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SENATE BILL 6455

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State of Washington

60th Legislature

2008 Regular Session

By Senators Haugen, Swecker, Murray, Schoesler, Kauffman, Marr, Shin, McAuliffe, and Rasmussen

Read first time 01/16/08. Referred to Committee on Transportation.

1 AN ACT Relating to the Washington state patrol retirement system;  
2 amending RCW 41.45.050, 41.45.060, 41.45.030, 41.45.070, 41.04.281, and  
3 41.04.278; reenacting and amending RCW 44.44.040; adding a new chapter  
4 to Title 43 RCW; and providing an effective date.

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

6 NEW SECTION. **Sec. 1.** The legislature intends to:

7 (1) Establish a board of trustees responsible for the adoption of  
8 actuarial standards to be applied to the plan;

9 (2) Direct the board to zealously manage the trust funds for the  
10 benefit of the members and beneficiaries of the plan, including  
11 exercising a preference for enhancing plan benefits rather than  
12 decreasing contribution rates;

13 (3) Exercise fiduciary responsibility in the oversight of those  
14 pension management functions assigned to the board;

15 (4) Provide effective monitoring of the plan by providing an annual  
16 report to the legislature, to the members and beneficiaries of the  
17 plan, and to the public;

18 (5) Establish contribution rates for employees and the state of

1 Washington that will guaranty viability of the plan, subject to the  
2 limitations provided for in this chapter;

3 (6) Require the department of retirement systems to provide staff  
4 and resources for the board; and

5 (7) Enable the board to retain professional and technical advisors  
6 as necessary for the fulfillment of their statutory responsibilities.

7 NEW SECTION. **Sec. 2.** The definitions in this section apply  
8 throughout this chapter unless the context clearly requires otherwise.

9 (1) "Member" has the same meaning as that provided in RCW 43.43.120  
10 and also includes separated vested members of the plan who are not  
11 currently receiving benefits.

12 (2) "Plan" means the Washington state patrol retirement system  
13 established under chapter 43.43 RCW.

14 (3) "Actuary" means the actuary employed by the board of trustees.

15 (4) "State actuary" means the actuary employed under chapter 44.44  
16 RCW.

17 (5) "Board" or "board of trustees" means the Washington state  
18 patrol retirement system board of trustees.

19 (6) "Board member" means a member of the Washington state patrol  
20 retirement system board of trustees.

21 (7) "Department" means the department of retirement systems.

22 (8) "Enrolled actuary" means an actuary who is enrolled under the  
23 employee retirement income security act of 1974 (Subtitle C of Title  
24 III) and who is a member of the society of actuaries or the American  
25 academy of actuaries.

26 (9) "Trust" means the assets of the Washington state patrol  
27 retirement system.

28 (10) "Benefits" means the age or service or combination thereof  
29 required for retirement, the level of service benefits, survivorship  
30 benefits, payment options including a deferred retirement option plan,  
31 average final compensation, postretirement cost-of-living adjustments,  
32 including health care and the elements of compensation. "Benefits"  
33 does not include the classifications of employment eligible to  
34 participate in the plan.

35 (11) "Actuarially sound" means the plan is sufficiently funded to  
36 meet its projected liabilities and to defray the reasonable expenses of  
37 its operation based upon commonly accepted, sound actuarial principles.

1 (12) "Beneficiary" has the same meaning as provided in RCW  
2 43.43.120.

3 NEW SECTION. **Sec. 3.** (1) A nine member board of trustees is  
4 hereby created. Representation on the board is as follows:

5 (a) Two active members of the plan appointed by the Washington  
6 state patrol troopers association;

7 (b) One active member of the plan appointed by the chief of the  
8 Washington state patrol;

9 (c) One retired member of the plan appointed by the Washington  
10 state patrol troopers association;

11 (d) One member appointed by the director of financial management;

12 (e) Two members of the house of representatives transportation  
13 committee, one appointed by the speaker of the house of representatives  
14 and one appointed by the leader of the largest minority caucus of the  
15 house of representatives; and

16 (f) Two members of the senate transportation committee, one  
17 appointed by the senate majority leader and one appointed by the leader  
18 of the largest minority caucus of the senate.

