

### Allotments And Expenditures By Fiscal Month

Biennium: 2005

Program Index: ALL PROGRAM INDEXES (AGENCY REPORT)

Fiscal Year: FY2 - MARCH

Date Run April 7, 2005 - 11:45:28 AM

Agency: 341 - LAW ENFORCEMENT & FIRE FIGHTERS PLAN2 RE

Activity Through April 6, 2005 - 8:22:00 PM

Object	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Adj	Total
<b>Object: A SALARIES AND WAGES</b>														
<b>Sub-Object: AA STATE CLASSIFIED</b>														
Allot	22,717	22,717	22,754	22,937	23,184	23,202	23,202	23,202	23,202	23,202	23,202	23,202		276,723
Expend	9,700	9,700	9,820	9,920	10,161	14,665	15,373	18,145	15,373					112,856
<b>SObj Var</b>	<b>13,017</b>	<b>13,017</b>	<b>12,934</b>	<b>13,017</b>	<b>13,023</b>	<b>8,537</b>	<b>7,829</b>	<b>5,057</b>	<b>7,829</b>	<b>23,202</b>	<b>23,202</b>	<b>23,202</b>		<b>163,867</b>
<b>Sub-Object: AC STATE EXEMPT</b>														
Allot	11,000	11,000	11,000	11,000	11,088	11,175	11,175	11,175	11,175	11,175	11,175	11,175		133,313
Expend	10,000	10,000	10,000	10,000	10,024	10,175	10,671	10,758	10,758					92,386
<b>SObj Var</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,064</b>	<b>1,000</b>	<b>504</b>	<b>417</b>	<b>417</b>	<b>11,175</b>	<b>11,175</b>	<b>11,175</b>		<b>40,927</b>
<b>Object: A SALARIES AND WAGES</b>														
Allot	33,717	33,717	33,754	33,937	34,272	34,377	34,377	34,377	34,377	34,377	34,377	34,377		410,036
Expend	19,700	19,700	19,820	19,920	20,185	24,840	26,044	28,903	26,131					205,243
<b>Obj Var</b>	<b>14,017</b>	<b>14,017</b>	<b>13,934</b>	<b>14,017</b>	<b>14,087</b>	<b>9,537</b>	<b>8,333</b>	<b>5,474</b>	<b>8,246</b>	<b>34,377</b>	<b>34,377</b>	<b>34,377</b>		<b>204,793</b>
<b>Object: B EMPLOYEE BENEFITS</b>														
<b>Sub-Object: BA OLD AGE AND SURVIVORS INSURANCE</b>														
Allot	2,090	2,090	2,093	2,104	2,125	2,131	2,131	2,131	2,131	2,131	2,131	2,131		25,419
Expend	1,200	1,195	1,207	1,213	1,230	1,518	1,588	1,767	1,595					12,513
<b>SObj Var</b>	<b>890</b>	<b>895</b>	<b>886</b>	<b>891</b>	<b>895</b>	<b>613</b>	<b>543</b>	<b>364</b>	<b>536</b>	<b>2,131</b>	<b>2,131</b>	<b>2,131</b>		<b>12,906</b>

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Object	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Adj	Total
<b>Sub-Object: BB RETIREMENT AND PENSIONS</b>														
Allot	472	472	473	475	480	481	481	481	481	481	481	481	481	5,739
Expend	276	276	274	275	279	343	359	399	361					2,840
SOBJ Var	196	196	199	200	201	138	122	82	120	481	481	481	481	2,899
<b>Sub-Object: BC MEDICAL AID &amp; INDUSTRIAL INSURANCE</b>														
Allot	162	162	162	162	162	162	162	162	162	162	162	162	162	1,944
Expend	108	108	108	108	108	132	140	140	140	140	140	140	140	1,092
SOBJ Var	54	54	54	54	54	30	22	22	22	162	162	162	162	852
<b>Sub-Object: BD HEALTH, LIFE &amp; DISABILITY INSURANCE</b>														
Allot	3,554	3,554	3,554	3,554	3,554	3,554	3,554	3,554	3,554	3,554	3,554	3,554	3,554	42,648
Expend	2,338	2,338	2,338	2,338	2,338	2,338	2,923	2,923	2,923	2,923	2,923	2,923	2,923	22,799
SOBJ Var	1,216	1,216	1,216	1,216	1,216	1,216	631	631	631	3,554	3,554	3,554	3,554	19,849
<b>Sub-Object: BH HOSPITAL INSURANCE (MEDICARE)</b>														
Allot	489	489	489	492	497	498	498	498	498	498	498	498	498	5,942
Expend	281	280	282	284	288	355	371	413	373					2,926
SOBJ Var	208	209	207	208	209	143	127	85	125	498	498	498	498	3,016
<b>Sub-Object: BW SHARED LEAVE RECEIVED</b>														
Expend														10,193
SOBJ Var														(10,193)

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Object	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Adj	Total
<b>Object: B EMPLOYEE BENEFITS</b>														
Allot	6,767	6,767	6,771	6,787	6,818	6,826	6,826	6,826	6,826	6,826	6,826	6,826		81,692
Expend	4,202	14,390	4,209	4,218	4,242	4,686	5,382	5,642	5,392					52,364
Obj Var	2,565	(7,623)	2,562	2,569	2,576	2,140	1,444	1,184	1,434	6,826	6,826	6,826		29,328
<b>Object: C PERSONAL SERVICE CONTRACTS</b>														
Sub-Object: CC FINANCIAL SERVICES														
Expend				3,073		615								3,688
SOBJ Var				(3,073)		(615)								(3,688)
<b>Sub-Object: CD COMPUTER/INFORMATION SERVICES</b>														
Allot	2,500			2,500			2,500			2,500				10,000
Expend					615	(615)								
SOBJ Var	2,500			2,500	(615)	615	2,500			2,500				10,000
<b>Sub-Object: CZ OTHER SERVICES</b>														
Allot	6,250			6,250			6,250			6,250				25,000
Expend		8,950			17,000	7,538	(1)							33,488
SOBJ Var	6,250	(8,950)		6,250	(17,000)	(7,538)	6,251			6,250				(8,488)

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Object	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Adj	Total
<b>Object: C PERSONAL SERVICE CONTRACTS</b>														
Allot	8,750			8,750						8,750				35,000
Expend	8,950			3,073	17,615	7,538	(1)							37,175
Obj Var	8,750	(8,950)		5,678	(17,615)	(7,538)	8,751			8,750				(2,175)
<b>Object: E GOODS AND SERVICES</b>														
<b>Sub-Object: EA SUPPLIES AND MATERIALS</b>														
Allot	350	350	350	350	350	350	350	350	350	350	350	350		4,200
Expend	399	46	173	192	38	58	335	122	158					1,520
SOBJ Var	(49)	304	177	158	312	292	15	228	192	350	350	350		2,680
<b>Sub-Object: EB COMMUNICATIONS</b>														
Allot	1,335	6,154	835	835	835	835	835	835	835	835	835	835		15,839
Expend	1,510	(255)	2,167	49	416	416	416	436	4,943					9,682
SOBJ Var	1,335	4,644	1,090	(1,332)	786	419	419	399	(4,108)	835	835	835		6,157
<b>Sub-Object: EC UTILITIES</b>														
Allot	150	150	150	150	150	150	150	150	150	150	150	150		1,800
Expend	712	(114)	(114)	574	292	292	292	292	292					2,634
SOBJ Var	150	(562)	264	(424)	(142)	(142)	(142)	(142)	(142)	150	150	150		(834)

