Chapter 41.45 RCW
ACTUARIAL FUNDING OF STATE RETIREMENT SYSTEMS

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RCW 41.45.010 Intent—Goals. ***(Effective until June 30, 2029.)*** It is the intent of the legislature to provide a dependable and systematic process for funding the benefits provided to members and retirees of the public employees' retirement system, chapter 41.40 RCW; the teachers' retirement system, chapter 41.32 RCW; the law enforcement officers' and firefighters' retirement systems, chapter 41.26 RCW; the school employees' retirement system, chapter 41.35 RCW; the public safety employees' retirement system, chapter 41.37 RCW; and the Washington state patrol retirement system, chapter 43.43 RCW.

The funding process established by this chapter is intended to achieve the following goals:

(1) To fully fund the public employees' retirement system plans 2 and 3, the teachers' retirement system plans 2 and 3, the school employees' retirement system plans 2 and 3, the public safety employees' retirement system plan 2, and the law enforcement officers' and firefighters' retirement system plan 2 as provided by law;

(2) To fully amortize the total costs of the law enforcement officers' and firefighters' retirement system plan 1, not later than June 30, 2024;

(3) To fully amortize the unfunded actuarial accrued liability in the public employees' retirement system plan 1 and the teachers' retirement system plan 1 within a rolling ten-year period, using methods and assumptions that balance needs for increased benefit security, decreased contribution rate volatility, and affordability of pension contribution rates, while suspending those rates during the 2025-2027 and 2027-2029 fiscal biennia;

(4) To amortize the costs of benefit improvements in the public employees' retirement system plan 1 and the teachers' retirement system plan 1 over a fixed 15-year period;

(5) To establish long-term employer contribution rates which will remain a relatively predictable proportion of the future state budgets; and

(6) To fund, to the extent feasible, all benefits for plan 2 and 3 members over the working lives of those members so that the cost of those benefits are paid by the taxpayers who receive the benefit of those members' service. [2025 c 381 s 1; 2009 c 561 s 1; 2005 c 370 s 4; (2005 c 370 s 3 expired July 1, 2006); 2004 c 242 s 36; 2002 c 26 s 3; 2001 2nd sp.s. c 11 s 2; (2001 2nd sp.s. c 11 s 1 expired March 1, 2002); 2000 c 247 s 501; 1998 c 341 s 401; 1995 c 239 s 305; 1989 c 273 s 1.]

Effective date—2025 c 381: See note following RCW 41.45.035.

Effective date—2009 c 561: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2009." [2009 c 561 s 9.]

Effective date—2005 c 370 ss 2 and 4: See note following RCW 41.45.060.

Effective date—2005 c 370 ss 1, 3, and 6: See note following RCW 41.45.060.

Expiration date—2005 c 370 ss 1 and 3: See note following RCW 41.45.060.

Effective date—2004 c 242: See RCW 41.37.901.

Expiration date—2001 2nd sp.s. c 11 ss 1 and 7: "Sections 1, 7, and *18 of this act expire March 1, 2002." [2001 2nd sp.s. c 11 s 20.]

***Reviser's note:** Section 18 of this act was vetoed.

Effective date—2001 2nd sp.s. c 11: "Sections 2, 3, 4, 8, 13, 14, and 16 of this act take effect March 1, 2002." [2001 2nd sp.s. c 11 s 21.]

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.030.

Effective dates—Subchapter headings not law—2000 c 247: See RCW 41.40.931 and 41.40.932.

Effective date—1998 c 341: See RCW 41.35.901.

Intent—Purpose—1995 c 239: See note following RCW 41.32.831.

Effective date—Part and subchapter headings not law—1995 c 239: See notes following RCW 41.32.005.

Benefits not contractual right until date specified: RCW 41.34.100.

RCW 41.45.010 Intent—Goals. ***(Effective June 30, 2029.)*** It is the intent of the legislature to provide a dependable and systematic process for funding the benefits provided to members and retirees of the public employees' retirement system, chapter 41.40 RCW; the teachers' retirement system, chapter 41.32 RCW; the law enforcement officers' and firefighters' retirement systems, chapters 41.26 and 41.26A RCW; the school employees' retirement system, chapter 41.35 RCW; the public safety employees' retirement system, chapter 41.37 RCW; and the Washington state patrol retirement system, chapter 43.43 RCW.

The funding process established by this chapter is intended to achieve the following goals:

(1) To fully fund the public employees' retirement system plans 2 and 3, the teachers' retirement system plans 2 and 3, the school employees' retirement system plans 2 and 3, the public safety employees' retirement system plan 2, and the law enforcement officers' and firefighters' retirement system plan 2 as provided by law;

(2) To fund any unfunded actuarial accrued liability in the restated law enforcement officers' and firefighters' retirement system with a state contribution based on a systematic actuarial funding policy that would fully amortize the unfunded actuarial accrued liability over reasonable periods using reasonable assumptions and methods as determined by the state actuary;

(3) To fully amortize the unfunded actuarial accrued liability in the public employees' retirement system plan 1 and the teachers' retirement system plan 1 within a rolling ten-year period, using methods and assumptions that balance needs for increased benefit security, decreased contribution rate volatility, and affordability of

pension contribution rates, while suspending those rates during the 2025-2027 and 2027-2029 fiscal biennia;

(4) To amortize the costs of benefit improvements in the public employees' retirement system plan 1 and the teachers' retirement system plan 1 over a fixed 15-year period;

(5) To establish long-term employer contribution rates which will remain a relatively predictable proportion of the future state budgets; and

(6) To fund, to the extent feasible, all benefits for plan 2 and 3 members over the working lives of those members so that the cost of those benefits are paid by the taxpayers who receive the benefit of those members' service. [2026 c 261 s 501; 2025 c 381 s 1; 2009 c 561 s 1; 2005 c 370 s 4; (2005 c 370 s 3 expired July 1, 2006); 2004 c 242 s 36; 2002 c 26 s 3; 2001 2nd sp.s. c 11 s 2; (2001 2nd sp.s. c 11 s 1 expired March 1, 2002); 2000 c 247 s 501; 1998 c 341 s 401; 1995 c 239 s 305; 1989 c 273 s 1.]

Effective date—2026 c 261: See note following RCW 41.26A.505.

Effective date—2025 c 381: See note following RCW 41.45.035.

Effective date—2009 c 561: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2009." [2009 c 561 s 9.]

Effective date—2005 c 370 ss 2 and 4: See note following RCW 41.45.060.

Effective date—2005 c 370 ss 1, 3, and 6: See note following RCW 41.45.060.

Expiration date—2005 c 370 ss 1 and 3: See note following RCW 41.45.060.

Effective date—2004 c 242: See RCW 41.37.901.

Expiration date—2001 2nd sp.s. c 11 ss 1 and 7: "Sections 1, 7, and *18 of this act expire March 1, 2002." [2001 2nd sp.s. c 11 s 20.]

***Reviser's note:** Section 18 of this act was vetoed.

Effective date—2001 2nd sp.s. c 11: "Sections 2, 3, 4, 8, 13, 14, and 16 of this act take effect March 1, 2002." [2001 2nd sp.s. c 11 s 21.]

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.030.

Effective dates—Subchapter headings not law—2000 c 247: See RCW 41.40.931 and 41.40.932.

Effective date—1998 c 341: See RCW 41.35.901.

Intent—Purpose—1995 c 239: See note following RCW 41.32.831.

Effective date—Part and subchapter headings not law—1995 c 239: See notes following RCW 41.32.005.

Benefits not contractual right until date specified: RCW 41.34.100.

RCW 41.45.020 Definitions. *(Effective until June 30, 2029.)* As used in this chapter, the following terms have the meanings indicated unless the context clearly requires otherwise.

(1) "Council" means the pension funding council created in RCW 41.45.100.

(2) "Department" means the department of retirement systems.

(3) "Law enforcement officers' and firefighters' retirement system plan 1" and "law enforcement officers' and firefighters' retirement system plan 2" means the benefits and funding provisions under chapter 41.26 RCW.

(4) "Public employees' retirement system plan 1," "public employees' retirement system plan 2," and "public employees' retirement system plan 3" mean the benefits and funding provisions under chapter 41.40 RCW.

(5) "Teachers' retirement system plan 1," "teachers' retirement system plan 2," and "teachers' retirement system plan 3" mean the benefits and funding provisions under chapter 41.32 RCW.

(6) "School employees' retirement system plan 2" and "school employees' retirement system plan 3" mean the benefits and funding provisions under chapter 41.35 RCW.

(7) "Washington state patrol retirement system" means the retirement benefits provided under chapter 43.43 RCW.

(8) "Unfunded liability" means the unfunded actuarial accrued liability of a retirement system.

(9) "Actuary" or "state actuary" means the state actuary employed under chapter 44.44 RCW.

(10) "State retirement systems" means the retirement systems listed in RCW 41.50.030.

(11) "Classified employee" means a member of the Washington school employees' retirement system plan 2 or plan 3 as defined in RCW 41.35.010.

(12) "Teacher" means a member of the teachers' retirement system as defined in *RCW 41.32.010(15).

(13) "Select committee" means the select committee on pension policy created in RCW 41.04.276.

(14) "Actuarial value of assets" means the value of pension plan investments and other property used by the actuary for the purpose of an actuarial valuation.

(15) "Public safety employees' retirement system plan 2" means the benefits and funding provisions established under chapter 41.37 RCW.

(16) "Normal cost" means the portion of the actuarial present value of projected benefits and expenses that is allocated to a period, typically twelve months, under the actuarial cost method. [2006 c 365 s 1. Prior: 2004 c 242 s 37; 2004 c 93 s 1; 2003 c 295 s 8; 2002 c 26 s 4; prior: 2001 2nd sp.s. c 11 s 4; 2001 2nd sp.s. c 11 s 3; 2000 c 247 s 502; 1998 c 341 s 402; 1998 c 283 s 1; 1995 c 239 s 306; 1989 c 273 s 2.]

***Reviser's note:** RCW 41.32.010 was alphabetized pursuant to RCW 1.08.015(2)(k), changing subsection (15) to subsection (25).

Effective date—2006 c 365: "This act takes effect July 1, 2009." [2006 c 365 s 5.]

Effective date—2004 c 242: See RCW 41.37.901.

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.010.

Effective dates—Subchapter headings not law—2000 c 247: See RCW 41.40.931 and 41.40.932.

Effective date—1998 c 341: See RCW 41.35.901.

Intent—Purpose—1995 c 239: See note following RCW 41.32.831.

Effective date—Part and subchapter headings not law—1995 c 239: See notes following RCW 41.32.005.

Benefits not contractual right until date specified: RCW 41.34.100.