19 (2) The initial retirement system board members shall serve  
20 staggered terms of four and two years, respectively. Thereafter,  
21 retirement system board members serve terms of four years. Board  
22 members may be reappointed to succeeding terms without limitation.  
23 Board members shall serve until their successors are appointed and  
24 seated.

25 (3) In the event of a vacancy on the board, the vacancy shall be  
26 filled in the same manner as prescribed for an initial appointment.

27 (4) If a board member appointed under subsection (1)(a) of this  
28 section is promoted to the rank of lieutenant or higher, he or she  
29 ceases to be a board member and subsection (3) of this section applies.

30 NEW SECTION. **Sec. 4.** (1) The board of trustees has the following  
31 powers and duties and shall:

32 (a) Adopt actuarial tables, assumptions, and cost methodologies in  
33 consultation with the state actuary. The state actuary shall utilize  
34 the aggregate actuarial cost method, or other recognized actuarial cost  
35 method based on a level percentage of payroll, as that term is employed  
36 by the American academy of actuaries. The board may employ an

1 independent actuary to evaluate or supplement the state actuary's work  
2 for the board. If the independent actuary and the state actuary cannot  
3 agree, they shall appoint a third, independent enrolled actuary who  
4 shall review the calculations of the actuary retained by the board and  
5 the state actuary. Thereafter, contributions shall be based on the  
6 methodology most closely following that of the third actuary;

7 (b) Recommend to the legislature changes in statutes governing  
8 benefits or administration of the system. The governor shall submit a  
9 request for legislation necessary to implement the changes recommended  
10 by the board under this subsection. Requests for legislation may not  
11 be submitted to the legislature by the governor unless the requests:

12 (i) Have been submitted to the director of financial management by  
13 October 1st before the legislative session at which the requests are to  
14 be considered; and

15 (ii) Have been certified by the director of financial management as  
16 being feasible financially for the state;

17 (c) Retain professional and technical advisors necessary for the  
18 accomplishment of its duties;

19 (d) Consult with the department for the purpose of improving  
20 benefit administration and member services;

21 (e) Provide an annual report to the governor and the legislature  
22 setting forth the actuarial funding status of the plan and making  
23 recommendations for improvements in those aspects of retirement  
24 administration directed by the legislature or administered by the  
25 department;

26 (f) Establish uniform administrative rules and operating policies  
27 in the manner prescribed by law;

28 (g) Engage administrative staff and acquire office space in  
29 conjunction with the department. The department shall provide funding  
30 from its budget for these purposes:

31 (i) The board, in consultation with the department, shall hire an  
32 executive director who serves at the pleasure of the board;

33 (ii) The executive director shall hire staff into positions  
34 authorized by the board;

35 (h) Publish on an annual basis a schedule of benefits together with  
36 a summary of the benefits as established by the legislature which shall  
37 constitute the official plan document;

1 (i) Be the fiduciary of the plan and discharge the board's duties  
2 solely in the interest of the members and beneficiaries of the plan;  
3 and

4 (j) Render final decisions under chapter 34.05 RCW on adjudicative  
5 proceedings arising out of the administration of the plan.

6 (2) Meetings of the board of trustees shall be conducted as  
7 follows:

8 (a) All board meetings are open to the public, preceded by timely  
9 public notice;

10 (b) All actions of the board shall be taken in open public session,  
11 except for those matters which may be considered in executive session  
12 as provided under chapter 42.17 RCW;

13 (c) The board shall retain minutes of each meeting setting forth  
14 the names of those board members present and absent, and their voting  
15 record on any voted issue; and

16 (d) The board may establish, with the assistance of the department,  
17 an internet web site providing for interactive communication with state  
18 government, members and beneficiaries of the plan, and the public.