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Object	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Adj	Total
<b>Sub-Object: ED RENTALS AND LEASES</b>														
Allot	4,263	4,263	4,263	4,263	4,263	4,263	4,263	4,263	4,263	4,263	4,263	4,263		51,156
Expend	3,330	4,651	3,147	3,330	5,227	3,709	2,571	4,847	2,572					33,385
SObj Var	933	(388)	1,116	933	(964)	554	1,692	(584)	1,691	4,263	4,263	4,263		17,771
<b>Sub-Object: EE REPAIRS, ALTERATIONS &amp; MAINTENANCE</b>														
Allot	42	42	42	42	42	42	42	41	41	41	41	41		499
Expend					22,416									22,416
SObj Var	42	42	42	42	(22,374)	42	42	41	41	41	41	41		(21,917)
<b>Sub-Object: EF PRINTING AND REPRODUCTION</b>														
Allot														9,700
Expend	36	1,793	282	100	(50)	(9)	(25)	821	2,115					5,062
SObj Var	(36)	7,907	(282)	(100)	50	9	25	(821)	(2,115)					4,638
<b>Sub-Object: EG EMPLOYEE PROF DEV &amp; TRAINING</b>														
Allot	750			750			750			750				3,000
Expend		4,845		(1,170)	575	365	(796)	870	3,003					7,692
SObj Var	750	(4,845)		1,920	(575)	(365)	1,546	(870)	(3,003)	750				(4,692)
<b>Sub-Object: EJ SUBSCRIPTIONS</b>														
Allot	30	30	30	30	30	30	30	30	30	30	30	30		350
Expend	49	107	(30)	14	49	13	12	49	15					277
SObj Var	(19)	(77)	60	16	(19)	17	18	(19)	15	30	30	20		73

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Object	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Adj	Total
<b>Sub-Object: EK FACILITIES AND SERVICES</b>														
Allot	1,180	80	80	80	80	80	80	80	80	80	80	140		2,120
Expend	674	9	9	75	83	(1)	102	5,054	(599)					5,397
SOBJ Var	1,180	(594)	71	5	(3)	81	(22)	(4,974)	679	80	80	140		(3,277)
<b>Sub-Object: EL DATA PROCESSING SERVICES</b>														
Allot	511	511	511	511	511	511	511	511	511	511	511	511		6,132
Expend	594	352	352	540	200	295	284	320	214					2,800
SOBJ Var	511	(83)	159	(29)	311	216	227	191	297	511	511	511		3,332
<b>Sub-Object: EM ATTORNEY GENERAL SERVICES</b>														
Allot	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674	3,674		44,088
Expend	1,800	2,363	2,363	3,785	1,685	1,464	1,758	(200)	919					13,574
SOBJ Var	3,674	1,874	1,311	(111)	1,989	2,210	1,916	3,874	2,755	3,674	3,674	3,674		30,514
<b>Sub-Object: EN PERSONNEL SERVICES</b>														
Allot	400													400
SOBJ Var	400													400
<b>Sub-Object: EP INSURANCE</b>														
Allot	1,200													1,200
SOBJ Var	1,200													1,200

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Object	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Adj	Total
<b>Sub-Object: ER OTHER PURCHASED SERVICES</b>														
Allot	21,879	8,129	8,129	21,879	8,129	8,129	21,879	8,130	8,130	21,879	8,130	8,130		152,552
Expend	23,458	7,896	7,896	31,177	(31,801)	7,896	10,066	14,196	9,631					72,520
SObj Var	21,879	(15,329)	233	(9,298)	39,930	233	11,813	(6,066)	(1,501)	21,879	8,130	8,130		80,032
<b>Sub-Object: EZ OTHER GOODS AND SERVICES</b>														
Allot	250	250	250	250	250	250	250	250	250	250	250	250		3,000
Expend	310	144	144	123	(12)	45	31	85	18					744
SObj Var	250	(60)	106	127	262	205	219	165	232	250	250	250		2,256
<b>Object: E GOODS AND SERVICES</b>														
Allot	36,014	33,333	18,314	32,814	18,314	18,314	32,814	18,314	18,314	32,813	18,314	18,364		296,036
Expend	3,814	40,500	13,967	40,907	(1,249)	14,543	15,046	26,893	23,282					177,703
Obj Var	32,200	(7,167)	4,347	(8,093)	19,563	3,771	17,768	(8,579)	(4,968)	32,813	18,314	18,364		118,333
<b>Object: G TRAVEL</b>														
<b>Sub-Object: GA IN-STATE SUBSISTENCE &amp; LODGING</b>														
Allot	1,551	1,551	1,551	1,551	1,551	1,551	1,551	1,551	1,552	1,552	1,552	1,552		18,616
Expend	339	838	838	415	639	428	329	636	555					4,178
SObj Var	1,551	1,212	713	1,136	912	1,123	1,222	915	997	1,552	1,552	1,552		14,438

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Object	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Adj	Total
<b>Sub-Object: GB IN-STATE AIR TRANSPORTATION</b>														
Allot	222	222	222	222	222	222	222	221	221	221	221	221		2,659
Expend			211											211
<b>SObj Var</b>	<b>222</b>	<b>222</b>	<b>222</b>	<b>11</b>	<b>222</b>	<b>222</b>	<b>222</b>	<b>221</b>	<b>221</b>	<b>221</b>	<b>221</b>	<b>221</b>		<b>2,448</b>
<b>Sub-Object: GC PRIVATE AUTOMOBILE MILEAGE</b>														
Allot	841	841	841	841	841	841	841	841	840	840	840	840		10,088
Expend		1,102	761	764	799	438	975	463	636					5,937
<b>SObj Var</b>	<b>841</b>	<b>(261)</b>	<b>81</b>	<b>77</b>	<b>42</b>	<b>403</b>	<b>(134)</b>	<b>379</b>	<b>204</b>	<b>840</b>	<b>840</b>	<b>840</b>		<b>4,151</b>
<b>Sub-Object: GD OTHER TRAVEL EXPENSES</b>														
Allot	10	10	10	10	10	10	10	10	10	9	9	9		117
Expend				52	6									58
<b>SObj Var</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>(42)</b>	<b>10</b>	<b>4</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>9</b>	<b>9</b>	<b>9</b>		<b>59</b>
<b>Sub-Object: GF OUT-OF-STATE SUBSISTENCE &amp; LODGING</b>														
Allot	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000		12,000
Expend		700			600	746			350					2,396
<b>SObj Var</b>	<b>1,000</b>	<b>300</b>	<b>1,000</b>	<b>1,000</b>	<b>400</b>	<b>254</b>	<b>1,000</b>	<b>1,000</b>	<b>650</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>		<b>9,604</b>
<b>Sub-Object: GG OUT-OF-STATE AIR TRANSPORTATION</b>														
Allot	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,666	1,666	1,666	1,666		20,000
Expend				1,179				666						1,845
<b>SObj Var</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>1,667</b>	<b>488</b>	<b>1,667</b>	<b>1,667</b>	<b>1,001</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>		<b>18,155</b>



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<b>Object: G TRAVEL</b>														
Allot	5,291	5,291	5,291	5,291	5,291	5,291	5,291	5,290	5,289	5,288	5,288	5,288		63,480
Expend	2,141	1,599	1,599	1,442	3,217	1,618	1,303	1,764	1,541					14,625
Obj Var	3,150	3,692	3,692	3,849	2,074	3,673	3,988	3,526	3,748	5,288	5,288	5,288		48,855
<b>Object: J CAPITAL OUTLAYS</b>														
Sub-Object: JA NONCAPITALIZED.EQUIPMENT														
Allot	200	200	200	200	200	200	200	200	200	200	200	200		2,400
Expend	613	1,397	1,397	105	307	794	381	1,782	2,462					7,843
SObj Var	(413)	(1,197)	(1,197)	95	(107)	(594)	(181)	(1,582)	(2,262)	200	200	200		(5,443)
<b>Object: J CAPITAL OUTLAYS</b>														
Allot	200	200	200	200	200	200	200	200	200	200	200	200		2,400
Expend	613	1,397	1,397	105	307	794	381	1,782	2,462					7,843
Obj Var	(413)	(1,197)	(1,197)	95	(107)	(594)	(181)	(1,582)	(2,262)	200	200	200		(5,443)
<b>Object: N GRANTS, BENEFITS &amp; CLIENT SERVICES</b>														
Sub-Object: NZ OTHER GRANTS/BENEFITS/CLIENT SVCS														
Expend														114
SObj Var														(114)

