
HOUSE BILL 2339

State of Washington

66th Legislature

2020 Regular Session

By Representative Fitzgibbon; by request of Select Committee on Pension Policy

Prefiled 01/09/20.

1 AN ACT Relating to the definition of salary for the Washington
2 state patrol retirement system; amending RCW 43.43.120; and creating
3 a new section.

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

5 NEW SECTION. **Sec. 1.** (1) In 2001, the legislature passed
6 chapter 329, Laws of 2001 which, beginning July 1, 2001, removed the
7 ability for newly commissioned officers in the Washington state
8 patrol to include certain types of earnings in their final average
9 salary used for calculating their pension at the time of retirement.
10 Chapter 329, Laws of 2001 also created the Washington state patrol
11 retirement system plan 2 which applied to commissioned employees who
12 first become members of the system on or after January 1, 2003.

13 (2) The legislature intends to allow state patrol troopers who
14 were commissioned between July 1, 2001, and December 31, 2002, to
15 include unused vacation, annual leave, and holiday pay in their
16 salary average at retirement.

17 **Sec. 2.** RCW 43.43.120 and 2017 c 181 s 1 are each amended to
18 read as follows:

19 As used in this section and RCW 43.43.130 through 43.43.320,
20 unless a different meaning is plainly required by the context:

1 (1) "Actuarial equivalent" shall mean a benefit of equal value
2 when computed upon the basis of such mortality table as may be
3 adopted and such interest rate as may be determined by the director.

4 (2) "Annual increase" means as of July 1, 1999, seventy-seven
5 cents per month per year of service which amount shall be increased
6 each subsequent July 1st by three percent, rounded to the nearest
7 cent.

8 (3)(a) "Average final salary," for members commissioned prior to
9 January 1, 2003, shall mean the average monthly salary received by a
10 member during the member's last two years of service or any
11 consecutive two-year period of service, whichever is the greater, as
12 an employee of the Washington state patrol; or if the member has less
13 than two years of service, then the average monthly salary received
14 by the member during the member's total years of service.

15 (b) "Average final salary," for members commissioned on or after
16 January 1, 2003, shall mean the average monthly salary received by a
17 member for the highest consecutive sixty service credit months; or if
18 the member has less than sixty months of service, then the average
19 monthly salary received by the member during the member's total
20 months of service.

21 (c) In calculating average final salary under (a) or (b) of this
22 subsection, the department of retirement systems shall include:

23 (i) Any compensation forgone by the member during the 2009-2011
24 fiscal biennium as a result of reduced work hours, mandatory or
25 voluntary leave without pay, temporary reduction in pay implemented
26 prior to December 11, 2010, or temporary layoffs if the reduced
27 compensation is an integral part of the employer's expenditure
28 reduction efforts, as certified by the chief; and

29 (ii) Any compensation forgone by a member during the 2011-2013
30 fiscal biennium as a result of reduced work hours, mandatory leave
31 without pay, temporary layoffs, or reductions to current pay if the
32 reduced compensation is an integral part of the employer's
33 expenditure reduction efforts, as certified by the chief. Reductions
34 to current pay shall not include elimination of previously agreed
35 upon future salary reductions.

36 (4) "Beneficiary" means any person in receipt of retirement
37 allowance or any other benefit allowed by this chapter.

38 (5)(a) "Cadet," for a person who became a member of the
39 retirement system after June 12, 1980, is a person who has passed the
40 Washington state patrol's entry-level oral, written, physical

1 performance, and background examinations and is, thereby, appointed
2 by the chief as a candidate to be a commissioned officer of the
3 Washington state patrol.

4 (b) "Cadet," for a person who became a member of the retirement
5 system before June 12, 1980, is a trooper cadet, patrol cadet, or
6 employee of like classification, employed for the express purpose of
7 receiving the on-the-job training required for attendance at the
8 state patrol academy and for becoming a commissioned trooper. "Like
9 classification" includes: Radio operators or dispatchers; persons
10 providing security for the governor or legislature; patrol officers;
11 drivers' license examiners; weighmasters; vehicle safety inspectors;
12 central wireless operators; and warehouse workers.

13 (6) "Contributions" means the deduction from the compensation of
14 each member in accordance with the contribution rates established
15 under chapter 41.45 RCW.