19 (3) A quorum of the board is five board members. All board actions  
20 require five concurring votes.

21 (4) The decisions of the board shall be made in good faith and are  
22 final, binding, and conclusive on all parties. The decisions of the  
23 board shall be subject to judicial review as provided by law.

24 (5) The board shall prepare and submit an annual budget consistent  
25 with the requirements of chapter 43.88 RCW to the department. The  
26 department shall include the board's budget in its budget submittal  
27 under chapter 43.88 RCW. Board members and staff shall be reimbursed  
28 for travel and education expenses as provided in RCW 43.03.050 and  
29 43.03.060. The board shall make an annual report to the governor,  
30 legislature, and state auditor setting forth a summary of the costs and  
31 expenditures of the plan for the preceding year. The board shall also  
32 retain the services of an independent, certified public accountant who  
33 shall annually audit the expenses of the fund and whose report shall be  
34 included in the board's annual report.

35 NEW SECTION. **Sec. 5.** (1) The board of trustees shall establish  
36 contributions and set economic assumptions. The cost of the benefits

1 as defined in this plan shall be funded on a sound actuarial basis in  
2 accordance with the actuarial standards adopted by the board.

3 (2) The board shall manage the trust in a manner that maintains  
4 reasonable contributions and administrative costs. Providing  
5 additional benefits to members and beneficiaries is the board's  
6 priority.

7 **Sec. 6.** RCW 44.44.040 and 2003 c 295 s 4 and 2003 c 92 s 2 are  
8 each reenacted and amended to read as follows:

9 The office of the state actuary shall have the following powers and  
10 duties:

11 (1) Perform all actuarial services for the department of retirement  
12 systems, including all studies required by law.

13 (2) Advise the legislature and the governor regarding pension  
14 benefit provisions, and funding policies and investment policies of the  
15 state investment board.

16 (3) Consult with the legislature and the governor concerning  
17 determination of actuarial assumptions used by the department of  
18 retirement systems.

19 (4) Prepare a report, to be known as the actuarial fiscal note, on  
20 each pension bill introduced in the legislature which briefly explains  
21 the financial impact of the bill. The actuarial fiscal note shall  
22 include: (a) The statutorily required contribution for the biennium  
23 and the following twenty-five years; (b) the biennial cost of the  
24 increased benefits if these exceed the required contribution; and (c)  
25 any change in the present value of the unfunded accrued benefits. An  
26 actuarial fiscal note shall also be prepared for all amendments which  
27 are offered in committee or on the floor of the house of  
28 representatives or the senate to any pension bill. However, a majority  
29 of the members present may suspend the requirement for an actuarial  
30 fiscal note for amendments offered on the floor of the house of  
31 representatives or the senate.

32 (5) Provide such actuarial services to the legislature as may be  
33 requested from time to time.

34 (6) Provide staff and assistance to the committee established under  
35 RCW 41.04.276.

36 (7) Provide actuarial assistance to the law enforcement officers'

1 and firefighters' plan 2 retirement board as provided in chapter 2,  
2 Laws of 2003. Reimbursement for services shall be made to the state  
3 actuary under RCW 39.34.130 and section 5(5), chapter 2, Laws of 2003.

4 (8) Provide actuarial assistance to the Washington state patrol  
5 retirement system board of trustees under sections 4 and 5 of this act.

6 **Sec. 7.** RCW 41.45.050 and 2004 c 242 s 38 are each amended to read  
7 as follows:

8 (1) Employers of members of the public employees' retirement  
9 system, the teachers' retirement system, the school employees'  
10 retirement system, and the public safety employees' retirement  
11 system(~~(, and the Washington state patrol retirement system)~~) shall  
12 make contributions to those systems based on the rates established in  
13 RCW 41.45.060 and 41.45.070.

