

CHAPTER 70.

[H. B. 250.]

STATE-WIDE CITY EMPLOYEE BENEFITS.

AN ACT relating to cities and towns and to pension, relief, disability and retirement systems, and pension, relief, disability and retirement funds therein; amending section 3, chapter 71, Laws of 1947, as last amended by section 1, chapter 228, Laws of 1953, and RCW 41.44.030; amending section 12, chapter 71, Laws of 1947, as last amended by section 2, chapter 158, Laws of 1957, and RCW 41.44.120; and declaring an emergency.

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

SECTION 1. Section 3, chapter 71, Laws of 1947, as last amended by section 1, chapter 228, Laws of 1953, and RCW 41.44.030 are each amended to read as follows: RCW 41.44.030 amended.

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

(1) "Retirement system" means the state-wide city employees retirement system provided for herein. "Retirement system."

(2) "City" or "cities" includes town or towns. "City,"
"Cities,"

(3) "Employee" means any appointive officer or employee and shall include elective officials to the extent specified herein. "Employee."

(4) "Member" means any person included in the membership of the retirement system as provided herein. "Member."

(5) "Board" means the "board of trustees" provided for herein. "Board."

(6) "Retirement fund" means "state-wide city employees retirement fund" provided for herein. "Retirement fund."

(7) "Service" means service rendered to a city for compensation; and for the purpose of this chapter a member shall be considered as being in service only while he is receiving compensation from the city for such service or is on leave granted for serv- "Service."

ice in the armed forces of the United States as contemplated in RCW 41.44.120.

"Prior service."

(8) "Prior service" means the service of a member for compensation rendered a city prior to the effective date and shall include service in the armed forces of the United States to the extent specified herein and service specified in RCW 41.44.120 (5).

"Current service."

(9) "Current service" means service after the employee has become a member of the system.

"Creditable service."

(10) "Creditable service" means such service as is evidenced by the record of normal contributions, plus prior service as evidenced by prior service certificate.

"Beneficiary."

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

"Compensation."

(12) "Compensation" means the compensation payable in cash, plus the monetary value, as determined by the board of trustees, of any allowance in lieu thereof (but for the purposes of this chapter such "compensation" shall not exceed three hundred dollars per month, except as to those employees of any member city the legislative body of which shall not later than July 1, 1953, have irrevocably elected by resolution or ordinance to increase the limitation herein contained, effective as to all of its employees, from three hundred dollars to four hundred dollars, commencing on said date, or which shall so elect prior to January 1st of any succeeding year, effective as of January 1st of any such succeeding year, and as to such employees shall, commencing on the specified date, not exceed four hundred dollars per month).

"Compensation earnable."

(13) "Compensation earnable" means the full rate of compensation that would be payable to an employee if he worked the full normal working time (but for the purposes of this chapter, such "compensation earnable" shall not exceed three hundred

dollars per month, except as to those employees of any member city the legislative body of which shall not later than July 1, 1953, have irrevocably elected by resolution or ordinance to increase the limitation herein contained, effective as to all of its employees, from three hundred dollars to four hundred dollars, commencing on said date, or which shall so elect prior to January 1st of any succeeding year, effective as of January 1st of any such succeeding year, and as to such employees shall, commencing on the specified date, not exceed four hundred dollars per month).

(14) "Final compensation" means the highest average annual compensation earnable in any five consecutive years of actual service rendered during the ten years immediately preceding retirement, or where the employee has less than five consecutive years of actual service, the earnable compensation for the last five years preceding his retirement.

"Final compensation."

(15) "Matching contribution" means the contribution of the city deposited in an amount equal to the normal contributions of the employee.

"Matching contribution."

(16) "Normal contributions" means contributions at the rate provided for in RCW 41.44.130, excluding those referred to in subsection (6).

"Normal contributions."

(17) "Released matching contributions" means such "matching contributions" as are no longer held for the benefit of the employee.

"Released matching contributions."

(18) "Regular interest" means interest compounded annually at such rate as shall have been adopted by the board of trustees in accordance with the provisions of this chapter.

"Regular interest."

(19) "Accumulated normal contributions" means the sum of all normal contributions, deducted from the compensation of a member, standing to the credit of his individual account, together with regular interest thereon.

"Accumulated normal contributions."

- "Pension." (20) "Pension" means payments derived from contributions made by the city as provided herein.
- "Annuity." (21) "Annuity" means payments derived from contributions made by a member as provided herein.
- "Retirement allowance." (22) "Retirement allowance" means the pension plus annuity.
- "Fiscal year." (23) "Fiscal year" means any year commencing with January 1st and ending with December 31st next following.
- "Miscellaneous personnel." (24) "Miscellaneous personnel" means officers and employees other than those in the uniformed police or fire service: *Provided*, Those members of the fire department who are ineligible to the benefits of a firemen's pension system established by or pursuant to any other state law, are also included in the miscellaneous personnel.
- "Uniformed personnel." (25) "Uniformed personnel" means any employee who is a policeman in service or who is subject to call to active service or duty as such.
- "Effective date." (26) "Effective date" when used with regard to employees means the date on which any individual or group of employees became members of any retirement system and when used with regard to any city or town shall mean the date on which it became a participant.
- "Actuarial equivalent." (27) "Actuarial equivalent" means a benefit of equal value when computed at regular interest upon the basis of such mortality tables as shall be adopted by the board of trustees.
- "...insurable interest..." (28) "Persons having an insurable interest in his life" means and includes only such persons who, because of relationship from ties of blood or marriage, have reason to expect some benefit from the continuation of the life of a member.
- "Additional contributions." (29) "Additional contributions" means contributions made pursuant to subsection (6) of RCW 41.44.130.

(30) "Accumulated additional contributions" means the sum of all "additional contributions" made by a member standing to the credit of the individual account, together with regular interest thereon.

