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HOUSE BILL 2539

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State of Washington                      55th Legislature                      1998 Regular Session

By Representatives Dunshee, O'Brien, Conway, Mielke, Wood and Thompson

Read first time 01/15/98. Referred to Committee on Appropriations.

1            AN ACT Relating to service credit for military service by members  
2 of the public employees' retirement system, plan II; and amending RCW  
3 41.40.710.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5            **Sec. 1.** RCW 41.40.710 and 1996 c 61 s 4 are each amended to read  
6 as follows:

7            (1) A member who is on a paid leave of absence authorized by a  
8 member's employer shall continue to receive service credit as provided  
9 for under the provisions of RCW 41.40.610 through 41.40.740.

10           (2) A member who receives compensation from an employer while on an  
11 authorized leave of absence to serve as an elected official of a labor  
12 organization, and whose employer is reimbursed by the labor  
13 organization for the compensation paid to the member during the period  
14 of absence, may also be considered to be on a paid leave of absence.  
15 This subsection shall only apply if the member's leave of absence is  
16 authorized by a collective bargaining agreement that provides that the  
17 member retains seniority rights with the employer during the period of  
18 leave. The compensation earnable reported for a member who establishes  
19 service credit under this subsection may not be greater than the salary

1 paid to the highest paid job class covered by the collective bargaining  
2 agreement.

3 (3) Except as specified in subsection (4) of this section, a member  
4 shall be eligible to receive a maximum of two years service credit  
5 during a member's entire working career for those periods when a member  
6 is on an unpaid leave of absence authorized by an employer. Such  
7 credit may be obtained only if:

8 (a) The member makes both the plan II employer and member  
9 contributions plus interest as determined by the department for the  
10 period of the authorized leave of absence within five years of  
11 resumption of service or prior to retirement whichever comes sooner; or

12 (b) If not within five years of resumption of service but prior to  
13 retirement, pay the amount required under RCW 41.50.165(2).

14 The contributions required under (a) of this subsection shall be  
15 based on the average of the member's compensation earnable at both the  
16 time the authorized leave of absence was granted and the time the  
17 member resumed employment.

18 (4) A member who leaves the employ of an employer to enter the  
19 armed forces of the United States shall be entitled to retirement  
20 system service credit for up to five years of military service. This  
21 subsection shall be administered in a manner consistent with the  
22 requirements of the federal uniformed services employment and  
23 reemployment rights act.

24 (a) The member qualifies for service credit under this subsection  
25 if:

26 (i) Within ninety days of the member's honorable discharge from the  
27 United States armed forces, the member applies for reemployment with  
28 the employer who employed the member immediately prior to the member  
29 entering the United States armed forces; and

30 (ii) The member makes the employee contributions required under RCW  
31 41.40.650 within five years of resumption of service or prior to  
32 retirement, whichever comes sooner; or

33 (iii) Prior to retirement and not within ninety days of the  
34 member's honorable discharge or five years of resumption of service the  
35 member pays the amount required under RCW 41.50.165(2).

36 (b) Upon receipt of member contributions under (a)(ii) of this  
37 subsection, the department shall establish the member's service credit  
38 and shall bill the employer for its contribution required under RCW

1 41.40.650 for the period of military service, plus interest as  
2 determined by the department.

3 (c) The contributions required under (a)(ii) of this subsection  
4 shall be based on the compensation the member would have earned if not  
5 on leave, or if that cannot be estimated with reasonable certainty, the  
6 compensation reported for the member in the year prior to when the  
7 member went on military leave.

8 (5) After completing twenty-five years of creditable service, any  
9 member who is a veteran of the Vietnam conflict may have service in the  
10 armed forces credited to him or her as a member whether or not he or  
11 she left the employ of an employer to enter the armed service:  
12 PROVIDED, That in no instance under this subsection may military  
13 service in excess of five years be credited: AND PROVIDED FURTHER,  
14 That in each instance the member must restore all withdrawn accumulated  
15 contributions, which restoration must be completed within five years of  
16 membership service following the first resumption of employment or  
17 complete twenty-five years of creditable service. In no instance under  
18 this subsection may military service be credited to any member who is  
19 receiving full military retirement benefits pursuant to Title 10 United  
20 States Code. For the purposes of this section, "veteran of the Vietnam  
21 conflict" means a person who (a) served during the period beginning  
22 August 5, 1964, and ending May 7, 1975, (b) received an honorable  
23 discharge or received a discharge for physical reasons with an  
24 honorable record, and (c) meets one or more of the criteria listed in  
25 RCW 41.04.005 (1) and (2).

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