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

19 (3) The department shall bill employers, and the state shall make  
20 contributions to the law enforcement officers' and firefighters'  
21 retirement system plan 2, using the combined rates established in RCW  
22 41.45.060 and 41.45.070 regardless of the level of appropriation  
23 provided in the biennial budget. Any member of an affected retirement  
24 system may, by mandamus or other appropriate proceeding, require the  
25 transfer and payment of funds as directed in this section.

26 (4) The contributions received for the public employees' retirement  
27 system shall be allocated between the public employees' retirement  
28 system plan 1 fund and the public employees' retirement system combined  
29 plan 2 and plan 3 fund as follows: The contributions necessary to  
30 fully fund the public employees' retirement system combined plan 2 and  
31 plan 3 employer contribution shall first be deposited in the public  
32 employees' retirement system combined plan 2 and plan 3 fund. All  
33 remaining public employees' retirement system employer contributions  
34 shall be deposited in the public employees' retirement system plan 1  
35 fund.

36 (5) The contributions received for the teachers' retirement system  
37 shall be allocated between the plan 1 fund and the combined plan 2 and

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

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

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

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

27 (9) The employer of the members of the Washington state patrol  
28 retirement system shall make contributions to that system based on the  
29 rates established under section 5 of this act regardless of the level  
30 of appropriation provided in the biennial budget. The contributions  
31 received for the Washington state patrol retirement system shall be  
32 deposited in the Washington state patrol retirement fund.

33 **Sec. 8.** RCW 41.45.060 and 2007 c 280 s 2 are each amended to read  
34 as follows:

35 (1) The state actuary shall provide preliminary actuarial valuation  
36 results based on the economic assumptions and asset value smoothing



1 technique included in RCW 41.45.035 or adopted under RCW 41.45.030 or  
2 41.45.035.

3 (2) Not later than July 31, 2008, and every two years thereafter,  
4 consistent with the economic assumptions and asset value smoothing  
5 technique included in RCW 41.45.035 or adopted under RCW 41.45.030 or  
6 41.45.035, the council shall adopt and may make changes to:

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

9 (b) Basic employer contribution rates for the public employees'  
10 retirement system((~~7~~)) and the teachers' retirement system((~~7~~, ~~and the~~  
11 ~~Washington state patrol retirement system~~)); and

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

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

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

21 (a) To fully amortize the total costs of the public employees'  
22 retirement system plan 1, the teachers' retirement system plan 1, and  
23 the law enforcement officers' and firefighters' retirement system plan  
24 1 not later than June 30, 2024; and

25 (b) To fully fund the public employees' retirement system plans 2  
26 and 3, the teachers' retirement system plans 2 and 3, the public safety  
27 employees' retirement system plan 2, and the school employees'  
28 retirement system plans 2 and 3 in accordance with RCW 41.45.061,  
29 41.45.067, and this section.

30 (4) The aggregate actuarial cost method shall be used to calculate  
31 a combined plan 2 and 3 employer contribution rate ((~~and a Washington~~  
32 ~~state patrol retirement system contribution rate~~)).

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

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

4 (7) The state actuary shall prepare final actuarial valuation  
5 results based on the economic assumptions, asset value smoothing  
6 technique, and contribution rates included in or adopted under RCW  
7 41.45.030, 41.45.035, and this section.

8 **Sec. 9.** RCW 41.45.030 and 2007 c 280 s 1 are each amended to read  
9 as follows:

10 (1) Beginning September 1, 2007, and every two years thereafter,  
11 the state actuary shall:

12 (a) Submit to the council information regarding the experience and  
13 financial condition of each state retirement system, and make  
14 recommendations regarding the long-term economic assumptions set forth  
15 in RCW 41.45.035. The council shall review this and such other  
16 information as it may require; and

17 (b) Submit to the Washington state patrol retirement system board  
18 information regarding the experience and financial condition of each  
19 state retirement system, and make recommendations regarding the long-  
20 term economic growth assumptions under RCW 41.45.035.