16 (7) "Current service" shall mean all service as a member rendered
17 on or after August 1, 1947.

18 (8) "Department" means the department of retirement systems
19 created in chapter 41.50 RCW.

20 (9) "Director" means the director of the department of retirement
21 systems.

22 (10) "Domestic partners" means two adults who have registered as
23 domestic partners under RCW 26.60.040.

24 (11) "Employee" means any commissioned employee of the Washington
25 state patrol.

26 (12) "Insurance commissioner" means the insurance commissioner of
27 the state of Washington.

28 (13) "Lieutenant governor" means the lieutenant governor of the
29 state of Washington.

30 (14) "Member" means any person included in the membership of the
31 retirement fund.

32 (15) "Plan 2" means the Washington state patrol retirement system
33 plan 2, providing the benefits and funding provisions covering
34 commissioned employees who first become members of the system on or
35 after January 1, 2003.

36 (16) "Prior service" shall mean all services rendered by a member
37 to the state of Washington, or any of its political subdivisions
38 prior to August 1, 1947, unless such service has been credited in
39 another public retirement or pension system operating in the state of
40 Washington.

1 (17) "Regular interest" means interest compounded annually at
2 such rates as may be determined by the director.

3 (18) "Retirement board" means the board provided for in this
4 chapter.

5 (19) "Retirement fund" means the Washington state patrol
6 retirement fund.

7 (20) "Retirement system" means the Washington state patrol
8 retirement system.

9 (21)(a) "Salary," for members commissioned prior to July 1, 2001,
10 shall exclude any overtime earnings related to RCW 47.46.040, or any
11 voluntary overtime, earned on or after July 1, 2001, and prior to
12 July 1, 2017. On or after July 1, 2017, salary shall exclude overtime
13 earnings in excess of seventy hours per year in total related to
14 either RCW 47.46.040 or any voluntary overtime.

15 (b) "Salary," for members commissioned (~~on or after~~) from July
16 1, 2001, to December 31, 2002, shall exclude any overtime earnings
17 related to RCW 47.46.040 or any voluntary overtime, earned prior to
18 July 1, 2017, lump sum payments for deferred annual sick leave,
19 (~~unused accumulated vacation, unused accumulated annual leave,~~
20 ~~holiday pay,~~) or any form of severance pay. On or after July 1,
21 2017, salary shall exclude overtime earnings in excess of seventy
22 hours per year in total related to either RCW 47.46.040 or any
23 voluntary overtime.

24 (c) "Salary," for members commissioned on or after January 1,
25 2003, shall exclude any overtime earnings related to RCW 47.46.040 or
26 any voluntary overtime, earned prior to July 1, 2017, lump sum
27 payments for deferred annual sick leave, unused accumulated vacation,
28 unused accumulated annual leave, holiday pay, or any form of
29 severance pay. On or after July 1, 2017, salary shall exclude
30 overtime earnings in excess of seventy hours per year in total
31 related to either RCW 47.46.040 or any voluntary overtime.

32 (d) The addition of overtime earnings related to RCW 47.46.040 or
33 any voluntary overtime earned on or after July 1, 2017, in chapter
34 181, Laws of 2017 is a benefit improvement that increases the member
35 maximum contribution rate under RCW 41.45.0631(1) by 1.10 percent.

36 (22) "Service" shall mean services rendered to the state of
37 Washington or any political subdivisions thereof for which
38 compensation has been paid. Full time employment for seventy or more
39 hours in any given calendar month shall constitute one month of
40 service. An employee who is reinstated in accordance with RCW

1 43.43.110 shall suffer no loss of service for the period reinstated
2 subject to the contribution requirements of this chapter. Only months
3 of service shall be counted in the computation of any retirement
4 allowance or other benefit provided for herein. Years of service
5 shall be determined by dividing the total number of months of service
6 by twelve. Any fraction of a year of service as so determined shall
7 be taken into account in the computation of such retirement allowance
8 or benefit.

9 (23) "State actuary" or "actuary" means the person appointed
10 pursuant to RCW 44.44.010(2).

11 (24) "State treasurer" means the treasurer of the state of
12 Washington.

13 Unless the context expressly indicates otherwise, words importing
14 the masculine gender shall be extended to include the feminine gender
15 and words importing the feminine gender shall be extended to include
16 the masculine gender.

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