RCW 41.45.020 Definitions. ***(Effective June 30, 2029.)*** As used in this chapter, the following terms have the meanings indicated unless the context clearly requires otherwise.

(1) "Council" means the pension funding council created in RCW 41.45.100.

(2) "Department" means the department of retirement systems.

(3) "Restated law enforcement officers' and firefighters' retirement system" and "law enforcement officers' and firefighters' retirement system plan 2" means the benefits and funding provisions under chapters 41.26A and 41.26 RCW, respectively.

(4) "Public employees' retirement system plan 1," "public employees' retirement system plan 2," and "public employees' retirement system plan 3" mean the benefits and funding provisions under chapter 41.40 RCW.

(5) "Teachers' retirement system plan 1," "teachers' retirement system plan 2," and "teachers' retirement system plan 3" mean the benefits and funding provisions under chapter 41.32 RCW.

(6) "School employees' retirement system plan 2" and "school employees' retirement system plan 3" mean the benefits and funding provisions under chapter 41.35 RCW.

(7) "Washington state patrol retirement system" means the retirement benefits provided under chapter 43.43 RCW.

(8) "Unfunded liability" means the unfunded actuarial accrued liability of a retirement system.

(9) "Actuary" or "state actuary" means the state actuary employed under chapter 44.44 RCW.

(10) "State retirement systems" means the retirement systems listed in RCW 41.50.030.

(11) "Classified employee" means a member of the Washington school employees' retirement system plan 2 or plan 3 as defined in RCW 41.35.010.

(12) "Teacher" means a member of the teachers' retirement system as defined in RCW 41.32.010.

(13) "Select committee" means the select committee on pension policy created in RCW 41.04.276.

(14) "Actuarial value of assets" means the value of pension plan investments and other property used by the actuary for the purpose of an actuarial valuation.

(15) "Public safety employees' retirement system plan 2" means the benefits and funding provisions established under chapter 41.37 RCW.

(16) "Normal cost" means the portion of the actuarial present value of projected benefits and expenses that is allocated to a period, typically twelve months, under the actuarial cost method. [2026 c 261 s 442; 2006 c 365 s 1. Prior: 2004 c 242 s 37; 2004 c 93 s 1; 2003 c 295 s 8; 2002 c 26 s 4; prior: 2001 2nd sp.s. c 11 s 4; 2001 2nd sp.s. c 11 s 3; 2000 c 247 s 502; 1998 c 341 s 402; 1998 c 283 s 1; 1995 c 239 s 306; 1989 c 273 s 2.]

Effective date—2026 c 261: See note following RCW 41.26A.505.

Effective date—2006 c 365: "This act takes effect July 1, 2009." [2006 c 365 s 5.]

Effective date—2004 c 242: See RCW 41.37.901.

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.010.

Effective dates—Subchapter headings not law—2000 c 247: See RCW 41.40.931 and 41.40.932.

Effective date—1998 c 341: See RCW 41.35.901.

Intent—Purpose—1995 c 239: See note following RCW 41.32.831.

Effective date—Part and subchapter headings not law—1995 c 239: See notes following RCW 41.32.005.

Benefits not contractual right until date specified: RCW 41.34.100.

RCW 41.45.030 State actuary to submit information on the experience and financial condition of each retirement system—Adoption of long-term economic assumptions. (1) Beginning September 1, 2007, and every two years thereafter, the state actuary shall submit to the council information regarding the experience and financial condition of each state retirement system, and make recommendations regarding the long-term economic assumptions set forth in RCW 41.45.035. The council shall review this and such other information as it may require.

(2) By October 31, 2007, and every two years thereafter, the council, by affirmative vote of four councilmembers, may adopt changes to the long-term economic assumptions established in RCW 41.45.035. Any changes adopted by the council shall be subject to revision by the legislature.

The council shall consult with the economic and revenue forecast supervisor and the executive director of the state investment board, and shall consider long-term historical averages, in reviewing possible changes to the economic assumptions.

(3) The assumptions and the asset value smoothing technique established in RCW 41.45.035, as modified in the future by the council or legislature, shall be used by the state actuary in conducting all actuarial studies of the state retirement systems, including actuarial fiscal notes under RCW 44.44.040. The assumptions shall also be used for the administration of benefits under the retirement plans listed in RCW 41.45.020, pursuant to timelines and conditions established by department rules. [2007 c 280 s 1; 2001 2nd sp.s. c 11 s 5; 1995 c 233 s 1; 1993 c 519 s 17; 1989 c 273 s 3.]

Effective date—2001 2nd sp.s. c 11: "Except under section 21 of this act, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2001." [2001 2nd sp.s. c 11 s 22.]

Effective date—1995 c 233: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect immediately [May 5, 1995]." [1995 c 233 s 4.]

Part headings not law—Effective date—1993 c 519: See notes following RCW 28A.400.212.

RCW 41.45.035 Long-term economic assumptions—Investment rate of return assumptions—Asset value smoothing technique. (1) Beginning July 1, 2025, the following long-term economic assumptions shall be used by the state actuary for the purposes of RCW 41.45.030 and 44.44.040(4):

(a) The growth in inflation assumption shall be 2.75 percent;

(b) The growth in salaries assumption, exclusive of merit or longevity increases, shall be 3.25 percent;

(c) The investment rate of return assumption shall be 7.25 percent; and

(d) The growth in system membership assumption shall be 1.00 percent for the public employees' retirement system, the public safety employees' retirement system, the school employees' retirement system, the teachers' retirement system, and the law enforcement officers' and firefighters' retirement system.

(2) Beginning July 1, 2009, the growth in salaries assumption for the public employees' retirement system, the public safety employees' retirement system, the teachers' retirement system, the school employees' retirement system, plan 1 of the law enforcement officers' and firefighters' retirement system, and the Washington state patrol retirement system, exclusive of merit or longevity increases, shall be the sum of:

(a) The growth in inflation assumption in subsection (1)(a) of this section; and

(b) The productivity growth assumption of 0.5 percent.

(3) For valuation purposes, the state actuary shall only use the assumptions in subsection (1) of this section after the effective date in subsection (1) of this section.

(4)(a) Beginning with actuarial studies done after July 1, 2003, changes to plan asset values that vary from the long-term investment rate of return assumption shall be recognized in the actuarial value

of assets over a period that varies up to eight years depending on the magnitude of the deviation of each year's investment rate of return relative to the long-term rate of return assumption. Beginning with actuarial studies performed after July 1, 2004, the actuarial value of assets shall not be greater than one hundred thirty percent of the market value of assets as of the valuation date or less than seventy percent of the market value of assets as of the valuation date. Beginning April 1, 2004, the council, by affirmative vote of four councilmembers, may adopt changes to this asset value smoothing technique. Any changes adopted by the council shall be subject to revision by the legislature.

(b) The state actuary shall periodically review the appropriateness of the asset smoothing method in this section and recommend changes to the council as necessary. Any changes adopted by the council shall be subject to revision by the legislature. [2025 c 381 s 2; 2016 sp.s. c 36 s 922; 2012 1st sp.s. c 7 s 7; 2009 c 561 s 2; 2004 c 93 s 2; 2003 1st sp.s. c 11 s 1; 2001 2nd sp.s. c 11 s 6.]

Effective date—2025 c 381: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2025." [2025 c 381 s 7.]

Effective date—2016 sp.s. c 36: See note following RCW 18.20.430.

Effective date—2009 c 561: See note following RCW 41.45.010.

Effective date—2003 1st sp.s. c 11: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2003." [2003 1st sp.s. c 11 s 4.]

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.030.

RCW 41.45.050 Contributions to be based on rates established in this chapter—Allocation formula for contributions. ***(Effective until June 30, 2029.)*** (1) Employers of members of the public employees' retirement system, the teachers' retirement system, the school employees' retirement system, the public safety employees' retirement system, the Washington state patrol retirement system, and the higher education retirement plans shall make contributions to those systems and plans based on the rates established in RCW 41.45.060 and 41.45.070.

(2) The state shall make contributions to the law enforcement officers' and firefighters' retirement system plan 2 based on the rates established in RCW 41.45.060 and 41.45.070. The state treasurer shall transfer the required contributions each month on the basis of salary data provided by the department.

(3) The department shall bill employers, and the state shall make contributions to the law enforcement officers' and firefighters' retirement system plan 2, using the combined rates established in RCW 41.45.060 and 41.45.070 regardless of the level of appropriation provided in the biennial budget. Any member of an affected retirement

system may, by mandamus or other appropriate proceeding, require the transfer and payment of funds as directed in this section.

(4) The contributions received for the public employees' retirement system shall be allocated between the public employees' retirement system plan 1 fund and the public employees' retirement system combined plan 2 and plan 3 fund as follows: The contributions necessary to fully fund the public employees' retirement system combined plan 2 and plan 3 employer contribution shall first be deposited in the public employees' retirement system combined plan 2 and plan 3 fund. All remaining public employees' retirement system employer contributions shall be deposited in the public employees' retirement system plan 1 fund.

(5) The contributions received for the teachers' retirement system shall be allocated between the plan 1 fund and the combined plan 2 and plan 3 fund as follows: The contributions necessary to fully fund the combined plan 2 and plan 3 employer contribution shall first be deposited in the combined plan 2 and plan 3 fund. All remaining teachers' retirement system employer contributions shall be deposited in the plan 1 fund.

(6) The contributions received for the school employees' retirement system shall be allocated between the public employees' retirement system plan 1 fund and the school employees' retirement system combined plan 2 and plan 3 fund as follows: The contributions necessary to fully fund the combined plan 2 and plan 3 employer contribution shall first be deposited in the combined plan 2 and plan 3 fund. All remaining school employees' retirement system employer contributions shall be deposited in the public employees' retirement system plan 1 fund.

(7) The contributions received for the law enforcement officers' and firefighters' retirement system plan 2 shall be deposited in the law enforcement officers' and firefighters' retirement system plan 2 fund.

(8) The contributions received for the public safety employees' retirement system shall be allocated between the public employees' retirement system plan 1 fund and the public safety employees' retirement system plan 2 fund as follows: The contributions necessary to fully fund the plan 2 employer contribution shall first be deposited in the plan 2 fund. All remaining public safety employees' retirement system employer contributions shall be deposited in the public employees' retirement system plan 1 fund.

(9) The contributions received for the higher education retirement plan supplemental benefit fund shall be deposited in the higher education retirement plan supplemental benefit fund and amounts received from each institution accounted for separately and shall only be used to make benefit payments to the beneficiaries of that institution's plan. [2020 c 103 s 3; 2004 c 242 s 38; 2002 c 26 s 5; 2001 2nd sp.s. c 11 s 8; (2001 2nd sp.s. c 11 s 7 expired March 1, 2002); 2000 c 247 s 503; 1998 c 341 s 403; 1995 c 239 s 308; 1989 c 273 s 5.]