21 (2)(a) By October 31, 2007, and every two years thereafter((7)):

22 (i) The council, by affirmative vote of four councilmembers, may  
23 adopt changes to the long-term economic assumptions established in RCW  
24 41.45.035. Any changes adopted by the council shall be subject to  
25 revision by the legislature; and

26 (ii) The Washington state patrol retirement system board shall  
27 consider and may adopt changes to the long-term economic assumptions  
28 under RCW 41.45.035.

29 (b) The council and the Washington state patrol retirement system  
30 board shall consult with the economic and revenue forecast supervisor  
31 and the executive director of the state investment board, and shall  
32 consider long-term historical averages, in reviewing possible changes  
33 to the economic assumptions.

34 (3) The assumptions and the asset value smoothing technique  
35 established in RCW 41.45.035, as modified in the future by the council  
36 or legislature, shall be used by the state actuary in conducting all  
37 actuarial studies of the state retirement systems, including actuarial

1 fiscal notes under RCW 44.44.040. The assumptions shall also be used  
2 for the administration of benefits under the retirement plans listed in  
3 RCW 41.45.020, pursuant to timelines and conditions established by  
4 department rules.

5 **Sec. 10.** RCW 41.45.070 and 2007 c 491 s 12 are each amended to  
6 read as follows:

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

19 (2) In addition to the basic member, employer, and state  
20 contribution rate established in RCW 41.45.0604 for the law enforcement  
21 officers' and firefighters' retirement system plan 2, the department  
22 shall also establish supplemental rates to pay for the cost of  
23 additional benefits, if any, granted to members of the law enforcement  
24 officers' and firefighters' retirement system plan 2. Except as  
25 provided in subsection (6) of this section, these supplemental rates  
26 shall be calculated by the actuary retained by the law enforcement  
27 officers' and firefighters' board and the state actuary through the  
28 process provided in RCW 41.26.720(1)(a) and the state treasurer shall  
29 transfer the additional required contributions regardless of language  
30 to the contrary contained in the statute which authorizes the  
31 additional benefits.

32 (3) The supplemental rate charged under this section to fund  
33 benefit increases provided to active members of the public employees'  
34 retirement system plan 1, the teachers' retirement system plan 1, and  
35 Washington state patrol retirement system, shall be calculated as the  
36 level percentage of all members' pay needed to fund the cost of the  
37 benefit not later than June 30, 2024.

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

9 (5) The supplemental rate charged under this section to fund  
10 postretirement adjustments which are provided on a nonautomatic basis  
11 to current retirees shall be calculated as the percentage of pay needed  
12 to fund the adjustments as they are paid to the retirees. The  
13 supplemental rate charged under this section to fund automatic  
14 postretirement adjustments for active or retired members of the public  
15 employees' retirement system plan 1 and the teachers' retirement system  
16 plan 1 shall be calculated as the level percentage of pay needed to  
17 fund the cost of the automatic adjustments not later than June 30,  
18 2024.

19 (6) A supplemental rate shall not be charged to pay for the cost of  
20 additional benefits granted to members pursuant to chapter 340, Laws of  
21 1998.

22 (7) A supplemental rate shall not be charged to pay for the cost of  
23 additional benefits granted to members pursuant to chapter 41.31A RCW;  
24 section 309, chapter 341, Laws of 1998; or section 701, chapter 341,  
25 Laws of 1998.

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

29 (9) A supplemental rate shall not be charged to pay for the cost of  
30 the additional benefits granted to members of the teachers' retirement  
31 system and the school employees' retirement system plans 2 and 3 in  
32 sections 2, 4, 6, and 8, chapter 491, Laws of 2007 until September 1,  
33 2008. A supplemental rate shall not be charged to pay for the cost of  
34 the additional benefits granted to members of the public employees'  
35 retirement system plans 2 and 3 under sections 9 and 10, chapter 491,  
36 Laws of 2007 until July 1, 2008.

