## SUBSTITUTE SENATE BILL 5355

State of Washington 66th Legislature 2019 Regular Session

**By** Senate Ways & Means (originally sponsored by Senators Holy and Van De Wege; by request of LEOFF Plan 2 Retirement Board)

READ FIRST TIME 02/07/19.

1 AN ACT Relating to recovering service credit withdrawn from the 2 public employees' retirement system for certain law enforcement 3 officers and firefighters; and creating a new section.

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

5 <u>NEW SECTION.</u> Sec. 1. (1) Any current or former law enforcement 6 officers or firefighters, who are or were employed by a department of 7 retirement systems covered employer, may transfer service credit they 8 earned as law enforcement officers or firefighters in the public 9 employees' retirement system to the law enforcement officers' and 10 firefighters' retirement system plan 2 by irrevocable election, if 11 they:

12 (a) Were excluded from membership in the law enforcement 13 officers' and firefighters' retirement system plan 1 due solely to 14 failure to successfully meet the minimum medical and health standards 15 provided by RCW 41.26.045;

16 (b) Were previously excluded from membership in the public 17 employees' retirement system under RCW 41.26.045;

18 (c) Were subsequently enrolled into the public employees' 19 retirement system after chapter 298, Laws of 1994 amended the 20 definition of "member" under RCW 41.40.010 to clarify RCW 41.26.045; 21 and

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1 (d) Separated from employment before paying back past 2 contributions owed; withdrew their contributions; and if there is no 3 record of the department of retirement systems providing the member 4 with an estimate of their option to complete repayment via an 5 actuarial reduction to their pension.

6 (2) The election under subsection (1) of this section must be 7 made by July 1, 2020, and must be filed in writing with the 8 department of retirement systems and any benefit is effective 9 prospectively from the month the application is received by the 10 department of retirement systems.

(3) Members electing to become a member of the law enforcement officers' and firefighters' retirement system plan 2 under subsection (1) of this section must pay all member contributions owed, without interest, through taking an actuarial reduction to their ongoing benefit or making a lump sum payment at the time of their election.

16 (4) If a member elects to become a member of the law enforcement 17 officers' and firefighters' retirement system plan 2 under subsection 18 (1) of this section, any employer contribution payments made to the public employees' retirement system by the member's former employer 19 20 or employers for the member's applicable service credit must be transferred to the law enforcement officers' and firefighters' system 21 22 plan 2 retirement fund established in RCW 41.50.075. Neither the employer nor the member are required to pay any difference between 23 the public employees' retirement system employer contributions paid 24 25 and the law enforcement officers' and firefighters' retirement system 26 plan 2 employer contributions.

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