Findings—Intent—Effective date—2020 c 103: See notes following RCW 28B.10.423.

Effective date—2004 c 242: See RCW 41.37.901.

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.010.

Expiration date—2001 2nd sp.s. c 11 ss 1 and 7: See note following RCW 41.45.010.

Effective date—2001 2nd sp. s. c 11: See note following RCW 41.45.030.

Effective dates—Subchapter headings not law—2000 c 247: See RCW 41.40.931 and 41.40.932.

Effective date—1998 c 341: See RCW 41.35.901.

Intent—Purpose—1995 c 239: See note following RCW 41.32.831.

Effective date—Part and subchapter headings not law—1995 c 239: See notes following RCW 41.32.005.

Benefits not contractual right until date specified: RCW 41.34.100.

RCW 41.45.050 Contributions to be based on rates established in this chapter—Allocation formula for contributions. *(Effective June 30, 2029.)* (1) Employers of members of the public employees' retirement system, the teachers' retirement system, the school employees' retirement system, the public safety employees' retirement system, the Washington state patrol retirement system, and the higher education retirement plans shall make contributions to those systems and plans based on the rates established in RCW 41.45.060 and 41.45.070.

(2) The state shall make contributions to the law enforcement officers' and firefighters' retirement system plan 2 based on the rates established in RCW 41.45.060 and 41.45.070. The state treasurer shall transfer the required contributions each month on the basis of salary data provided by the department.

(3) The department shall bill employers, and the state shall make contributions to the law enforcement officers' and firefighters' retirement system plan 2, using the combined rates established in RCW 41.45.060 and 41.45.070 regardless of the level of appropriation provided in the biennial budget. Any member of an affected retirement system may, by mandamus or other appropriate proceeding, require the transfer and payment of funds as directed in this section.

(4) The contributions received for the public employees' retirement system shall be allocated between the public employees' retirement system plan 1 fund and the public employees' retirement system combined plan 2 and plan 3 fund as follows: The contributions necessary to fully fund the public employees' retirement system combined plan 2 and plan 3 employer contribution shall first be deposited in the public employees' retirement system combined plan 2 and plan 3 fund. All remaining public employees' retirement system employer contributions shall be deposited in the public employees' retirement system plan 1 fund.

(5) The contributions received for the teachers' retirement system shall be allocated between the plan 1 fund and the combined plan 2 and plan 3 fund as follows: The contributions necessary to

fully fund the combined plan 2 and plan 3 employer contribution shall first be deposited in the combined plan 2 and plan 3 fund. All remaining teachers' retirement system employer contributions shall be deposited in the plan 1 fund.

(6) The contributions received for the school employees' retirement system shall be allocated between the public employees' retirement system plan 1 fund and the school employees' retirement system combined plan 2 and plan 3 fund as follows: The contributions necessary to fully fund the combined plan 2 and plan 3 employer contribution shall first be deposited in the combined plan 2 and plan 3 fund. All remaining school employees' retirement system employer contributions shall be deposited in the public employees' retirement system plan 1 fund.

(7) The contributions received for the law enforcement officers' and firefighters' retirement system plan 2 shall be deposited in the law enforcement officers' and firefighters' retirement system plan 2 fund.

(8) The contributions received for the public safety employees' retirement system shall be allocated between the public employees' retirement system plan 1 fund and the public safety employees' retirement system plan 2 fund as follows: The contributions necessary to fully fund the plan 2 employer contribution shall first be deposited in the plan 2 fund. All remaining public safety employees' retirement system employer contributions shall be deposited in the public employees' retirement system plan 1 fund.

(9) The contributions received for the higher education retirement plan supplemental benefit fund shall be deposited in the higher education retirement plan supplemental benefit fund and amounts received from each institution accounted for separately and shall only be used to make benefit payments to the beneficiaries of that institution's plan.

(10) The funding of the restated law enforcement officers' and firefighters' defined benefit retirement system shall be provided pursuant to RCW 41.26A.515 and 41.26A.520. Contributions, if received for the restated law enforcement officers' and firefighters' defined benefit retirement system, shall be based upon the amounts established in RCW 41.45.060 and shall be deposited in the restated law enforcement officers' and firefighters' retirement fund. [2026 c 261 s 443; 2020 c 103 s 3; 2004 c 242 s 38; 2002 c 26 s 5; 2001 2nd sp.s. c 11 s 8; (2001 2nd sp.s. c 11 s 7 expired March 1, 2002); 2000 c 247 s 503; 1998 c 341 s 403; 1995 c 239 s 308; 1989 c 273 s 5.]

Effective date—2026 c 261: See note following RCW 41.26A.505.

Findings—Intent—Effective date—2020 c 103: See notes following RCW 28B.10.423.

Effective date—2004 c 242: See RCW 41.37.901.

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.010.

Expiration date—2001 2nd sp.s. c 11 ss 1 and 7: See note following RCW 41.45.010.

Effective date—2001 2nd sp. s. c 11: See note following RCW 41.45.030.

Effective dates—Subchapter headings not law—2000 c 247: See RCW 41.40.931 and 41.40.932.

Effective date—1998 c 341: See RCW 41.35.901.

Intent—Purpose—1995 c 239: See note following RCW 41.32.831.

Effective date—Part and subchapter headings not law—1995 c 239: See notes following RCW 41.32.005.

Benefits not contractual right until date specified: RCW 41.34.100.

RCW 41.45.060 Basic state and employer contribution rates—Methods used—Role of council—Role of state actuary. *(Effective until June 30, 2029.)* (1) The state actuary shall provide preliminary actuarial valuation results based on the economic assumptions and asset value smoothing technique included in RCW 41.45.035 or adopted under RCW 41.45.030 or 41.45.035.

(2) Not later than July 31, 2008, and every two years thereafter, consistent with the economic assumptions and asset value smoothing technique included in RCW 41.45.035 or adopted under RCW 41.45.030 or 41.45.035, the council shall adopt and may make changes to:

(a) A basic state contribution rate for the law enforcement officers' and firefighters' retirement system plan 1;

(b) Basic employer contribution rates for the public employees' retirement system, the teachers' retirement system, and the Washington state patrol retirement system; and

(c) Basic employer contribution rates for the school employees' retirement system and the public safety employees' retirement system for funding both those systems and the public employees' retirement system plan 1.

The council may adopt annual rate changes for any plan for any rate-setting period. The contribution rates adopted by the council shall be subject to revision by the legislature.

(3) The employer and state contribution rates adopted by the council shall be the level percentages of pay that are needed:

(a) To fully amortize the total costs of the law enforcement officers' and firefighters' retirement system plan 1 not later than June 30, 2024;

(b) To fully fund the public employees' retirement system plans 2 and 3, the teachers' retirement system plans 2 and 3, the public safety employees' retirement system plan 2, and the school employees' retirement system plans 2 and 3 in accordance with RCW 41.45.061, 41.45.067, and this section; and

(c) To fully fund the public employees' retirement system plan 1 and the teachers' retirement system plan 1 in accordance with RCW 41.45.070, 41.45.150, and this section.

(4) The aggregate actuarial cost method shall be used to calculate a combined plan 2 and 3 normal cost, a Washington state patrol retirement system normal cost, and a public safety employees' retirement system normal cost.

(5) A modified entry age normal cost method, as set forth in this chapter, shall be used to calculate employer contributions to the public employees' retirement system plan 1 and the teachers' retirement system plan 1.

(6) The employer contribution rate for the public employees' retirement system and the school employees' retirement system shall equal the sum of:

(a) The amount required to pay the combined plan 2 and plan 3 normal cost for the system, subject to any minimum rates applied pursuant to RCW 41.45.155; plus

(b) The amount required to amortize the unfunded actuarial accrued liability in plan 1 of the public employees' retirement system over a rolling ten-year period using projected future salary growth and growth in system membership, and subject to any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(c) Except as described in (d) of this subsection, the amounts required to amortize the costs of any benefit improvements in plan 1 of the public employees' retirement system that become effective after June 30, 2009. The cost of each benefit improvement shall be amortized over a fixed 15-year period using projected future salary growth and growth in system membership. The amounts required under this subsection are not subject to, and are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(d) The amounts required to fully amortize the remaining costs of benefit improvements in the public employees' retirement system plan 1 effective from July 1, 2018, through July 1, 2026, over a fixed 15-year period with the rate between July 1, 2025, and June 30, 2029, being zero. The amounts required under this subsection are not subject to, and are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150.

(7) The employer contribution rate for the public safety employees' retirement system shall equal the sum of:

(a) The amount required to pay the normal cost for the system, subject to any minimum rates applied pursuant to RCW 41.45.155; plus

(b) The amount required to amortize the unfunded actuarial accrued liability in plan 1 of the public employees' retirement system over a rolling ten-year period using projected future salary growth and growth in system membership, and subject to any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(c) Except as described in (d) of this subsection, the amounts required to amortize the costs of any benefit improvements in plan 1 of the public employees' retirement system that become effective after June 30, 2009. The cost of each benefit improvement shall be amortized over a fixed 15-year period using projected future salary growth and growth in system membership. The amounts required under this subsection are not subject to, and are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(d) The amounts required to fully amortize the remaining costs of benefit improvements in the public employees' retirement system plan 1 effective from July 1, 2018, through July 1, 2026, over a fixed 15-year period with the rate between July 1, 2025, and June 30, 2029, being zero. The amounts required under this subsection are not subject to, and are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150.

(8) The employer contribution rate for the teachers' retirement system shall equal the sum of:

(a) The amount required to pay the combined plan 2 and plan 3 normal cost for the system, subject to any minimum rates applied pursuant to RCW 41.45.155; plus

(b) The amount required to amortize the unfunded actuarial accrued liability in plan 1 of the teachers' retirement system over a rolling ten-year period using projected future salary growth and growth in system membership, and subject to any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(c) Except as described in (d) of this subsection, the amounts required to amortize the costs of any benefit improvements in plan 1 of the teachers' retirement system that become effective after June 30, 2009. The cost of each benefit improvement shall be amortized over a fixed 15-year period using projected future salary growth and growth in system membership. The amounts required under this subsection are not subject to, and are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(d) The amounts required to fully amortize the remaining costs of benefit improvements in the teachers' retirement system plan 1 effective from July 1, 2018, through July 1, 2026, over a fixed 15-year period with the rate between July 1, 2025, and June 30, 2029, being zero. The amounts required under this subsection are not subject to, and are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150.