"Accumulated additional contributions."

(31) "Part time employees" means those employees who, although regularly and continuously employed, do not regularly perform their duties the full number of hours required of other regular employees, including but not confined to such employees as police judges, city attorneys and other officers and employees who are also engaged in outside employment or occupations.

"Part time employees."

SEC. 2. Section 12, chapter 71, Laws of 1947, as last amended by section 2, chapter 158, Laws of 1957, and RCW 41.44.120 are each amended to read as follows:

RCW 41.44.120 amended.

(1) Subject to subsections (4) and (5) of this section the following members shall be entitled to prior service credit:

Prior service credit.

(a) Each member in service on the effective date.

(b) Each member entering after the effective date if such entry is within one year after rendering service prior to the effective date.

(c) Each member entering in accordance with the provisions and subject to the conditions and limitations prescribed in subsection (5) of this section.

As soon as practicable, the board shall issue to each member entitled to prior service credit a certificate certifying the aggregate length of service rendered prior to the effective date. Such certificate shall be final and conclusive as to his prior service unless hereafter modified by the board, upon application of the member.

(2) Each city joining the system shall have the privilege of selecting the rate at which prior service

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pensions shall be calculated for its employees and may select any one of the three rates set forth below:

(a) 1.33% of final compensation multiplied by the number of years of prior service credited to the member. This rate may be referred to as "full prior service credit."

(b) 1.00% of final compensation multiplied by the number of years of prior service credited to the member. This rate may be referred to as "three-fourths prior service credit."

(c) .667% of final compensation multiplied by the number of years of prior service credited to the member. This rate may be referred to as "one-half prior service credit."

(3) The above rates shall apply at the age of sixty-two or over for members included in the miscellaneous personnel and at age sixty or over for members in the uniformed personnel: *Provided*, That if a member shall retire before attaining either of the ages above referred to, the total prior service pension shall be reduced to the percentages computed and established in accordance with the following tables, to wit:

MISCELLANEOUS PERSONNEL

Percent of Full Prior Service Allowable

MALE		FEMALE	
Age	Factor	Age	Factor
45	65.48	45	66.78
46	66.86	46	67.91
47	68.29	47	69.09
48	69.77	48	70.34
49	71.28	49	71.67
50	72.82	50	73.10
51	74.43	51	74.71
52	76.13	52	76.41
53	77.93	53	78.21
54	79.84	54	80.11

55	81.86	55	82.12	Prior service credit.
56	84.00	56	84.24	
57	86.28	57	86.50	
58	88.69	58	88.89	
59	91.26	59	91.42	
60	94.00	60	94.11	
61	96.90	61	96.96	
62	100.00	62	100.00	

Percent of Full Prior Service Allowable
UNIFORMED PERSONNEL

Age	Factor
45	69.66
46	71.13
47	72.65
48	74.22
49	75.83
50	77.47
51	79.18
52	80.99
53	82.91
54	84.93
55	87.09
56	89.37
57	91.79
58	94.36
59	97.09
60	100.00

(4) If sickness, injury or service in the armed forces of the United States during the national emergency identified with World War I or World War II and/or service in the armed forces of the United States of America for extended active duty by any employee who shall have been regularly granted a leave of absence from the city service by reason thereof, prevents any regular employee from being in service on the effective date, the board shall grant prior service credit to such person when he is again employed. The legislative authority in each partici-

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pating city shall specify the amount of prior service to be granted or current service credit to be made available to such employees: *Provided*, That in no case shall such service credit exceed five years. Certificate of honorable discharge from or documentary evidence of such service shall be submitted to the board before any such credit may be granted or made available. Prior or current service rates, or both, for such employees shall not exceed the rates established for fellow employees.

(5) There shall be granted to any person who was an employee of a private enterprise or a portion thereof which shall be hereafter acquired by a city as a matter of public convenience or necessity, where it is in the public interest to retain the trained personnel of such enterprise or portion thereof, credit for prior service for the period such person was actually employed by such private enterprise, except that this shall apply only to those persons who shall be employees of such enterprise or portion thereof at the time of its acquisition by the city and who remain in the service of such city until the effective date of membership of such person under this chapter.

Credit for such prior service shall be given only if payment for the additional cost of including such service has been made or if payment of such additional cost or reimbursement therefor has been otherwise provided for to the satisfaction of the board or if such person be entitled to any private pension or retirement benefits as a result of such service with such private enterprise, credit will be given only if he agrees at the time of his employment by the municipality to accept a reduction in the payment of any benefits payable under this chapter that are based in whole or in part on such added and accredited service by the amount of these private pension or retirement benefits received. The conditions and

limitations provided for in this subsection (5) shall be embodied in any certificate of prior service issued or granted by the board where any portion of the prior service credited under this subsection is included therein.

The city may receive payments for these purposes from a third party and shall make from such payments contributions with respect to such prior service as may be necessary to enable the fund to assume its obligations.

SEC. 3. 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. Emergency.

Passed the House February 13, 1959.

Passed the Senate February 25, 1959.

Approved by the Governor March 3, 1959.

CHAPTER 71.

[H. B. 251.]

POLICEMEN BENEFITS—PRIOR SERVICE.

AN ACT relating to pensions for retired police officers and their widows; adding a new section to chapter 39, Laws of 1909, as last amended by chapter 84, Laws of 1957, and to chapter 41.20 RCW; and declaring an emergency.

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

SECTION 1. There is added to chapter 39, Laws of 1909, as last amended by chapter 84, Laws of 1957, and to chapter 41.20 RCW, a new section to read as follows: New section.

Any person affected by this chapter who was a member of a police organization operated by a private enterprise which police organization shall be hereafter acquired before September 1, 1959, by a