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Object: N GRANTS, BENEFITS & CLIENT SERVICES														
Allot														
Expend				114										114
Obj Var				(114)										(114)
<b>OBJECTS SELECTED FOR PROGRAM INDEX: ALL PROGRAM INDEXES (AGENCY REPORT)</b>														
Allot	90,739	79,308	64,330	87,779	64,895	65,008	88,258	65,007	65,006	88,254	65,005	65,055		888,644
Expend	27,716	86,295	40,992	69,779	44,317	54,020	48,156	64,985	58,807					495,067
Total Var	63,023	(6,987)	23,338	18,000	20,578	10,988	40,102	22	6,199	88,254	65,005	65,055		393,577



# PROPOSED RULE MAKING

## CR-102 (June 2004)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Department of Retirement Systems

- Preproposal Statement of Inquiry was filed as WSR 03-23-005 & 04-17-001; or  
 Expedited Rule Making--Proposed notice was filed as WSR \_\_\_\_\_; or  
 Proposal is exempt under RCW 34.05.310(4).

- Original Notice  
 Supplemental Notice to WSR \_\_\_\_\_  
 Continuance of WSR \_\_\_\_\_

**Title of rule and other identifying information:**

- WAC 415-103-275 How do I designate a beneficiary, and who will receive a distribution if I die before retirement?
- WAC 415-104-450 How do I designate a beneficiary, and who will receive a distribution if I die before retirement?
- WAC 415-108-315 How do I designate a beneficiary, and who will receive a distribution if I die before retirement?
- WAC 415-110-315 How do I designate a beneficiary, and who will receive a distribution if I die before retirement?
- WAC 415-112-705 How do I designate a beneficiary, and who will receive a distribution if I die before retirement?

**Hearing location(s):**

Department of Retirement Systems  
 6835 Capitol Blvd.; Conference Room 115  
 Tumwater, Washington

Date: May 12, 2005 Time: 9:30 AM

**Submit written comments to:**

Leslie L. Saeger, Rules Coordinator  
 Department of Retirement Systems  
 P.O. Box 48380; Olympia, WA. 98504-8380  
 Email: leslies@drs.wa.gov  
 Fax: (360) 753-3166 by 5:00 p.m. on May 12, 2005

**Assistance for persons with disabilities:**

Leslie Saeger, Rules Coordinator by May 2, 2005  
 TDD (360) 664-7291 TTY (360) 586-5450  
 Phone (360) 664-7291

**Date of intended adoption:** May 13, 2005

(Note: This is NOT the effective date)

**Purpose of the proposal and its anticipated effects, including any changes in existing rules:**

These rules clarify the requirements and process for an active member to name a beneficiary or beneficiaries. A provision is also being added to address situations in which a surviving spouse is eligible to receive a benefit, but dies before requesting a distribution.

These rules affect members of the Washington State Patrol Retirement System, Law Enforcement Officers' and Fire Fighters' Retirement System, Public Employees' Retirement System, School Employees' Retirement System and the Teachers' Retirement System.

**Reasons supporting proposal:**

**Statutory authority for adoption:** RCW 41.50.050(5)

**Statute being implemented:**

**Is rule necessary because of a:**

- Federal Law?  Yes  No  
 Federal Court Decision?  Yes  No  
 State Court Decision?  Yes  No  
 If yes, CITATION:  Yes  No

**CODE REVISER USE ONLY**

**Filed with the Office of the Code Reviser**

**DATE** March 30, 2005

**March 30, 2005**

**NAME** Leslie Saeger

**SIGNATURE**

**WSR 05-08-030**

**TITLE** Rules and Contracts Coordinator

**Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:**

**Name of proponent:** (person or organization)

Department of Retirement Systems

- Private
- Public
- Governmental

**Name of agency personnel responsible for:**

Name	Office Location	Phone
Drafting..... Leslie Saeger	PO Box 48380, Olympia, WA 98504-8380	(360) 664-7291
Implementation.... Dorothy Bailey	PO Box 48380, Olympia, WA 98504-8380	(360) 664-7291
Enforcement..... Dorothy Bailey	PO Box 48380, Olympia, WA 98504-8380	(360) 664-7291

**Has a small business economic impact statement been prepared under chapter 19.85 RCW?**

Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone ( ) \_\_\_\_\_

fax ( ) \_\_\_\_\_

e-mail \_\_\_\_\_

No. Explain why no statement was prepared.

These rules have no effect on businesses.

**Is a cost-benefit analysis required under RCW 34.05.328?**

Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone ( ) \_\_\_\_\_

fax ( ) \_\_\_\_\_

e-mail \_\_\_\_\_

No: Please explain:

The Department of Retirement Systems is not one of the named departments in this section (RCW 34.05.328)

NEW SECTION

**WAC 415-103-275 How do I designate a beneficiary, and who will receive a distribution if I die before retirement?** This section applies to members commissioned on or after January 1, 2003.

(1) You may designate or change a beneficiary by submitting a Beneficiary Designation form to the department. Your designation will become effective upon the department's receipt of the form, only if it is completed properly and signed by you and a witness.

(2) You may name one or more of the following as a beneficiary or beneficiaries:

(a) An organization or person, including unborn or later adopted children. However, unborn or later adopted children must be specifically designated as beneficiaries on the form. You must indicate the date of birth for any living person you name as a beneficiary.

(b) Your estate.

(c) An existing trust, or a trust to be established at a later date or under your last will. If you designate a trust that is not in existence at the time of your death, or is not created under your last will, the designation will be invalid. Before making distribution to any trust, the department must receive:

(i) A copy of the entire trust document;

(ii) The name, address, telephone number of the current trustee; and

(iii) The tax identification number.

(3) You may name contingent beneficiaries in addition to primary beneficiaries.

(4) You may change your beneficiary designation at any time.

(5) A change in marital status may invalidate your prior designation.

(6) Your named beneficiary may not necessarily receive a distribution if you die prior to retirement. (See example three.) Distribution is governed by RCW 43.43.295.

(7) If your surviving spouse is eligible to receive a benefit under RCW 43.43.295(2), but your spouse dies before requesting a distribution, your minor children and your spouse's minor children will receive the benefit, share and share alike, until each child reaches the age of majority. See example four.

**EXAMPLE ONE.**

### **Facts**

John, a member, completes a Beneficiary Designation form. In the place on the form reserved for persons, he names his daughter Ann. He checks the box to indicate that Ann is a primary beneficiary.

In the place on the form reserved for trust/organizational beneficiaries, he lists the "Barbara Trust." His daughter Barbara is the trust beneficiary. He checks the box to indicate that the trust is a primary beneficiary.

### **Result**

At John's death, Ann and the Barbara Trust are the primary beneficiaries. The department will require the name of the trustee, the tax identification number, a copy of the entire trust and other information specified in this rule before distribution to the trust. Distribution is governed by RCW 43.43.295.

#### **EXAMPLE TWO.**

### **Facts**

John, a member, completes a Beneficiary Designation form. In the place on the form reserved for persons, he names his daughter Ann. He checks the box to indicate that Ann is a primary beneficiary.

In the place on the form reserved for trust/organizational beneficiaries, he lists his daughter Barbara personally; i.e., no trust name is provided. John checks the corresponding box to indicate a primary beneficiary designation. At John's death, the department learns that John has created no trusts.