(9) The employer contribution rate for each of the institutions of higher education for the higher education supplemental retirement benefits must be sufficient to fund, as a level percentage of pay, a portion of the projected cost of the supplemental retirement benefits for the institution beginning in 2035, with the other portion supported on a pay-as-you-go basis, either as direct payments by each institution to retirees, or as contributions to the higher education retirement plan supplemental benefit fund. Contributions must continue until the council determines that the institution for higher education supplemental retirement benefit liabilities are satisfied.

(10) The council shall immediately notify the directors of the office of financial management and department of retirement systems of the state and employer contribution rates adopted. The rates shall be effective for the ensuing biennial period, subject to any legislative modifications.

(11) The director shall collect those rates adopted by the council. The rates established in RCW 41.45.062, or by the council, shall be subject to revision by the legislature.

(12) The state actuary shall prepare final actuarial valuation results based on the economic assumptions, asset value smoothing technique, and contribution rates included in or adopted under RCW 41.45.030, 41.45.035, and this section. [2026 c 268 s 916; 2025 c 381 s 3; 2020 c 103 s 4; 2009 c 561 s 3; 2007 c 280 s 2; 2005 c 370 s 2; (2005 c 370 s 1 expired July 1, 2006); 2004 c 242 s 39. Prior: 2003 c 294 s 10; 2003 c 92 s 3; 2002 c 26 s 2; prior: 2001 2nd sp.s. c 11 s 10; 2001 c 329 s 10; 2000 2nd sp.s. c 1 s 905; 2000 c 247 s 504; prior: 1998 c 341 s 404; 1998 c 340 s 11; 1998 c 283 s 6; 1995 c 239 s 309; 1993 c 519 s 19; 1992 c 239 s 2; 1990 c 18 s 1; 1989 c 273 s 6.]

Effective date—2026 c 268: See note following RCW 28B.15.210.

Effective date—2025 c 381: See note following RCW 41.45.035.

Findings—Intent—Effective date—2020 c 103: See notes following RCW 28B.10.423.

Effective date—2009 c 561: See note following RCW 41.45.010.

Effective date—2005 c 370 ss 2 and 4: "Sections 2 and 4 of this act take effect July 1, 2006." [2005 c 370 s 8.]

Effective date—2005 c 370 ss 1, 3, and 6: "Sections 1, 3, and 6 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2005." [2005 c 370 s 7.]

Expiration date—2005 c 370 ss 1 and 3: "Sections 1 and 3 of this act expire July 1, 2006." [2005 c 370 s 9.]

Effective date—2004 c 242: See RCW 41.37.901.

Effective date—2003 c 92: See RCW 41.26.906.

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.030.

Effective date—2001 c 329: See note following RCW 43.43.120.

Severability—Effective date—2000 2nd sp.s. c 1: See notes following RCW 41.05.143.

Effective dates—Subchapter headings not law—2000 c 247: See RCW 41.40.931 and 41.40.932.

Effective date—1998 c 341: See note following RCW 41.34.060.

Effective date—1998 c 340: See note following RCW 2.10.146.

Intent—Purpose—1995 c 239: See note following RCW 41.32.831.

Effective date—Part and subchapter headings not law—1995 c 239: See notes following RCW 41.32.005.

Part headings not law—Effective date—1993 c 519: See notes following RCW 28A.400.212.

Effective date—1992 c 239: "This act shall take effect September 1, 1992." [1992 c 239 s 6.]

Effective date—1990 c 18: "This act shall take effect September 1, 1991." [1990 c 18 s 3.]

Benefits not contractual right until date specified: RCW 41.34.100.

RCW 41.45.060 Basic state and employer contribution rates—Methods used—Role of council—Role of state actuary. *(Effective June*

30, 2029.) (1) The state actuary shall provide preliminary actuarial valuation results based on the economic assumptions and asset value smoothing technique included in RCW 41.45.035 or adopted under RCW 41.45.030 or 41.45.035.

(2) Not later than July 31, 2008, and every two years thereafter, consistent with the economic assumptions and asset value smoothing technique included in RCW 41.45.035 or adopted under RCW 41.45.030 or 41.45.035, the council shall adopt and may make changes to:

(a) A basic state contribution rate for the law enforcement officers' and firefighters' retirement system plan 1;

(b) Basic employer contribution rates for the public employees' retirement system, the teachers' retirement system, and the Washington state patrol retirement system;

(c) Basic employer contribution rates for the school employees' retirement system and the public safety employees' retirement system for funding both those systems and the public employees' retirement system plan 1; and

(d) If the state actuary determines an unfunded liability exists in the restated law enforcement officers' and firefighters' retirement system, a state contribution for the restated law enforcement officers' and firefighters' retirement system based on a systematic actuarial funding policy that would fully amortize the unfunded actuarial accrued liability over reasonable periods using reasonable assumptions and methods as determined by the state actuary.

The council may adopt annual contributions for any plan for any rate-setting period. The contributions adopted by the council shall be subject to revision by the legislature.

(3) The employer and state contribution rates adopted by the council shall be the level percentages of pay that are needed:

(a) To fully fund the public employees' retirement system plans 2 and 3, the teachers' retirement system plans 2 and 3, the public safety employees' retirement system plan 2, and the school employees' retirement system plans 2 and 3 in accordance with RCW 41.45.061, 41.45.067, and this section; and

(b) To fully fund the public employees' retirement system plan 1 and the teachers' retirement system plan 1 in accordance with RCW 41.45.070, 41.45.150, and this section.

(4) The aggregate actuarial cost method shall be used to calculate a combined plan 2 and 3 normal cost, a Washington state patrol retirement system normal cost, and a public safety employees' retirement system normal cost.

(5) A modified entry age normal cost method, as set forth in this chapter, shall be used to calculate employer contributions to the public employees' retirement system plan 1 and the teachers' retirement system plan 1.

(6) The employer contribution rate for the public employees' retirement system and the school employees' retirement system shall equal the sum of:

(a) The amount required to pay the combined plan 2 and plan 3 normal cost for the system, subject to any minimum rates applied pursuant to RCW 41.45.155; plus

(b) The amount required to amortize the unfunded actuarial accrued liability in plan 1 of the public employees' retirement system over a rolling ten-year period using projected future salary growth and growth in system membership, and subject to any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(c) Except as described in (d) of this subsection, the amounts required to amortize the costs of any benefit improvements in plan 1 of the public employees' retirement system that become effective after June 30, 2009. The cost of each benefit improvement shall be amortized over a fixed 15-year period using projected future salary growth and growth in system membership. The amounts required under this subsection are not subject to, and are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(d) The amounts required to fully amortize the remaining costs of benefit improvements in the public employees' retirement system plan 1 effective from July 1, 2018, through July 1, 2026, over a fixed 15-year period with the rate between July 1, 2025, and June 30, 2029, being zero. The amounts required under this subsection are not subject to, and are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150.

(7) The employer contribution rate for the public safety employees' retirement system shall equal the sum of:

(a) The amount required to pay the normal cost for the system, subject to any minimum rates applied pursuant to RCW 41.45.155; plus

(b) The amount required to amortize the unfunded actuarial accrued liability in plan 1 of the public employees' retirement system over a rolling ten-year period using projected future salary growth and growth in system membership, and subject to any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(c) Except as described in (d) of this subsection, the amounts required to amortize the costs of any benefit improvements in plan 1 of the public employees' retirement system that become effective after June 30, 2009. The cost of each benefit improvement shall be amortized over a fixed 15-year period using projected future salary growth and growth in system membership. The amounts required under this subsection are not subject to, and are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(d) The amounts required to fully amortize the remaining costs of benefit improvements in the public employees' retirement system plan 1 effective from July 1, 2018, through July 1, 2026, over a fixed 15-year period with the rate between July 1, 2025, and June 30, 2029, being zero. The amounts required under this subsection are not subject to, and are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150.

(8) The employer contribution rate for the teachers' retirement system shall equal the sum of:

(a) The amount required to pay the combined plan 2 and plan 3 normal cost for the system, subject to any minimum rates applied pursuant to RCW 41.45.155; plus

(b) The amount required to amortize the unfunded actuarial accrued liability in plan 1 of the teachers' retirement system over a rolling ten-year period using projected future salary growth and growth in system membership, and subject to any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(c) Except as described in (d) of this subsection, the amounts required to amortize the costs of any benefit improvements in plan 1 of the teachers' retirement system that become effective after June 30, 2009. The cost of each benefit improvement shall be amortized over a fixed 15-year period using projected future salary growth and growth in system membership. The amounts required under this subsection are not subject to, and are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(d) The amounts required to fully amortize the remaining costs of benefit improvements in the teachers' retirement system plan 1 effective from July 1, 2018, through July 1, 2026, over a fixed 15-year period with the rate between July 1, 2025, and June 30, 2029, being zero. The amounts required under this subsection are not subject to, and are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150.

(9) The employer contribution rate for each of the institutions of higher education for the higher education supplemental retirement benefits must be sufficient to fund, as a level percentage of pay, a portion of the projected cost of the supplemental retirement benefits for the institution beginning in 2035, with the other portion supported on a pay-as-you-go basis, either as direct payments by each institution to retirees, or as contributions to the higher education retirement plan supplemental benefit fund. Contributions must continue until the council determines that the institution for higher education supplemental retirement benefit liabilities are satisfied.

(10) The council shall immediately notify the directors of the office of financial management and department of retirement systems of the state and employer contribution rates adopted. The rates shall be effective for the ensuing biennial period, subject to any legislative modifications.

(11) The director shall collect those rates adopted by the council. The rates established in RCW 41.45.062, or by the council, shall be subject to revision by the legislature.

(12) The state actuary shall prepare final actuarial valuation results based on the economic assumptions, asset value smoothing technique, and contribution rates included in or adopted under RCW 41.45.030, 41.45.035, and this section. [2026 c 268 s 916; 2026 c 261 s 502; 2025 c 381 s 3; 2020 c 103 s 4; 2009 c 561 s 3; 2007 c 280 s 2; 2005 c 370 s 2; (2005 c 370 s 1 expired July 1, 2006); 2004 c 242 s 39. Prior: 2003 c 294 s 10; 2003 c 92 s 3; 2002 c 26 s 2; prior: 2001 2nd sp.s. c 11 s 10; 2001 c 329 s 10; 2000 2nd sp.s. c 1 s 905; 2000 c 247 s 504; prior: 1998 c 341 s 404; 1998 c 340 s 11; 1998 c 283 s 6; 1995 c 239 s 309; 1993 c 519 s 19; 1992 c 239 s 2; 1990 c 18 s 1; 1989 c 273 s 6.]

Reviser's note: This section was amended by 2026 c 261 s 502 and by 2026 c 268 s 916, each without reference to the other. Both amendments are incorporated in the publication of this section under RCW 1.12.025(2). For rule of construction, see RCW 1.12.025(1).