37 (10) In addition to the basic member and employer contribution  
38 rates established in section 5 of this act for the Washington state

1 patrol retirement system, the board shall also establish supplemental  
2 rates to pay for the cost of additional benefits, if any, granted to  
3 members of the Washington state patrol retirement system. Except as  
4 provided in subsection (8) of this section, these supplemental rates  
5 shall be calculated by the actuary retained by the Washington state  
6 patrol retirement system board and the state actuary through the  
7 process provided in section 4 of this act and the state treasurer shall  
8 transfer the additional required contributions regardless of language  
9 to the contrary contained in the statute which authorizes the  
10 additional benefits.

11 **Sec. 11.** RCW 41.04.281 and 2003 c 295 s 5 are each amended to read  
12 as follows:

13 The select committee on pension policy has the following powers and  
14 duties:

15 (1) Study pension issues, develop pension policies for public  
16 employees in state retirement systems, other than the Washington state  
17 patrol retirement system, and make recommendations to the legislature;

18 (2) Study the financial condition of the state pension systems,  
19 develop funding policies, and make recommendations to the legislature;

20 (3) Consult with the chair and vice-chair on appointing members to  
21 the state actuary appointment committee upon the convening of the state  
22 actuary appointment committee established under RCW 44.44.013; and

23 (4) Receive the results of the actuarial audits of the actuarial  
24 valuations and experience studies administered by the pension funding  
25 council pursuant to RCW 41.45.110. The select committee on pension  
26 policy shall study and make recommendations on changes to assumptions  
27 or contribution rates to the pension funding council prior to adoption  
28 of changes under RCW 41.45.030, 41.45.035, or 41.45.060.

29 **Sec. 12.** RCW 41.04.278 and 2006 c 309 s 4 are each amended to read  
30 as follows:

31 (1) The select committee on pension policy may form three function-  
32 specific subcommittees, as set forth under subsection (2) of this  
33 section, from the members under RCW 41.04.276(1) (a) through (e), as  
34 follows:

35 (a) A public safety subcommittee with one member from each group  
36 under RCW 41.04.276(1) (a) through (e);

1 (b) An education subcommittee with one member from each group under  
2 RCW 41.04.276(1) (a) through (e); and

3 (c) A state and local government subcommittee, with one retiree  
4 member under RCW 41.04.276(1)(d) and two members from each group under  
5 RCW 41.04.276(1) (a) through (c) and (e).

6 The retiree members may serve on more than one subcommittee to  
7 ensure representation on each subcommittee.

8 (2)(a) The public safety subcommittee shall focus on pension issues  
9 affecting public safety employees who are members of the law  
10 enforcement officers' and firefighters'((~~7~~)) and public safety  
11 employees'((~~7~~ and Washington state patrol)) retirement systems.

12 (b) The education subcommittee shall focus on pension issues  
13 affecting educational employees who are members of the public  
14 employees', teachers', and school employees' retirement systems.

15 (c) The state and local government subcommittee shall focus on  
16 pension issues affecting state and local government employees who are  
17 members of the public employees' retirement system.

18 NEW SECTION. **Sec. 13.** The select committee on pension policy  
19 established in RCW 41.04.276 and the pension funding council created in  
20 RCW 41.45.100 has no applicability or authority over matters relating  
21 to this plan.

22 NEW SECTION. **Sec. 14.** Assets of the plan shall be managed by the  
23 state investment board as provided by law.

24 NEW SECTION. **Sec. 15.** If any provision of this act or its  
25 application to any person or circumstance is held invalid, the  
26 remainder of the act or the application of the provision to other  
27 persons or circumstances is not affected.

28 NEW SECTION. **Sec. 16.** Sections 1 through 5 and 13 through 15 of  
29 this act constitute a new chapter in Title 43 RCW.

30 NEW SECTION. **Sec. 17.** This act takes effect July 1, 2008.

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