### **Result**

Because John has created no trust, the designation of the Barbara Trust is void. Barbara, personally, will not be a beneficiary.

#### **EXAMPLE THREE.**

### **Facts**

When she became a WSPRS member, Joan named her mother as her beneficiary. Joan later married, but did not file a new beneficiary form before she died with eleven years of service.

### **Result**

Unless required to do otherwise by court order, the department will comply with RCW 43.43.295(2) and pay Joan's surviving spouse either a retirement allowance or lump sum. In this case, Joan's mother will not receive a distribution.

#### **EXAMPLE FOUR.**

### **Facts**

John is a member with eleven years of service. He and his wife Mary have a total of three minor children. They have one child together, and each has one child from a previous marriage.

John and Mary were in a skydiving accident. John died instantly making Mary eligible for a benefit under RCW 43.43.295(2). However, Mary died the following week before requesting a distribution from the department.

**Result**

Since Mary died before requesting a distribution of John's account, John and Mary's three minor children are eligible to receive a monthly benefit, share and share alike.

AMENDATORY SECTION (Amending WSR 00-10-017, filed 4/21/00, effective 5/22/00)

**WAC 415-104-450** ~~((Designation of beneficiaries—Death benefit if a member dies before retirement.))~~ How do I designate a beneficiary, and who will receive a distribution if I die before retirement? This section applies to Plan 2 members.

~~(1) ((As a member, you have the right to designate a beneficiary or beneficiaries to receive a benefit in the event of your death while you are an active member. You may change your beneficiary designation at any time by filing a change of beneficiary form with the department.))~~ You may designate or change a beneficiary by submitting a beneficiary designation form to the department. Your designation will become effective upon the department's receipt of the form, only if it is completed properly and signed by you and a witness.

~~(2) ((As a member))~~ You may name one or more of the following as a beneficiary or beneficiaries:

~~(a) An organization or person, including ((your)) unborn or later adopted children. However, unborn or later adopted children ((will not be included unless you)) must be specifically ((designate them)) designated as beneficiaries on the form. You must ((state)) indicate the date of birth for any living person you name as a beneficiary((+)).~~

~~(b) Your estate((+)).~~

~~(c) ((A trust in existence at the time of death.))~~ An existing trust, or a trust to be established at a later date or under your last will. If you designate a trust that is not in existence at the time of your death, or is not created under your last will, the designation will be invalid. Before making distribution to ((the)) any trust the department must receive:

~~(i) A copy of the entire trust document;~~

~~(ii) The name, address, telephone number of the current trustee; and~~

~~(iii) The tax identification number((+)~~

~~(d) A trust to be established under your last will)).~~

~~(3) You may name contingent beneficiaries in addition to primary beneficiaries.~~

~~(4) You may change your beneficiary designation at any time.~~

~~(5) A change in marital status may invalidate your prior designation.~~

~~(6) Your named beneficiary may not necessarily receive a distribution if you die prior to retirement. (See example~~



three.) Distribution is governed by RCW 41.26.510.

(7) If your surviving spouse is eligible to receive a benefit under RCW 41.26.510(2), but your spouse dies before requesting a distribution, your minor children and your spouse's minor children will receive the benefit, share and share alike, until each child reaches the age of majority. See example four.

**Examples:**

**EXAMPLE ONE.**

**Facts**

John, a member, completes a beneficiary designation form.

In the place on the form reserved for persons, he names his daughter Ann. He checks the box to indicate that Ann is a primary beneficiary.

In the place on the form reserved for trust/organizational beneficiaries, he lists the "Barbara Trust." His daughter Barbara is the trust beneficiary. He checks the box to indicate that the trust is a primary beneficiary.

**Result**

~~((Subject to applicable statute,))~~ At John's death, ((the department will consider both)) Ann and the Barbara Trust ((and daughter Ann as)) are the primary beneficiaries. The department will require the name of the trustee, the tax identification number, a copy of the entire trust and other information specified in this rule before distribution to the trust. Distribution is governed by RCW 41.26.510.

**EXAMPLE TWO.**

**Facts**

John, a member, completes a beneficiary designation form.

In the place on the form reserved for persons, he names his daughter Ann. He checks the box to indicate that Ann is a primary beneficiary.

In the place on the form reserved for trust/organizational beneficiaries, he lists his daughter Barbara personally ~~((+)); i.e., no trust name is provided((+)).~~ ~~((He checks the box labeled "primary beneficiary." John misunderstands the form and rather than provide the names of the trustee or trust administrator, John writes the word "both" in the blank provided.))~~ John checks the corresponding box to indicate a primary beneficiary designation. At John's death, the department learns that John has created no trusts.

**Result**

~~((At John's death, the department learns that John has created no trusts. Subject to existing statute, if the~~

department receives no notice of competing claims to John's death benefit, the department will distribute the death benefit to Ann. If the department receives notice of competing claims, a court resolution may be required.)) Because John has created no trust, the designation of the Barbara Trust is void. Barbara, personally, will not be a beneficiary.

**EXAMPLE THREE.**

**Facts**

When she became a LEOFF Plan 2 member, Joan named her mother as her beneficiary. Joan later married, but did not file a new beneficiary form before she died with eleven years of service.

**Result**

Unless required to do otherwise by court order, the department will comply with RCW 41.26.510(2) and pay Joan's surviving spouse either a retirement allowance or lump sum. In this case, Joan's mother will not receive a distribution.

**EXAMPLE FOUR.**

**Facts**

John is a LEOFF 2 member with eleven years of service. He and his wife Mary have a total of three minor children. They have one child together, and each has one child from a previous marriage.

John and Mary were in a skydiving accident. John died instantly making Mary eligible for a benefit under RCW 41.26.510(2). However, Mary died the following week before requesting a distribution from the department.

**Result**

Since Mary died before requesting a distribution of John's account, John and Mary's three minor children are eligible to receive a monthly benefit, share and share alike.

AMENDATORY SECTION (Amending WSR 02-03-120, filed 1/23/02, effective 3/1/02)

~~WAC 415-108-315 ((Can I specify who can receive my benefits if I die in service?))~~ How do I designate a beneficiary, and who will receive a distribution if I die before retirement? This section applies to the designation of beneficiaries for Plan 1 and Plan 2 members' defined benefit and Plan 3 members' defined contribution accounts.

~~(1) ((You have the right to designate a beneficiary or beneficiaries to receive a benefit if you die while you are an active member. You may change your beneficiary designation at any time by filing a change of beneficiary form with the department.))~~ You may designate or change a beneficiary by submitting a beneficiary designation form to the department. Your designation will become effective upon the department's receipt of the form, only if it is completed properly and signed by you and a witness.

~~(2) ((As a member))~~ You may name one or more of the following as a beneficiary or beneficiaries:

(a) An organization or person, including ~~((your))~~ unborn or later adopted children. However, unborn or later adopted children ((will not be included unless you)) must be specifically ((designate them)) designated as beneficiaries on the form. You must ((state)) indicate the date of birth for any living person you name as a beneficiary((+)).

(b) Your estate((+ and/or)).

~~(c) ((A trust.))~~ An existing trust, or a trust to be established at a later date or under your last will. If you designate a trust that is not in existence at the time of your death, or is not created under your last will, the designation will be invalid. Before making a distribution to any trust the department must receive:

(i) A copy of the entire trust document;

(ii) The name, address, and telephone number of the current trustee; and

(iii) The tax identification number.

(3) You may name contingent beneficiaries in addition to primary beneficiaries.

~~(4) ((If you are a member of Plan 3, you may name the same or different beneficiaries for your defined benefit and defined contribution accounts.))~~ You may change your beneficiary designation at any time.

(5) A change in marital status may invalidate your prior

designation.