Effective date—2026 c 268: See note following RCW 28B.15.210.

Effective date—2026 c 261: See note following RCW 41.26A.505.

Effective date—2025 c 381: See note following RCW 41.45.035.

Findings—Intent—Effective date—2020 c 103: See notes following RCW 28B.10.423.

Effective date—2009 c 561: See note following RCW 41.45.010.

Effective date—2005 c 370 ss 2 and 4: "Sections 2 and 4 of this act take effect July 1, 2006." [2005 c 370 s 8.]

Effective date—2005 c 370 ss 1, 3, and 6: "Sections 1, 3, and 6 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2005." [2005 c 370 s 7.]

Expiration date—2005 c 370 ss 1 and 3: "Sections 1 and 3 of this act expire July 1, 2006." [2005 c 370 s 9.]

Effective date—2004 c 242: See RCW 41.37.901.

Effective date—2003 c 92: See RCW 41.26.906.

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.030.

Effective date—2001 c 329: See note following RCW 43.43.120.

Severability—Effective date—2000 2nd sp.s. c 1: See notes following RCW 41.05.143.

Effective dates—Subchapter headings not law—2000 c 247: See RCW 41.40.931 and 41.40.932.

Effective date—1998 c 341: See note following RCW 41.34.060.

Effective date—1998 c 340: See note following RCW 2.10.146.

Intent—Purpose—1995 c 239: See note following RCW 41.32.831.

Effective date—Part and subchapter headings not law—1995 c 239: See notes following RCW 41.32.005.

Part headings not law—Effective date—1993 c 519: See notes following RCW 28A.400.212.

Effective date—1992 c 239: "This act shall take effect September 1, 1992." [1992 c 239 s 6.]

Effective date—1990 c 18: "This act shall take effect September 1, 1991." [1990 c 18 s 3.]

Benefits not contractual right until date specified: RCW 41.34.100.

RCW 41.45.0604 Contribution rates—Law enforcement officers' and firefighters' retirement system plan 2. (1)(a) Not later than July 31, 2008, and every even-numbered year thereafter, the law enforcement officers' and firefighters' plan 2 retirement board shall adopt contribution rates for the law enforcement officers' and firefighters' retirement system plan 2 as provided in RCW 41.26.720(1)(a).

(b) For 2021-2023 and 2023-2025 fiscal biennia, contribution rates for the law enforcement officers' and firefighters' retirement system plan 2 may not exceed the rates adopted by the law enforcement officers' and firefighters' plan 2 retirement board in 2020.

(2) The law enforcement officers' and firefighters' plan 2 retirement board shall immediately notify the directors of the office of financial management and department of retirement systems of the state, employer, and employee rates adopted. Thereafter, the director shall collect those rates adopted by the board. The rates shall be effective for the ensuing biennial period, subject to any legislative modifications. [2022 c 125 s 6; 2007 c 280 s 3; 2003 c 92 s 4.]

Effective date—2003 c 92: See RCW 41.26.906.

RCW 41.45.061 Required contribution rates for plan 2 members. (1) The required contribution rate for members of the plan 2 teachers' retirement system shall be fixed at the rates in effect on July 1, 1996, subject to the following:

(a) Beginning September 1, 1997, except as provided in (b) of this subsection, the employee contribution rate shall not exceed the employer plan 2 and 3 rates adopted under RCW 41.45.060, *41.45.054, and 41.45.070 for the teachers' retirement system;

(b) In addition, the employee contribution rate for plan 2 shall be increased by fifty percent of the contribution rate increase caused by any plan 2 benefit increase passed after July 1, 1996;

(c) In addition, the employee contribution rate for plan 2 shall not be increased as a result of any distributions pursuant to section 309, chapter 341, Laws of 1998 and **RCW 41.31A.020.

(2) The required contribution rate for members of the school employees' retirement system plan 2 shall equal the school employees' retirement system employer plan 2 and 3 contribution rate adopted under RCW 41.45.060, *41.45.054, and 41.45.070, except as provided in subsection (3) of this section.

(3) The member contribution rate for the school employees' retirement system plan 2 shall be increased by fifty percent of the contribution rate increase caused by any plan 2 benefit increase passed after September 1, 2000.

(4) The required contribution rate for members of the public employees' retirement system plan 2 shall be set at the same rate as the employer combined plan 2 and plan 3 rate.

(5) The required contribution rate for members of the law enforcement officers' and firefighters' retirement system plan 2 shall be set at fifty percent of the cost of the retirement system.

(6) The employee contribution rates for plan 2 under subsections (3) and (4) of this section shall not include any increase as a result of any distributions pursuant to RCW **41.31A.020 and ***41.31A.030.

(7) The required plan 2 and 3 contribution rates for employers shall be adopted in the manner described in RCW 41.45.060, *41.45.054, and 41.45.070.

(8) The required contribution rate for members of the public safety employees' retirement system plan 2 shall be set at fifty percent of the cost of the retirement system.

(9) Concurrently with the adoption of employer contribution rates, the state actuary shall calculate the required contribution rates for plan 2 members, which are fixed in accordance with this section. Upon adoption of employer contribution rates, the state actuary shall immediately notify the directors of the office of financial management and department of retirement systems of the required contribution rates for members, which shall be effective for

the ensuing rate-setting period. [2007 c 280 s 4; 2004 c 242 s 40. Prior: 2001 2nd sp.s. c 11 s 13; 2001 2nd sp.s. c 11 s 12; 2001 c 180 s 1; prior: 2000 c 247 s 506; 2000 c 230 s 2; 1998 c 341 s 405; 1997 c 10 s 2; 1995 c 239 s 311.]

Reviser's note: *(1) RCW 41.45.054 was decodified pursuant to 2005 c 370 s 5, effective September 1, 2005.

**(2) RCW 41.31A.020 was repealed by 2007 c 491 s 13 without cognizance of its amendment by 2007 c 491 s 1. For rule of construction concerning sections amended and repealed in the same legislative session, see RCW 1.12.025.

***(3) RCW 41.31A.030 was repealed by 2007 c 491 s 13, effective January 2, 2008.

Effective date—2004 c 242: See RCW 41.37.901.

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.030.

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.010.

Effective date—2001 c 180 ss 1 and 2: "Sections 1 and 2 of this act take effect March 1, 2002." [2001 c 180 s 6.]

Effective dates—Subchapter headings not law—2000 c 247: See RCW 41.40.931 and 41.40.932.

Effective date—2000 c 230: See note following RCW 41.35.630.

Effective date—1998 c 341: See RCW 41.35.901.

Intent—Purpose—1995 c 239: See note following RCW 41.32.831.

Effective date—Part and subchapter headings not law—1995 c 239: See notes following RCW 41.32.005.

RCW 41.45.062 Annual contribution rate increases—Employer, state, and plan 2 members. The basic employer and state contribution rates and required plan 2 member contribution rates are changed to reflect the 2003 actuarial valuation and actuarial projections of the 2005 actuarial valuation, both of which incorporate the 2002 actuarial experience study conducted by the office of the state actuary for 1995-2000. This contribution rate schedule departs from the normal biennial process for setting contribution rates by requiring annual increases in rates during the 2005-2007 biennium, and by requiring annual rates to be adopted by the pension funding council for the 2007-2009 biennium. The rates are lower in the 2005-2007 biennium than required by the 2003 actuarial valuation and will be higher in the 2007-2009 biennium than required by the projected 2005 actuarial valuation.

Upon completion of the 2005 actuarial valuation, the pension funding council and the state actuary shall review the appropriateness of the contribution rates for 2007-2008 and 2008-2009 and by September 30, 2006, the pension funding council shall adopt contribution rates

to complete the four-year phase-in schedule, adjusted for any material changes in benefits or actuarial assumptions, methods, or experience. This contribution rate schedule also requires a departure from the allocation formula for contributions in RCW 41.45.050, suspension of payments on the unfunded liability in the public employees' retirement system and the teachers' retirement system during the 2005-2007 biennium, and a delay in the recognition of the cost of future gain-sharing benefits until the 2007-2009 biennium.

(1) Beginning July 1, 2005, the following employer contribution rate shall be charged: 2.25 percent for the public employees' retirement system.

(2) Beginning September 1, 2005, the following employer contribution rates shall be charged:

(a) 2.75 percent for the school employees' retirement system; and

(b) 2.73 percent for the teachers' retirement system.

(3) Beginning July 1, 2005, the following member contribution rate shall be charged: 2.25 percent for the public employees' retirement system plan 2.

(4) Beginning September 1, 2005, the following member contribution rates shall be charged:

(a) 2.75 percent for the school employees' retirement system plan 2; and

(b) 2.48 percent for the teachers' retirement system plan 2.

(5) The contribution rates in subsections (1) through (4) of this section shall be collected through June 30, 2006, for the public employees' retirement system, and August 31, 2006, for the school employees' retirement system and the teachers' retirement system.

(6) Beginning July 1, 2006, the following employer contribution rate shall be charged: 3.50 percent for the public employees' retirement system.

(7) Beginning September 1, 2006, the following employer contribution rates shall be charged:

(a) 3.75 percent for the school employees' retirement system; and

(b) 3.25 percent for the teachers' retirement system.

(8) Beginning July 1, 2006, the following member contribution rate shall be charged: 3.50 percent for the public employees' retirement system plan 2.

(9) Beginning September 1, 2006, the following member contribution rates shall be charged:

(a) 3.75 percent for the school employees' retirement system plan 2; and

(b) 3.00 percent for the teachers' retirement system plan 2.

(10) During the 2005 interim, the select committee on pension policy shall study the options available to the legislature for addressing the liability associated with future gain-sharing benefits. These options may include, but shall not be limited to, repealing, delaying, or suspending the gain-sharing provisions in law; making gain-sharing discretionary; or replacing gain-sharing benefits with other benefits such as plan choice, employer defined contributions, retirement eligibility enhancements, and postretirement adjustments. The select committee on pension policy shall report the findings and recommendations of its study to the legislative fiscal committees by no later than December 15, 2005. [2005 c 370 s 6.]

Effective date—2005 c 370 ss 1, 3, and 6: See note following RCW 41.45.060.

RCW 41.45.0621 Plan 1 unfunded accrued actuarial liabilities—Contributions in addition to RCW 41.45.062—Intent. (1) It is the intent of the legislature to provide for the systematic funding of the plan 1 unfunded accrued actuarial liabilities in a manner that promotes contribution rate adequacy and stability for the affected systems. The rates established in this section shall be collected in addition to the rates established pursuant to RCW 41.45.062.

