall ascertain and report to each employer the contribution rates necessary to meet present and future pension liabilities of the system for the ensuing biennium or fiscal year, whichever is applicable. The amount to be so provided shall be computed by applying the rates of contribution as established by RCW 41.40.361 or 41.40.650 to an estimate of the total compensation earnable of all the said employer's members during the period for which provision is to be made.

(2) Beginning April 1, 1949, or October 1, 1977, as the case may be, the amount to be collected as the employer's contribution shall be computed

by applying the applicable rates established by RCW 41.40.361 or 41.40.650 to the total compensation earnable of employer's members as shown on the current payrolls of the said employer. Each said employer shall compute at the end of each month the amount due for that month and the same shall be paid as are its other obligations. Effective January 1, 1987, however, no contributions are required for any calendar month in which the member is not granted service credit.

(3) In the event of failure, for any reason, of an employer other than a political subdivision of the state to have remitted amounts due for membership service of any of the employer's members rendered during a prior biennium, the director shall bill such employer for such employer's contribution together with such charges as the director deems appropriate in accordance with RCW 41.50.120. Such billing shall be paid by the employer as, and the same shall be, a proper charge against any moneys available or appropriated to such employer for payment of current biennial payrolls.

Sec. 6. Section 6, chapter 295, Laws of 1977 ex. sess. as amended by section 12, chapter 184, Laws of 1984 and RCW 41.40.650 are each amended to read as follows:

The required contribution rates to the retirement system for both members and employers shall be established by the director from time to time as may be necessary upon the advice of the state actuary. The state actuary shall use the aggregate actuarial cost method to calculate contribution rates.

Contribution rates required to fund the costs of the retirement system shall always be equal for members and employers, except as herein provided. Effective January 1, 1987, however, no member or employer contributions are required for any calendar month in which the member is not granted service credit. Any adjustments in contribution rates required from time to time for future costs shall likewise be shared equally by the members and employers: **PROVIDED**, That the costs of amortizing the unfunded supplemental present value of the retirement system(~~(-in existence on))~~) for persons who established membership before September 30, 1977, shall be borne in full by the employers.

Any increase in the contribution rate required as the result of a failure of an employer to make any contribution required by this section shall be borne in full by the employer not making the contribution.

The director shall notify all employers of any pending adjustment in the required contribution rate and such increase shall be announced at least thirty days prior to the effective date of the change.

Members contributions required by this section shall be deducted from the members compensation earnable each payroll period. The members contribution and the employers contribution shall be remitted directly to the department within fifteen days following the end of the calendar month during which the payroll period ends.

~~((Until such time as the director shall establish other rates, members and employers of such members shall each contribute 5.51% of compensation earnable: PROVIDED, That employers shall initially contribute an additional one and one-half percent of compensation earnable per member to amortize the unfunded supplemental present value of the retirement system in effect on September 30, 1977:))~~

****NEW SECTION. Sec. 7. Until June 1, 1987, the director 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.***

*Sec. 7 was vetoed, see message at end of chapter.

Passed the House March 9, 1986.

Passed the Senate March 7, 1986.

Approved by the Governor April 3, 1986, with the exception of certain items which are vetoed.

Filed in Office of Secretary of State April 3, 1986.

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

"I am returning herewith, without my approval as to section 7, Substitute House Bill No. 588, entitled:

"AN ACT Relating to setting retirement system contribution rates."

Section 7 suspends the reclamation of pension benefits paid to a retiree who is still employed by the state. This section is nearly, but not exactly, identical to section 8 of Engrossed Substitute Senate Bill 3182. To avoid confusion in the law, I have vetoed section 7 of this bill.

With the exception of section 7, Substitute House Bill No. 588 is approved."

CHAPTER 269

[Substitute House Bill No. 1134]

DEPARTMENT OF SOCIAL AND HEALTH SERVICES TO SCREEN POTENTIAL EMPLOYEES WHO WILL BE WORKING WITH CHILDREN OR DEVELOPMENTALLY DISABLED PERSONS—INSTITUTIONAL CARE EMPLOYEE REIMBURSEMENT FOR COSTS RELATED TO ASSAULT BY RESIDENTS

AN ACT Relating to the department of social and health services; amending RCW 26-44.070; adding a new section to chapter 43.20A RCW; adding a new section to chapter 41.06 RCW; adding a new section to chapter 72.01 RCW; and repealing RCW 43.20A.700.

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

NEW SECTION. Sec. 1. A new section is added to chapter 43.20A RCW to read as follows:

The secretary shall investigate the conviction records or pending charges of persons being considered for state employment in positions directly responsible for the supervision, care, or treatment of children or developmentally disabled persons. The investigation may include an examination of state and national criminal identification data and the child