(6) Your named beneficiary may not necessarily receive a distribution if you die prior to retirement. (See example three.) Distribution is governed by:

(a) RCW 41.40.270 for Plan 1 members;

(b) RCW 41.40.700 for Plan 2 members; and

(c) RCW 41.34.070 for Plan 3 members.

(7) If your surviving spouse is eligible to receive a benefit under RCW 41.40.270(2) or 41.40.700(2), but your spouse dies before requesting a distribution, your minor children and your spouse's minor children will receive the benefit, share and share alike, until each child reaches the age of majority. See example four.

### **Examples:**

#### **EXAMPLE ONE.**

##### **Facts**

John, a member, completes a beneficiary designation form.

In the place on the form reserved for persons, he names his daughter Ann. He checks the box to indicate that Ann is a primary beneficiary.

In the place on the form reserved for trust/organizational beneficiaries, he lists the "Barbara Trust." His daughter Barbara is the trust beneficiary. He checks the box to indicate that the trust is a primary beneficiary.

##### **Result**

~~((Subject to applicable statute,))~~ At John's death, ~~((the department will consider both))~~ Ann and the Barbara Trust ~~((and daughter Ann as))~~ are the primary beneficiaries. The department will require the name of the trustee, the tax identification number, a copy of the entire trust and other information specified in this rule before distribution to the trust. Distribution is governed by RCW 41.40.270 for Plan 1 members, RCW 41.40.700 for Plan 2 members, and RCW 41.34.070 for Plan 3 members.

#### **EXAMPLE TWO.**

##### **Facts**

John, a member, completes a beneficiary designation form.

In the place on the form reserved for persons, he names his daughter Ann. He checks the box to indicate that Ann is a primary beneficiary.

In the place on the form reserved for trust/organizational beneficiaries, he lists his daughter Barbara personally; i.e., no trust name is provided. John checks the corresponding box to indicate a primary beneficiary designation. At John's death,

the department learns that John has created no trusts.

**Result**

Because John has created no trust, the designation ((in the trust/organizational location on the form is void. Subject to existing law, the department will issue the death benefit to Ann unless it receives a notice of a competing claim. If the department receives notice of competing claims, a court resolution may be required)) of the Barbara Trust is void. Barbara, personally, will not be a beneficiary.

**EXAMPLE THREE.**

**Facts**

When she became a PERS 1 member, Joan was unmarried and named her mother as her beneficiary. Joan later married, but did not complete a new beneficiary form before she died with four years of service.

**Result**

Unless required to do otherwise by court order, the department will comply with RCW 41.40.270 (1)(b) and pay Joan's surviving spouse the accumulated contributions in her retirement account. In this case, Joan's mother will not receive a distribution.

**EXAMPLE FOUR.**

**Facts**

John is a PERS Plan 2 member with eleven years of service. He and his wife Mary have a total of three minor children. They have one child together, and each has one child from a previous marriage.

John and Mary were in a skydiving accident. John died instantly making Mary eligible for a benefit under RCW 41.40.700(2). However, Mary died the following week before requesting a distribution from the department.

**Result**

Since Mary died before requesting a distribution of John's account, John and Mary's three minor children are eligible to receive a monthly benefit, share and share alike.

AMENDATORY SECTION (Amending WSR 01-01-059, filed 12/12/00, effective 1/12/01)

**WAC 415-110-315** (~~(Designation of beneficiaries--Death benefit if a member dies before retirement.)~~) How do I designate a beneficiary, and who will receive a distribution if I die before retirement? This section applies to the designation of beneficiaries for Plan 2 members' defined benefit (~~((or))~~) and Plan 3 members' defined contribution (~~(distribution)~~) accounts.

(1) (~~(As a member, you have the right to designate a beneficiary or beneficiaries to receive a benefit in the event of your death while you are an active member. You may change your beneficiary designation at any time by filing a change of beneficiary form with the department.)~~) You may designate or change a beneficiary by submitting a beneficiary designation form to the department. Your designation will become effective upon the department's receipt of the form, only if it is completed properly and signed by you and a witness.

(2) You may name one or more of the following as a beneficiary or beneficiaries:

(a) An organization or person, including (~~(your))~~ unborn or later adopted children. However, unborn or later adopted children (~~(will not be included unless you))~~ must be specifically (~~(designate them))~~ designated as beneficiaries on the form. You must (~~(state))~~ indicate the date of birth for any living person you name as a beneficiary(~~(+))~~).

(b) Your estate(~~(+))~~).

(c) (~~(A trust in existence at the time of death.)~~) An existing trust, or a trust to be established at a later date or under your last will. If you designate a trust that is not in existence at the time of your death, or is not created under your last will, the designation will be invalid. Before making distribution to any trust, the department must receive:

(i) A copy of the entire trust document;

(ii) The name, address, telephone number of the current trustee; and

(iii) The tax identification number(~~(+)~~).

~~(d) A trust to be established under your last will).~~

(3) You may name contingent beneficiaries in addition to primary beneficiaries.

(4) You may change your beneficiary designation at any time.

(5) A change in marital status may invalidate your prior designation.

(6) Your named beneficiary may not necessarily receive a distribution if you die prior to retirement. (See example three.) Distribution is governed by:

(a) RCW 41.35.460 for Plan 2 members; and

(b) RCW 41.34.070 for Plan 3 members.

(7) If your surviving spouse is eligible to receive a benefit under RCW 41.35.460(2), but your spouse dies before requesting a distribution, your minor children and your spouse's minor children will receive the benefit, share and share alike, until each child reaches the age of majority. See example four.

### **Examples:**

#### **EXAMPLE ONE.**

##### **Facts**

John, a member, completes a beneficiary designation form.

In the place on the form reserved for persons, he names his daughter Ann. He checks the box to indicate that Ann is a primary beneficiary.

In the place on the form reserved for trust/organizational beneficiaries, he lists the "Barbara Trust." His daughter Barbara is the trust beneficiary. He checks the box to indicate that the trust is a primary beneficiary.

##### **Result**

((~~Subject to applicable statute,~~) At John's death, (~~the department will consider both~~) Ann and the Barbara Trust (~~and daughter Ann as~~) are the primary beneficiaries. The department will require the name of the trustee, the tax identification number, a copy of the entire trust and other information specified in this rule before distribution to the trust. Distribution is governed by RCW 41.35.460 for Plan 2 members, and RCW 41.34.070 for Plan 3 members.

#### **EXAMPLE TWO.**

##### **Facts**

John, a member, completes a beneficiary designation form.

In the place on the form reserved for persons, he names his daughter Ann. He checks the box to indicate that Ann is a primary beneficiary.

In the place on the form reserved for trust/organizational beneficiaries, he lists his daughter Barbara personally ((+)); i.e., no trust name is provided((+)). (~~He checks the box labeled "primary beneficiary." John misunderstands the form and rather than provide the names of the trustee or trust administrator, John writes the word "both" in the blank provided.)) John checks the corresponding box to indicate a primary beneficiary designation. At John's death, the~~

department learns that John has created no trusts.

**Result**

((At John's death, the department learns that John has created no trusts. Subject to existing statute, if the department receives no notice of competing claims to John's death benefit, the department will distribute the death benefit to Ann. If the department receives notice of competing claims, a court resolution may be required.)) Because John has created no trust, the designation of the Barbara Trust is void. Barbara, personally, will not be a beneficiary.

**EXAMPLE THREE.**

**Facts**

When she became a SERS Plan 2 member, Joan named her mother as her beneficiary. Joan later married, but did not file a new beneficiary form before she died with eleven years of service.

**Result**

Unless required to do otherwise by a court order, the department will comply with RCW 41.35.460(2) and pay Joan's surviving spouse either a retirement allowance or lump sum. In this case, Joan's mother will not receive a distribution.