(2) Beginning September 1, 2006, a 1.29 percent contribution is established as part of the basic state and employer contribution rate for the teachers' retirement system, to be used for the sole purpose of amortizing the unfunded accrued actuarial liability in the teachers' retirement system plan 1.

(3) Beginning September 1, 2006, a 0.87 percent contribution is established as part of the basic state and employer contribution rate for the school employees' retirement system, to be used for the sole purpose of amortizing the unfunded accrued actuarial liability in the public employees' retirement system plan 1.

(4) Beginning January 1, 2007, a 1.77 percent contribution is established as part of the basic state and employer contribution rate for the public employees' retirement system and the public safety employees' retirement system, to be used for the sole purpose of amortizing the unfunded accrued actuarial liability in the public employees' retirement system plan 1.

(5) The contribution rates in this section shall be collected through June 30, 2007, for the public employees' retirement system and the public safety employees' retirement system and August 31, 2007, for the teachers' retirement system and the school employees' retirement system.

(6) Upon completion of the 2005 actuarial valuation, the pension funding council and the state actuary shall review the contribution rates for the plan 1 unfunded actuarial accrued liability for fiscal year 2008 and fiscal year 2009 and by September 30, 2006, the pension funding council shall adopt contribution rates to complete the three-year phase-in schedule, adjusted for any material changes in benefits or actuarial assumptions, methods, and experience. The expected present value of projected contributions during the three-year phase-in period shall be the same as the expected present value of projected contributions that would have been collected without the phase-in, as determined by the state actuary and adjusted for any material changes in benefits or actuarial assumptions, methods, or experience. [2006 c 56 s 3.]

Effective dates—2006 c 56: See note following RCW 41.45.230.

RCW 41.45.0631 Washington state patrol retirement system—Contribution rates—Allocation of costs. (1) The allocation of costs between the employer and members of the Washington state patrol retirement system shall be made only after the application of any minimum total contribution rate that may be in effect for the system under subsection (4) of this section. For benefit improvements effective on or after July 1, 2007, costs shall be shared equally by members and the employer, and any cap on member contributions shall be adjusted accordingly. The member contribution rate shall be based on the adjusted total contribution rate described in subsection (2) of this section. Beginning July 1, 2007, the required member contribution

rate for members of the Washington state patrol retirement system shall be the lesser of the following: (a) One-half of the adjusted total contribution rate for the system; or (b) seven percent, plus fifty percent of the contribution rate increase caused by any benefit improvements effective on or after July 1, 2007.

(2) The employer shall continue to pay for all costs attributable to distributions under RCW 43.43.270(2) for survivors of members who became disabled under RCW 43.43.040(2) prior to July 1, 2006, until such costs are fully paid. In order to avoid charging members for these costs, the total required contribution rate shall be adjusted to exclude these costs. The result of the adjustment shall be the adjusted total contribution rate that is to be used to calculate the required member contribution rate.

(3) The employer rate shall be the contribution rate required to cover all total system costs that are not covered by the member contribution rate.

(4) Beginning July 1, 2009, a minimum total contribution rate is established for the Washington state patrol retirement system. The total Washington state patrol retirement system contribution rate may exceed, but may not drop below, the established minimum total contribution rate. From July 1, 2009, through June 30, 2011, the minimum total contribution rate shall equal the total contribution rate required to fund fifty percent of the Washington state patrol retirement system's normal cost as calculated under the entry age normal cost method. Beginning July 1, 2011, the minimum total contribution rate shall equal the total contribution rate required to fund seventy percent of the Washington state patrol retirement system's normal cost as calculated under the entry age normal cost method. This minimum rate, when applicable, shall be collected in addition to any contribution rate required to amortize any unfunded costs attributable to distributions under RCW 43.43.270(2) for survivors of members who became disabled under RCW 43.43.040(2) prior to July 1, 2006.

(5) Upon completion of each biennial actuarial valuation, the state actuary shall review the appropriateness of this minimum total contribution rate and recommend to the council any adjustments as may be needed. Any changes adopted by the council shall be subject to revision by the legislature.

(6) The legislature recognizes the short-term volatility of projected employer contribution rates for the Washington state patrol retirement system and intends to phase-in the increase in contribution rates from the 2017-2019 biennium to the 2019-2021 biennium over three successive biennia. The phase-in shall be calculated by the state actuary and shall not result in an expected funding shortfall when measured over the entire phase-in period. Consistent with this intent, the legislature revises the basic employer contribution rate for the Washington state patrol retirement system from 22.13 percent to 17.5 percent during the 2019-2021 biennium. By June 30, 2020, the state actuary shall calculate and report to the council the expected change to the basic employer contribution rates for the 2021-2023 and 2023-2025 biennia that continue this phase-in. [2019 c 416 s 711; 2009 c 561 s 7. Prior: 2007 c 300 s 1; 2007 c 280 s 5; 2006 c 94 s 2; 2001 c 329 s 11.]

Effective date—2019 c 416: See note following RCW 43.19.642.

Effective date—2009 c 561: See note following RCW 41.45.010.

Effective date—2007 c 300: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2007." [2007 c 300 s 3.]

Effective date—2001 c 329: See note following RCW 43.43.120.

RCW 41.45.067 Failure of state or employer to make required contribution—Resulting increase in contribution rate borne in full by state or employer—Members' contribution deducted each payroll period. (1) 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.

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

(3) Members' contributions required by RCW 41.45.060 and 41.45.061 shall be deducted from the members' compensation 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.

(4) The state's contribution required for the law enforcement officers' and firefighters' retirement system plan 2 shall be transferred to the appropriate fund from the total contributions transferred by the state treasurer under RCW 41.45.050. [2001 2nd sp.s. c 11 s 14; 2000 c 247 s 507.]

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.010.

Effective dates—Subchapter headings not law—2000 c 247: See RCW 41.40.931 and 41.40.932.

RCW 41.45.070 Supplemental rate. (1) In addition to the basic employer contribution rate established in RCW 41.45.060 or *41.45.054, the department shall also charge employers of public employees' retirement system, teachers' retirement system, school employees' retirement system, public safety employees' retirement system, or Washington state patrol retirement system members an additional supplemental rate to pay for the cost of additional benefits, if any, granted to members of those systems. Except as provided in subsections (6), (7), (9), and (10) of this section, the supplemental contribution rates required by this section shall be calculated by the state actuary and shall be charged regardless of language to the contrary contained in the statute which authorizes additional benefits.

(2) In addition to the basic member, employer, and state contribution rate established in RCW 41.45.0604 for the law enforcement officers' and firefighters' retirement system plan 2, the

department shall also establish supplemental rates to pay for the cost of additional benefits, if any, granted to members of the law enforcement officers' and firefighters' retirement system plan 2. Except as provided in subsection (6) of this section, these supplemental rates shall be calculated by the actuary retained by the law enforcement officers' and firefighters' board and the state actuary through the process provided in RCW 41.26.720(1)(a) and the state treasurer shall transfer the additional required contributions regardless of language to the contrary contained in the statute which authorizes the additional benefits.

(3) The supplemental rate charged under this section to fund benefit increases provided to active members of the public employees' retirement system plan 1 and the teachers' retirement system plan 1 shall be calculated as the level percentage of all system pay needed to fund the cost of the benefit over a fixed 15-year period, using projected future salary growth and growth in system membership. The supplemental rate to fund benefit increases provided to active members of the public employees' retirement system plan 1 shall be charged to all system employers in the public employees' retirement system, the school employees' retirement system, and the public safety employees' retirement system. The supplemental rate to fund benefit increases provided to active members of the teachers' retirement system plan 1 shall be charged to all system employers in the teachers' retirement system.

(4) The supplemental rate charged under this section to fund benefit increases provided to active and retired members of the public employees' retirement system plan 2 and plan 3, the teachers' retirement system plan 2 and plan 3, the public safety employees' retirement system plan 2, the school employees' retirement system plan 2 and plan 3, or the Washington state patrol retirement system shall be calculated as the level percentage of all members' pay needed to fund the cost of the benefit, as calculated under RCW 41.45.060, 41.45.061, 41.45.0631, or 41.45.067.

(5) The supplemental rate charged under this section to fund postretirement adjustments which are provided on a nonautomatic basis to current retirees shall be calculated as the percentage of pay needed to fund the adjustments as they are paid to the retirees. The supplemental rate charged under this section to fund increases in the automatic postretirement adjustments for active or retired members of the public employees' retirement system plan 1 and the teachers' retirement system plan 1 shall be calculated as the level percentage of pay needed to fund the cost of the automatic adjustments over a fixed 15-year period, using projected future salary growth and growth in system membership. The supplemental rate to fund increases in the automatic postretirement adjustments for active members or retired members of the public employees' retirement system plan 1 shall be charged to all system employers in the public employees' retirement system, the school employees' retirement system, and the public safety employees' retirement system. The supplemental rate to fund increases in automatic postretirement adjustments for active members or retired members of the teachers' retirement system plan 1 shall be charged to all system employers in the teachers' retirement system.

(6) A supplemental rate shall not be charged to pay for the cost of additional benefits granted to members pursuant to chapter 340, Laws of 1998.

(7) A supplemental rate shall not be charged to pay for the cost of additional benefits granted to members pursuant to **chapter 41.31A

RCW; section 309, chapter 341, Laws of 1998; or section 701, chapter 341, Laws of 1998.

(8) A supplemental rate shall not be charged to pay for the cost of additional benefits granted to members and survivors pursuant to chapter 94, Laws of 2006.

(9) A supplemental rate shall not be charged to pay for the cost of the additional benefits granted to members of the teachers' retirement system and the school employees' retirement system plans 2 and 3 in sections 2, 4, 6, and 8, chapter 491, Laws of 2007 until September 1, 2008. A supplemental rate shall not be charged to pay for the cost of the additional benefits granted to members of the public employees' retirement system plans 2 and 3 under sections 9 and 10, chapter 491, Laws of 2007 until July 1, 2008.

(10) A supplemental rate shall not be charged to pay for the cost of the additional benefits granted to members of the public employees' and the teachers' retirement systems plans 1 in Substitute Senate Bill No. 5862 (TRS & PERS plan 1 COLA). [2026 c 268 s 917; 2025 c 381 s 4; 2009 c 561 s 4; 2007 c 491 s 12; 2006 c 94 s 3; (2005 c 327 s 10 expired July 1, 2006); 2004 c 242 s 41. Prior: (2003 1st sp.s. c 11 s 3 repealed by 2005 c 327 s 11); 2003 c 92 s 5; prior: 2001 2nd sp.s. c 11 s 16; 2001 2nd sp.s. c 11 s 15; 2000 c 247 s 505; 1998 c 340 s 10; 1995 c 239 s 310; 1990 c 18 s 2; 1989 1st ex.s. c 1 s 1; 1989 c 273 s 7.]

Reviser's note: *(1) RCW 41.45.054 was decodified by 2005 c 370 s 5, effective September 1, 2005.

**(2) Chapter 41.31A RCW was repealed by 2007 c 491 s 13, effective January 2, 2008, however, RCW 41.31A.020 was also amended by 2007 c 491 s 1 and 2007 c 492 s 10. For rule of construction, see RCW 1.12.025(1).

Effective date—2026 c 268: See note following RCW 28B.15.210.

Effective date—2025 c 381: See note following RCW 41.45.035.

Effective date—2009 c 561: See note following RCW 41.45.010.

Severability—Conflict with federal requirements—2007 c 491: See notes following RCW 41.32.765.

Effective date—2006 c 94 s 3: "Section 3 of this act takes effect July 1, 2006." [2006 c 94 s 4.]

Expiration date—2005 c 327 s 10: "Section 10 of this act expires July 1, 2006." [2005 c 327 s 13.]

Effective date—2004 c 242: See RCW 41.37.901.

Effective date—2003 1st sp.s. c 11: See note following RCW 41.45.035.

Effective date—2003 c 92: See RCW 41.26.906.

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.010.

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.030.

Effective dates—Subchapter headings not law—2000 c 247: See RCW 41.40.931 and 41.40.932.

Effective date—1998 c 341: See RCW 41.35.901.

Effective date—1998 c 340: See note following RCW 2.10.146.

Intent—Purpose—1995 c 239: See note following RCW 41.32.831.

Effective date—Part and subchapter headings not law—1995 c 239: See notes following RCW 41.32.005.

Effective date—1990 c 18: See note following RCW 41.45.060.

Benefits not contractual right until date specified: RCW 41.34.100.

RCW 41.45.080 Additional contributions may be required. In addition to the basic and supplemental employer contributions required by RCW 41.45.060, *41.45.053, and 41.45.070, the department may also require additional employer contributions as provided by law. [2001 2nd sp.s. c 11 s 17; 1989 c 273 s 8.]

***Reviser's note:** RCW 41.45.053 was repealed by 2002 c 7 s 2.

Effective date—2001 2nd sp.s. c 11: See note following RCW 41.45.030.

RCW 41.45.090 Collection of actuarial data. The department shall collect and keep in convenient form such data as shall be necessary for an actuarial valuation of the assets and liabilities of the state retirement systems, and for making an actuarial investigation into the mortality, service, compensation, and other experience of the members and beneficiaries of those systems. The department and state actuary shall enter into a memorandum of understanding regarding the specific data the department will collect, when it will be collected, and how it will be maintained. The department shall notify the state actuary of any changes it makes, or intends to make, in the collection and maintenance of such data.

At least once in each six-year period, the state actuary shall conduct an actuarial experience study of the mortality, service, compensation and other experience of the members and beneficiaries of each state retirement system, and into the financial condition of each system. The results of each investigation shall be filed with the department, the office of financial management, the budget writing committees of the Washington house of representatives and senate, the select committee on pension policy, and the pension funding council. Upon the basis of such actuarial investigation the department shall adopt such tables, schedules, factors, and regulations as are deemed necessary in the light of the findings of the actuary for the proper operation of the state retirement systems. [2003 c 295 s 9; 1998 c 283 s 7; 1989 c 273 s 9.]

RCW 41.45.100 Pension funding council—Created. (1) The pension funding council is hereby created. The council consists of the:

(a) Director of the department of retirement systems;

(b) Director of the office of financial management;

(c) Chair and ranking minority member of the house of representatives appropriations committee; and

(d) Chair and ranking minority member of the senate ways and means committee.

The council may select officers as the members deem necessary.

(2) The pension funding council shall adopt changes to economic assumptions and contribution rates by an affirmative vote of at least four members. [1998 c 283 s 2.]

RCW 41.45.105 Pension funding council—State actuary appointment, removal, and salary. Subject to RCW 44.44.030, the council shall appoint, remove, and set the salary of the state actuary, by affirmative vote of four members of the council. When considering the appointment, removal, and salary setting of the state actuary, the council shall consider recommendations from the executive committee of the select committee on pension policy. [2025 c 333 s 2.]

RCW 41.45.110 Pension funding council—Audits required—Select committee on pension policy. The pension funding council shall solicit and administer a biennial actuarial audit of the preliminary and final actuarial valuations used for employer and member rate-setting purposes. This audit will be conducted concurrent with the actuarial valuation performed by the state actuary. At least once in each six-year period, the pension funding council shall solicit and administer an actuarial audit of the results of the experience study required in RCW 41.45.090. Upon receipt of the results of the preliminary actuarial audits required by this section, and at least thirty days prior to adopting contribution rates, the pension funding council shall submit the results to the select committee on pension policy. [2007 c 280 s 6; 2003 c 295 s 10; 1998 c 283 s 3.]

RCW 41.45.120 Pension funding work group. (1) A pension funding work group is hereby created. The work group shall consist of one staff member selected by the executive head or chairperson of each of the following agencies or committees:

(a) Department of retirement systems;

(b) Office of financial management;

(c) State investment board;

(d) Ways and means committee of the senate;

(e) Appropriations committee of the house of representatives; and

(f) Economic and revenue forecast council.

(2) The state actuary shall make available to the work group information related to economic assumptions and contribution rates.

(3) The pension funding work group shall provide support to the pension funding council. Meetings of the pension funding work group may be called by any member of the group for the purpose of assisting the pension funding council, reviewing actuarial valuations of the

state retirement systems, reviewing economic assumptions, or for any other purpose which may assist the pension funding council.

(4) Recommendations from both affected employee and employer groups will be actively sought during the work group process. The work group shall conduct an open public meeting on these recommendations. [1998 c 283 s 4.]

RCW 41.45.130 Public employees' retirement system plan 2 assets divided—Assets transferred to school employees' retirement system. Upon the advice of the state actuary, the state treasurer shall divide the assets in the public employees' retirement system plan 2 as of September 1, 2000, in such a manner that sufficient assets remain in plan 2 to maintain the employee contribution rate calculated in the latest actuarial valuation of the public employees' retirement system plan 2. The state actuary shall take into account changes in assets that occur between the latest actuarial valuation and the date of transfer. The balance of the assets shall be transferred to the Washington school employees' retirement system plan 2 and 3. [1998 c 341 s 407.]

Effective date—1998 c 341: See RCW 41.35.901.

RCW 41.45.150 Unfunded liabilities—Employer contribution rates. (1) Beginning July 1, 2015, and ending June 30, 2023, a minimum 3.50 percent contribution is established as part of the basic employer contribution rate for the public employees' retirement system and the public safety employees' retirement system, to be used for the sole purpose of amortizing that portion of the unfunded actuarial accrued liability in the public employees' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009.

(2) Beginning September 1, 2015, and ending August 31, 2023, a minimum 3.50 percent contribution is established as part of the basic employer contribution rate for the school employees' retirement system, to be used for the sole purpose of amortizing that portion of the unfunded actuarial accrued liability in the public employees' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009.

(3) Beginning September 1, 2015, and ending August 31, 2023, a minimum 5.75 percent contribution is established as part of the basic employer contribution rate for the teachers' retirement system, to be used for the sole purpose of amortizing that portion of the unfunded actuarial accrued liability in the teachers' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009.

(4)(a) Beginning July 1, 2023, and ending June 30, 2029, the following employer contribution rates shall be in effect for the public employees' retirement system and the public safety employees' retirement system that is used for the sole purpose of amortizing that portion of the unfunded actuarial accrued liability in the public employees' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009.

Fiscal Year ending:					
2024	2025	2026	2027	2028	2029
2.50%	2.00%	0.00%	0.00%	0.00%	0.00%

(b) Beginning July 1, 2029, a minimum 0.50 percent contribution is established as part of the basic employer contribution rate for the public employees' retirement system and the public safety employees' retirement system, to be used for the sole purpose of amortizing any portion of an unfunded actuarial accrued liability in the public employees' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009. This minimum contribution rate shall be in effect when the actuarial value of assets in plan 1 of the public employees' retirement system is less than 100 percent of the actuarial accrued liability.

(5)(a) Beginning September 1, 2023, and ending August 31, 2029, the following employer contribution rates shall be in effect for the school employees' retirement system that is used for the sole purpose of amortizing that portion of the unfunded actuarial accrued liability in the public employees' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009.

Fiscal Year ending:					
2024	2025	2026	2027	2028	2029
2.50%	2.00%	0.00%	0.00%	0.00%	0.00%

(b) Beginning September 1, 2029, a minimum 0.50 percent contribution is established as part of the basic employer contribution rate for the school employees' retirement system, to be used for the sole purpose of amortizing any portion of an unfunded actuarial accrued liability in the public employees' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009. This minimum contribution rate shall be in effect when the actuarial value of assets in plan 1 of the public employees' retirement system is less than 100 percent of the actuarial accrued liability.

(6)(a) Beginning September 1, 2023, and ending August 31, 2029, the following employer contribution rates shall be in effect for the teachers' retirement system that is used for the sole purpose of amortizing that portion of the unfunded actuarial accrued liability in the teachers' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009.

Fiscal Year ending:					
2024	2025	2026	2027	2028	2029
0.50%	0.50%	0.00%	0.00%	0.00%	0.00%

(b) Beginning September 1, 2029, a minimum 0.50 percent contribution is established as part of the basic employer contribution rate for the teachers' retirement system, to be used for the sole purpose of amortizing any portion of an unfunded actuarial accrued liability in the teachers' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009. This minimum contribution rate shall be in effect when the actuarial value of assets in plan 1 of the teachers' retirement system is less than 100 percent of the actuarial accrued liability.

(7) Upon completion of each biennial actuarial valuation, the state actuary shall review the appropriateness of the minimum contribution rates and recommend to the council any adjustments as may be needed due to material changes in benefits or actuarial assumptions, methods, or experience. Any changes adopted by the council shall be subject to revision by the legislature. [2025 c 381 s 5; 2023 c 396 s 1; 2011 c 362 s 8; 2010 1st sp.s. c 26 s 7; 2009 c 561 s 5; 2006 c 365 s 2.]

Effective date—2025 c 381: See note following RCW 41.45.035.

Effective date—2023 c 396: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect June 30, 2023." [2023 c 396 s 3.]

Finding—Intent—Effective date—2011 c 362: See notes following RCW 41.32.483.

Effective date—2009 c 561: See note following RCW 41.45.010.

Effective date—2006 c 365: See note following RCW 41.45.020.