**EXAMPLE FOUR.**

**Facts**

John is a SERS Plan 2 member with eleven years of service. He and his wife Mary have a total of three minor children. They have one child together, and each has one child from a previous marriage.

John and Mary were in a skydiving accident. John died instantly making Mary eligible for a benefit under RCW 41.35.460(2). However, Mary died the following week before requesting a distribution from the department.

**Result**

Since Mary died before requesting a distribution of John's account, John and Mary's three minor children are eligible to receive a monthly benefit, share and share alike.



AMENDATORY SECTION (Amending WSR 00-10-015, filed 4/21/00, effective 5/22/00)

**WAC 415-112-705** (~~Designation of beneficiaries—Death benefit if a member dies before retirement.~~) How do I designate a beneficiary, and who will receive a distribution if I die before retirement? This section applies to the designation of beneficiaries for Plan 1 and Plan 2 members' defined benefit and Plan 3 members' defined contribution accounts.

(1) (~~As a member, you have the right to designate a beneficiary or beneficiaries to receive a benefit in the event of your death while you are an active member. You may change your beneficiary designation at any time by filing a change of beneficiary form with the department.~~) You may designate or change a beneficiary by submitting a beneficiary designation form to the department. Your designation will become effective upon the department's receipt of the form, only if it is completed properly and signed by you and a witness.

(2) (~~As a member~~) You may name one or more of the following as a beneficiary or beneficiaries:

(a) An organization or person, including (~~your~~) unborn or later adopted children. However, unborn or later adopted children (~~will not be included unless you~~) must be specifically (~~designate them~~) designated as beneficiaries on the form. You must (~~state~~) indicate the date of birth for any living person you name as a beneficiary(~~+~~).

(b) Your estate(~~+~~).

(c) (~~A trust in existence at the time of death.~~) An existing trust, or a trust to be established at a later date or under your last will. If you designate a trust that is not in existence at the time of your death, or is not created under your last will, the designation will be invalid. Before making distribution to any trust the department must receive:

(i) A copy of the entire trust document;

(ii) The name, address, telephone number of the current trustee; and

(iii) The tax identification number(~~+~~

~~d) A trust to be established under your last will~~)).

(3) You may name contingent beneficiaries in addition to primary beneficiaries.

(4) You may change your beneficiary designation at any time.

(5) A change in marital status may invalidate your prior designation.

(6) Your named beneficiary may not necessarily receive a distribution if you die prior to retirement. (See example three.) Distribution is governed by:

(a) RCW 41.32.520 for Plan 1 members;

(b) RCW 41.32.805 for Plan 2 members; and

(c) RCW 41.34.070 for Plan 3 members.

(7) If your surviving spouse is eligible to receive a benefit under RCW 41.32.520 or 41.32.805(2), but your spouse dies before requesting a distribution, your minor children and your spouse's minor children will receive the benefit, share and share alike, until each child reaches the age of majority. See example four.

### **Examples:**

#### **EXAMPLE ONE.**

##### **Facts**

John, a member, completes a beneficiary designation form.

In the place on the form reserved for persons, he names his daughter Ann. He checks the box to indicate that Ann is a primary beneficiary.

In the place on the form reserved for trust/organizational beneficiaries, he lists the "Barbara Trust." His daughter Barbara is the trust beneficiary. He checks the box to indicate that the trust is a primary beneficiary.

##### **Result**

~~((Subject to applicable statute,))~~ At John's death, ~~((the department will consider both))~~ Ann and the Barbara Trust ~~((and daughter Ann as))~~ are the primary beneficiaries. The department will require the name of the trustee, the tax identification number, a copy of the entire trust and other information specified in this rule before distribution to the trust. Distribution is governed by RCW 41.32.520 for Plan 1 members, RCW 41.32.805 for Plan 2 members, and RCW 41.34.070 for Plan 3 members.

#### **EXAMPLE TWO.**

##### **Facts**

John, a member, completes a beneficiary designation form.

In the place on the form reserved for persons, he names his daughter Ann. He checks the box to indicate that Ann is a primary beneficiary.

In the place on the form reserved for trust/organizational beneficiaries, he lists his daughter Barbara personally ~~((+))~~; i.e., no trust name is provided~~((+))~~. ~~((He checks the box labeled "primary beneficiary." John misunderstands the form and rather than provide the names of the trustee or trust~~

administrator, John writes the word "both" in the blank provided.)) John checks the corresponding box to indicate a primary beneficiary designation. At John's death, the department learns that John has created no trusts.

### **Result**

((At John's death, the department learns that John has created no trusts. Subject to existing statute, if the department receives no notice of competing claims to John's death benefit, the department will distribute the death benefit to Ann. If the department receives notice of competing claims, a court resolution may be required.)) Because John has created no trust, the designation of the Barbara Trust is void. Barbara, personally, will not be a beneficiary.

### **EXAMPLE THREE.**

#### **Facts**

When she became a TRS 1 member, Joan was unmarried and named her mother as her beneficiary. Joan later married, but did not complete a new beneficiary form before she died with four years of service.

#### **Result**

Unless required to do otherwise by a court order, the department will comply with RCW 41.32.520(1) and pay Joan's surviving spouse the accumulated contributions in her retirement account. In this case, Joan's mother will not receive a distribution.

### **EXAMPLE FOUR.**

#### **Facts**

John is a TRS Plan 2 member with eleven years of service. He and his wife Mary have a total of three minor children. They have one child together, and each has one child from a previous marriage.

John and Mary were in a skydiving accident. John died instantly making Mary eligible for a benefit under RCW 41.32.805(2). However, Mary died the following week before requesting a distribution from the department.

#### **Result**

Since Mary died before requesting a distribution of John's account, John and Mary's three minor children are eligible to receive a monthly benefit, share and share alike.



# PROPOSED RULE MAKING

## CR-102 (June 2004)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Department of Retirement Systems

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Preproposal Statement of Inquiry was filed as WSR 04-20-010 ; or | <input checked="" type="checkbox"/> Original Notice       |
| <input type="checkbox"/> Expedited Rule Making--Proposed notice was filed as WSR _____; or           | <input type="checkbox"/> Supplemental Notice to WSR _____ |
| <input type="checkbox"/> Proposal is exempt under RCW 34.05.310(4).                                  | <input type="checkbox"/> Continuance of WSR _____         |

**Title of rule and other identifying information:** (Describe Subject)

**WAC 415-104-111**, How does the department calculate the retirement allowance of a LEOFF Plan 2 member who retires, re-enters employment, and then either retires or separates employment again?

**WAC 415-108-830**, How does the department calculate the retirement allowance of a PERS Plan 2 or Plan 3 member who retires, re-enters PERS membership, and then retires again?

**WAC 415-112-544**, How does the department calculate the retirement allowance of a TRS Plan 2 or Plan 3 member who retires, re-enters TRS membership, and then retires again?

**WAC 415-110-830**, How does the department calculate the retirement allowance of a SERS Plan 2 or Plan 3 member who retires, re-enters SERS membership, and then retires again?

**REPEAL WAC 415-112-840**, Actuarial recomputation of retirement allowance upon retirement following reemployment.

**Hearing location(s):**  
 Department of Retirement Systems  
 6835 Capitol Blvd.; Conference Room 115  
 Tumwater, Washington

Date: May 12, 2005 Time: 9:30

**Date of intended adoption:** May 13, 2005  
 (Note: This is NOT the effective date)

**Submit written comments to:**  
 Leslie L. Saeger, Rules Coordinator  
 Department of Retirement Systems  
 P.O. Box 48380; Olympia, WA. 98504-8380  
 Email: [leslies@drs.wa.gov](mailto:leslies@drs.wa.gov)  
 Fax: (360) 753-3166 by 5:00 p.m. on May 12, 2005

**Assistance for persons with disabilities:** Contact  
 Leslie L. Saeger, Rules Coordinator by May 2, 2005  
 TDD (360) 664-7291 TTY (360) 586-5450  
 Phone (360) 664-7291

**Purpose of the proposal and its anticipated effects, including any changes in existing rules:**

These rules are being amended to delete obsolete provisions, correct statutory citations, and rewrite in approved style.

WAC 415-112-840 is being repealed and the amended version will be adopted as WAC 415-112-544. This is being done to improve the organization and accessibility of rules in the Teachers' Retirement System chapter.

**Reasons supporting proposal:**

**Statutory authority for adoption:** See Attachment 1

**Statute being implemented:** See Attachment 1

**Is rule necessary because of a:**

Federal Law?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Federal Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
State Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

If yes, CITATION:

**DATE** 3/30/05

**NAME** Leslie L. Saeger

**SIGNATURE**

**TITLE** Rules and Contracts Coordinator

### CODE REVISER USE ONLY

Filed with the Office of the Code Reviser

**March 30, 2005**

**WSR 05-08-033**

**Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:**

**Name of proponent: (person or organization)**

Department of Retirement Systems

- Private
- Public
- Governmental

**Name of agency personnel responsible for:**

	Name	Office Location	Phone
Drafting.....	Leslie Saeger	PO Box 48380, Olympia, WA 98504-8380	(360) 664-7291
Implementation....	Dorothy Bailey	PO Box 48380, Olympia, WA 98504-8380	(360) 664-7291
Enforcement.....	Dorothy Bailey	PO Box 48380, Olympia, WA 98504-8380	(360) 664-7291

**Has a small business economic impact statement been prepared under chapter 19.85 RCW?**

Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone ( ) \_\_\_\_\_

fax ( ) \_\_\_\_\_

e-mail \_\_\_\_\_

No. Explain why no statement was prepared.

These rules have no effect on businesses.

**Is a cost-benefit analysis required under RCW 34.05.328?**

Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone ( ) \_\_\_\_\_

fax ( ) \_\_\_\_\_

e-mail \_\_\_\_\_

No: Please explain:

The Department of Retirement Systems is not one of the named departments in this section (RCW 34.05.328)

**ATTACHMENT 1**

**Statutory authority for adoption:**

<b>WAC 415-104-111</b>	<b>RCW 41.50.050(5), 41.26.500</b>
<b>WAC 415-108-830</b>	<b>RCW 41.50.050(5), 41.40.690, 41.40.850</b>
<b>WAC 415-110-830</b>	<b>RCW 41.50.050(5), 41.35.230</b>
<b>WAC 415-112-544</b>	<b>RCW 41.50.050(5), 41.32.800, 41.32.860</b>

**Statute being implemented:**

<b>WAC 415-104-111</b>	<b>RCW 41.26.500</b>	
<b>WAC 415-108-830</b>	<b>RCW 41.40.690, 41.40.850, 41.40.037</b>	
<b>WAC 415-110-830</b>	<b>RCW 41.35.230, 41.35.060</b>	
<b>WAC 415-112-544</b>	<b>RCW 41.32.800, 41.32.802, 41.32.860, 41.32.862</b>	

AMENDATORY SECTION (Amending WSR 02-14-072, filed 6/28/02, effective 7/29/02)

WAC 415-104-111 (~~(Actuarial recomputation of retirement allowance upon retirement following reemployment.)~~) How does the department calculate the retirement allowance of a LEOFF Plan 2 member who retires, reenters employment, and then either retires or separates employment again? (~~((1) The purpose of this rule is to establish)) This rule establishes a method to actuarially recompute (~~(the))~~ your retirement allowance (~~(of))~~ if you are a Plan 2 member who retires, reenters employment causing (~~(his or her))~~ your retirement allowance to be suspended, and then either retires or separates employment again. (~~(The actuarially recomputed retirement allowance shall:~~~~

~~(a) Include service credit the member earned following reestablishment of membership if any; and~~

~~(b) Account for the actuarial reduction applied to the member's initial retirement if the member initially retired prior to age fifty-three.~~

~~(2) If a Plan 2 retiree reenters membership, upon the individual's next retirement, the department shall reinstate and actuarially recompute the individual's retirement allowance pursuant to RCW 41.26.500 as follows:))~~ (1) If you return to employment in a LEOFF eligible position, you must reenter membership.

~~(a) If (~~(the member first))~~ you previously retired before age fifty-three, the department (~~(shall))~~ will:~~

~~(i) Calculate (~~(the))~~ your retirement allowance pursuant to RCW 41.26.420 using (~~(the retiree's))~~:~~

~~(A) Your total years of career service, including service earned prior to your initial retirement and service earned after reentering membership; and~~

~~(B) Any increase in your final average salary resulting from your reentry into membership; and~~

~~(ii) Actuarially reduce (~~(the member's))~~ your retirement allowance:~~

~~(A) Based on the present value of the retirement allowance payments (~~(the individual))~~ you received during (~~(the))~~ your initial retirement; (~~and~~~~

~~(iii) Calculate any survivor option selected by the retiree based upon the monthly retirement allowance calculated pursuant to (a)(i) and (ii) of this subsection.)~~ (B) To reflect the difference in the number of years between your current age and the attainment of age fifty-three, if applicable; and

(C) To offset the cost of your benefit option if it includes a survivor feature. See WAC 415-104-215.

(b) If ~~((the member initially))~~ you previously retired at or after age fifty-three, the department ~~((shall))~~ will recompute ~~((the member's))~~ your retirement allowance pursuant to RCW ~~((41.26.500))~~ 41.26.420 and include any additional service credit you earned and any ~~((applicable))~~ increase in ~~((the member's))~~ your final average ~~((final compensation))~~ salary resulting from ~~((the member's))~~ your reentry into membership. The department will actuarially reduce your retirement allowance to offset the cost of your benefit option if it includes a survivor feature. See WAC 415-104-215.

(c) Under no circumstances ~~((shall a retiree))~~ will you receive a retirement allowance creditable to a month during which ~~((that individual))~~ you earned service credit.

~~((3) If a retiree's retirement allowance is suspended under RCW 41.26.500 due to reemployment but the retiree does not reenter membership, upon the retiree's separation from such employment, the retiree shall receive an actuarially recomputed retirement allowance equal to the sum of:~~

~~(a) The amount of the monthly suspended retirement allowance; plus~~

~~(b) An actuarially computed increase based upon the retirement allowance payment the member did not receive due to reemployment. The retiree may elect to receive the actuarially computed increase in either:~~

~~(i) An amount amortized over the expected term of the recomputed retirement allowance; or~~

~~(ii) A lump sum payment equal to the suspended retirement allowance plus interest.)~~ **(2) If you enter employment in a PERS, TRS or SERS eligible position,** whether or not you enter PERS, TRS or SERS membership, your LEOFF retirement allowance will be suspended under RCW 41.26.500. Upon separation from such employment, your suspended retirement allowance will be reinstated. In addition, you may choose to have the total monthly retirement payments you would have received had you not reentered employment, plus interest, either:

(a) In a lump sum; or

(b) Actuarially computed in your retirement allowance.