RCW 41.45.155 Certain plans 2 and 3 normal costs—Minimum basic employer contribution rates. (1) Beginning July 1, 2011, a minimum contribution rate is established for the plans 2 and 3 normal cost as part of the basic employer contribution rate for the public employees' retirement system. The minimum contribution rate for the plans 2 and 3 employer normal cost shall equal the total contribution rate required to fund eighty percent of the plans 2 and 3 employer normal cost as calculated under the entry age normal cost method. This minimum rate, when applicable, shall be collected in addition to any contribution rate required to amortize past gain-sharing distributions in plan 3.

(2) Beginning July 1, 2011, a minimum contribution rate is established for the plan 2 normal cost as part of the basic employer contribution rate for the public safety employees' retirement system. The minimum contribution rate for the plan 2 normal cost shall equal the total contribution rate required to fund eighty percent of the plan 2 normal cost as calculated under the entry age normal cost method.

(3) Beginning September 1, 2011, a minimum contribution rate is established for the plans 2 and 3 normal cost as part of the basic employer contribution rate for the school employees' retirement system. The minimum contribution rate for the plans 2 and 3 employer normal cost shall equal the total contribution rate required to fund eighty percent of the plans 2 and 3 employer normal cost as calculated under the entry age normal cost method. This minimum rate, when applicable, shall be collected in addition to any contribution rate required to amortize past gain-sharing distributions in plan 3.

(4) Beginning September 1, 2011, a minimum contribution rate is established for the plans 2 and 3 normal cost as part of the basic employer contribution rate for the teachers' retirement system. The minimum contribution rate for the plans 2 and 3 employer normal cost shall equal the total contribution rate required to fund eighty percent of the plans 2 and 3 employer normal cost as calculated under

the entry age normal cost method. This minimum rate, when applicable, shall be collected in addition to any contribution rate required to amortize past gain-sharing distributions in plan 3.

(5) A minimum contribution rate is established for the plan 2 normal cost as part of the basic employer and state contribution rate for the law enforcement officers' and firefighters' retirement system. The council may not adopt changes to the minimum contribution rate for plan 2 of the law enforcement officers' and firefighters' retirement system under subsection (6) of this section. On June 30th of each even-numbered year, if the funded status of the law enforcement officers' and firefighters' retirement system plan 2 as measured by the most recent completed actuarial valuation performed by the office of the state actuary is:

(a) Less than 105 percent, then the minimum contribution rate for the employer and state normal cost shall equal the total contribution rate required to fund 100 percent of the plan 2 employer normal cost as calculated under the entry age normal cost method;

(b) Greater than or equal to 105 percent and less than 110 percent, then the minimum contribution rate for the employer and state normal cost shall equal the total contribution rate required to fund 90 percent of the plan 2 employer normal cost as calculated under the entry age normal cost method; or

(c) Greater than or equal to 110 percent, then the minimum contribution rate for the employer and state normal cost shall equal the total contribution rate required to fund 80 percent of the plan 2 employer normal cost as calculated under the entry age normal cost method.

(6) Upon completion of each biennial actuarial valuation, the state actuary shall review the appropriateness of these minimum contribution rates and recommend to the council any adjustments as may be needed due to material changes in benefits or actuarial assumptions, methods, or experience. The minimum contribution rates in this section, including changes adopted by the council, shall be subject to revision by the legislature. [2022 c 125 s 4; 2009 c 561 s 6; 2006 c 365 s 3.]

Effective date—2009 c 561: See note following RCW 41.45.010.

Effective date—2006 c 365: See note following RCW 41.45.020.

RCW 41.45.158 Certain plans 2 and 3 normal costs—Minimum member contribution rates. (1) Beginning July 1, 2009, a minimum contribution rate is established for the plans 2 and 3 normal cost as part of the required contribution rate for members of plan 2 of the public employees' retirement system. The minimum contribution rate for the plans 2 and 3 employee normal cost shall equal the total contribution rate required to fund eighty percent of the plans 2 and 3 employee normal cost as calculated under the entry age normal cost method.

(2) Beginning September 1, 2009, a minimum contribution rate is established for the plans 2 and 3 normal cost as part of the required contribution rate for members of plan 2 of the school employees' retirement system. The minimum contribution rate for the plans 2 and 3 employee normal cost shall equal the total contribution rate required

to fund eighty percent of the plans 2 and 3 employee normal cost as calculated under the entry age normal cost method.

(3) Beginning September 1, 2009, a minimum contribution rate is established for the plans 2 and 3 normal cost as part of the required contribution rate for members of plan 2 of the teachers' retirement system. The minimum contribution rate for the plans 2 and 3 employee normal cost shall equal the total contribution rate required to fund eighty percent of the plans 2 and 3 employee normal cost as calculated under the entry age normal cost method.

(4) A minimum contribution rate is established for the plan 2 normal cost as part of the basic member contribution rate for the law enforcement officers' and firefighters' retirement system. The council may not adopt changes to the minimum contribution rate for plan 2 of the law enforcement officers' and firefighters' retirement system under subsection (5) of this section. On June 30th of each even-numbered year, if the funded status of the law enforcement officers' and firefighters' retirement system plan 2 as measured by the most recent completed actuarial valuation performed by the office of the state actuary is:

(a) Less than 105 percent, then the minimum contribution rate for the member normal cost shall equal the total contribution rate required to fund 100 percent of the plan 2 member normal cost as calculated under the entry age normal cost method;

(b) Greater than or equal to 105 percent and less than 110 percent, then the minimum contribution rate for the member normal cost shall equal the total contribution rate required to fund 90 percent of the plan 2 member normal cost as calculated under the entry age normal cost method; or

(c) Greater than or equal to 110 percent, then the minimum contribution rate for the employer and state normal cost shall equal the total contribution rate required to fund 80 percent of the plan 2 employer normal cost as calculated under the entry age normal cost method.

(5) Upon completion of each biennial actuarial valuation, the state actuary shall review the appropriateness of these minimum contribution rates and recommend to the legislature any adjustments as may be needed due to material changes in benefits or actuarial assumptions, methods, or experience. [2022 c 125 s 5; 2006 c 365 s 4.]

Effective date—2006 c 365: See note following RCW 41.45.020.

RCW 41.45.200 Contribution rates for certain justices and judges—Public employees' retirement system. (1) The required employer contribution rate in support of public employees' retirement system members employed as supreme court justices, court of appeals judges, and superior court judges who elect to participate under RCW 41.40.124(1) or 41.40.870(1), or who are newly elected or appointed after January 1, 2007, shall consist of the public employees' retirement system employer contribution rate established under this chapter plus two and one-half percent of pay.

(2) The required contribution rate for members of the public employees' retirement system plan 2 employed as supreme court justices, court of appeals judges, and superior court judges who elect to participate under RCW 41.40.124(1) or 41.40.870(1), or who are

newly elected or appointed after January 1, 2007, shall be two hundred fifty percent of the member contribution rate for the public employees' retirement system plan 2 established under this chapter less two and one-half percent of pay.

(3) The required contribution rate for members of the public employees' retirement system plan 1 employed as supreme court justices, court of appeals judges, and superior court judges who elect to participate under RCW 41.40.124(1), or who are newly elected or appointed after January 1, 2007, shall be the contribution rate established under RCW 41.40.330 plus three and seventy-six one-hundredths percent of pay. [2006 c 189 s 17.]

Effective date—2006 c 189: See note following RCW 2.14.115.

RCW 41.45.203 Contribution rates for certain justices and judges—Teachers' retirement system. (1) The required employer contribution rate in support of teachers' retirement system members employed as supreme court justices, court of appeals judges, and superior court judges who elect to participate under RCW 41.32.584(1), or who are newly elected or appointed after January 1, 2007, shall equal the teachers' retirement system employer contribution rate established under this chapter.

(2) The required contribution rate for members of the teachers' retirement system plan 1 employed as supreme court justices, court of appeals judges, and superior court judges who elect to participate under RCW 41.32.584(1), or who are newly elected or appointed after January 1, 2007, shall be the deductions established under RCW 41.50.235 plus three and seventy-six one-hundredths percent of pay. [2007 c 492 s 12; 2006 c 189 s 18.]

Effective date—2006 c 189: See note following RCW 2.14.115.

RCW 41.45.207 Contribution rates for certain district or municipal court judges—Public employees' retirement system. (1) The required employer contribution rate in support of public employees' retirement system members employed as district court judges and municipal court judges who elect to participate under RCW 41.40.127(1) or 41.40.873(1), or who are newly elected or appointed after January 1, 2007, shall equal the public employees' retirement system employer contribution rate established under this chapter.

(2) The required contribution rate for members of the public employees' retirement system plan 2 employed as district court judges or municipal court judges who elect to participate under RCW 41.40.127(1) or 41.40.873(1), or who are newly elected or appointed after January 1, 2007, shall be two hundred fifty percent of the member contribution rate for the public employees' retirement system plan 2 established under this chapter.

(3) The required contribution rate for members of the public employees' retirement system plan 1 employed as district court judges or municipal court judges who elect to participate under RCW 41.40.124(1), or who are newly elected or appointed after January 1, 2007, shall be the contribution rate established under RCW 41.40.330 plus six and twenty-six one-hundredths percent of pay. [2006 c 189 s 19.]

Effective date—2006 c 189: See note following RCW 2.14.115.

RCW 41.45.230 Pension funding stabilization account—Creation. The pension funding stabilization account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for payment of state government employer contributions for members of the public employees' retirement system, the teachers' retirement system, the school employees' retirement system, and the public safety employees' retirement system, and during the 2019-2021 and 2021-2023 fiscal biennia for the judicial retirement system. The account may not be used to pay for any new benefit or for any benefit increase that takes effect after July 1, 2005. An increase that is provided in accordance with a formula that is in existence on July 1, 2005, is not considered a benefit increase for this purpose. Moneys in the account shall be for the exclusive use of the specified retirement systems and may be invested by the state treasurer pursuant to RCW 43.84.080. For purposes of RCW 43.135.034, expenditures from the pension funding stabilization account shall not be considered a state program cost shift from the state general fund to another account. [2021 c 334 s 966; 2019 c 415 s 959; 2012 c 187 s 11; 2009 c 564 s 1808; 2008 c 329 s 910; 2006 c 56 s 1.]

Conflict with federal requirements—Effective date—2021 c 334: See notes following RCW 43.79.555.

Effective date—2019 c 415: See note following RCW 28B.20.476.

Effective date—2009 c 564: See note following RCW 2.68.020.

Severability—Effective date—2008 c 329: See notes following RCW 28B.105.110.

Effective dates—2006 c 56: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [March 15, 2006], except section 10 of this act, which takes effect July 1, 2006." [2006 c 56 s 13.]