AMENDATORY SECTION (Amending WSR 02-03-120, filed 1/23/02, effective 3/1/02)

WAC 415-108-830 (~~(Actuarial recomputation of a Plan 2 or Plan 3 retirement allowance upon retirement following reemployment.)~~) How does the department calculate the retirement allowance of a PERS Plan 2 or Plan 3 member who retires, reenters PERS membership, and then retires again? ~~((1))~~ This rule establishes a method to actuarially recompute ~~((the))~~ your defined benefit retirement allowance ~~((of))~~ if you are a Plan 2 or Plan 3 member who retires, reenters ~~((employment))~~ PERS membership causing ~~((the))~~ your retirement allowance to ~~((be suspended))~~ stop, and then retires again. ~~((The actuarially recomputed retirement allowance shall:~~

~~(a) Include service credit the member earned following reestablishment of membership if any; and~~

~~(b) Account for the actuarial reduction applied to the member's initial retirement if the member initially retired prior to age sixty-five.~~

~~(2) If a Plan 2 or Plan 3 retiree reenters membership, upon the individual's next retirement, the department shall reinstate and actuarially recompute the individual's retirement allowance pursuant to RCW 41.40.690 as follows:~~

~~(a)) (1) If ~~((the member first))~~ you previously retired before age sixty-five, the department ~~((shall))~~ will:~~

~~((i) Calculate the)) (a) Recompute your retirement allowance pursuant to RCW 41.40.620 (Plan 2) or 41.40.790 (Plan 3) using ((the retiree's)):~~

~~(i) Your total years of career service, including service earned prior to your initial retirement and service earned after reentering membership; and~~

~~(ii) Any increase in your average final compensation resulting from your reentry into membership; and~~

~~(b) Actuarially reduce ~~((the member's))~~ your retirement allowance:~~

~~(i) Based on the present value of the retirement allowance payments ~~((the individual))~~ you received during ((the)) your initial retirement; ((and))~~

~~(ii) To reflect the difference in the number of years between your current age and the attainment of age sixty-five, if applicable; and~~

~~(iii) ~~((Calculate any survivor option selected by the retiree based upon the monthly retirement allowance calculated pursuant to (a)(i) and (ii) of this subsection.~~~~

~~(b))~~ To offset the cost of your benefit option if it includes a survivor feature. See WAC 415-108-326.

~~(2) If ((the member initially))~~ you previously retired at or after age sixty-five, the department ~~((shall))~~ will recompute ~~((the member's))~~ your retirement allowance pursuant to RCW 41.40.620 (Plan 2) or 41.40.790 (Plan 3) and include any additional service credit you earned and any ~~((applicable))~~ increase in ~~((the member's))~~ your average final compensation resulting from ~~((the member's))~~ your reentry into membership. The department will actuarially reduce your retirement allowance to offset the cost of your benefit option if it includes a survivor feature. See WAC 415-108-326.

~~(3) Under no circumstances ((shall a retiree))~~ will you receive a retirement allowance creditable to a month during which ~~((that individual))~~ you earned service credit.

~~((3) If a Plan 2 or Plan 3 retiree's retirement allowance is suspended under RCW 41.40.690 or 41.40.850 due to reemployment but the retiree does not reenter membership, upon the retiree's separation from such employment, the retiree shall receive an actuarially recomputed retirement allowance equal to the sum of:~~

~~(a) The amount of the monthly suspended retirement allowance; plus~~

~~(b) An actuarially computed increase based upon the retirement allowance payments the member did not receive due to reemployment. The retiree may elect to receive the actuarially computed increase in either:~~

~~(i) An amount amortized over the expected term of the recomputed retirement allowance; or~~

~~(ii) A lump sum payment equal to the suspended retirement allowance plus interest.))~~

AMENDATORY SECTION (Amending WSR 01-01-059, filed 12/12/00, effective 1/12/01)

**WAC 415-110-830 (~~(Actuarial recomputation of retirement allowance upon retirement following reemployment.)~~) How does the department calculate the retirement allowance of a SERS Plan 2 or Plan 3 member who retires, reenters SERS membership, and then retires again?** (~~((1) The purpose of)) This rule (~~(is to establish))~~ establishes a method to actuarially recompute (~~(the)) your defined benefit retirement allowance (~~(of)) if you are a Plan 2 or Plan 3 member (~~(or the defined benefit retirement allowance of a Plan 3 member))~~ who retires, reenters (~~(employment causing his or her)) SERS membership causing your retirement allowance to (~~(be suspended)) stop, and then retires again. (~~(The actuarially recomputed retirement allowance shall:~~~~~~~~~~~~

~~(a) Include service credit the member earned following reestablishment of membership if any; and~~

~~(b) Account for the actuarial reduction applied to the member's initial retirement if the member initially retired prior to age sixty-five.~~

~~(2) If a Plan 2 or Plan 3 retiree reenters membership, upon the individual's next retirement, the department shall reinstate and actuarially recompute the individual's retirement allowance pursuant to RCW 41.35.230 (Plan 2) or RCW 41.35.640 (Plan 3) as follows:~~

~~(a)) (1) If (~~(the member first)) you previously retired before age sixty-five, the department (~~(shall)) will:~~~~~~

~~((i) Calculate the)) (a) Recompute your retirement allowance pursuant to RCW 41.35.400 (Plan 2) or RCW 41.35.620 (Plan 3) using (~~(the retiree's)):~~~~

~~(i) Your total years of career service, including service earned prior to your initial retirement and service earned after reentering membership; and~~

~~(ii) Any increase in your average final compensation resulting from your reentry into membership; and~~

~~(b) Actuarially reduce (~~(the member's)) your retirement allowance:~~~~

~~(i) Based on the present value of the retirement allowance payments (~~(the individual)) you received during (~~(the)) your initial retirement; (~~(and))~~~~~~~~

~~(ii) To reflect the difference in the number of years between your current age and the attainment of age sixty-five, if applicable; and~~

~~(iii) (~~(Calculate any survivor option selected by the~~~~

~~retiree based upon the monthly retirement allowance calculated pursuant to (a)(i) and (ii) of this subsection.~~

~~(b)) To offset the cost of your benefit option if it includes a survivor feature. See WAC 415-110-326.~~

~~(2) If ~~((the member initially))~~ you previously retired at or after age sixty-five, the department ~~((shall))~~ will recompute ~~((the member's))~~ your retirement allowance pursuant to RCW 41.35.400 (Plan 2) or RCW 41.35.620 (Plan 3) and include any additional service credit you earned and any ~~((applicable))~~ increase in ~~((the member's))~~ your average final compensation resulting from ~~((the member's))~~ your reentry into membership. The department will actuarially reduce your retirement allowance to offset the cost of your benefit option if it includes a survivor feature. See WAC 415-110-326.~~

~~(3) Under no circumstances ~~((shall a retiree))~~ will you receive a retirement allowance creditable to a month during which ~~((that individual))~~ you earned service credit.~~

~~((3) If a retiree's retirement allowance is suspended under RCW 41.35.450 or 41.35.640 due to reemployment but the retiree does not reenter membership, upon the retiree's separation from such employment, the retiree shall receive an actuarially recomputed retirement allowance equal to the sum of:~~

~~(a) The amount of the monthly suspended retirement allowance; plus~~

~~(b) An actuarially computed increase based upon the retirement allowance payments the member did not receive due to reemployment. The retiree may elect to receive the actuarially computed increase in either:~~

~~(i) An amount amortized over the expected term of the recomputed retirement allowance; or~~

~~(ii) A lump sum payment equal to the suspended retirement allowance plus interest.)~~

NEW SECTION

**WAC 415-112-544** How does the department calculate the retirement allowance of a TRS Plan 2 or Plan 3 member who retires, reenters TRS membership, and then retires again? This rule establishes a method to actuarially recompute your defined benefit retirement allowance if you are a Plan 2 or Plan 3 member who retires, reenters TRS membership causing your retirement allowance to stop, and then retires again.

(1) **If you previously retired before age sixty-five**, the department will:

(a) Recompute your retirement allowance pursuant to RCW 41.32.760 (Plan 2) or 41.32.840 (Plan 3) using:

(i) Your total years of career service, including service earned prior to your initial retirement and service earned after reentering membership; and

(ii) Any increase in your average final compensation resulting from your reentry into membership; and

(b) Actuarially reduce your retirement allowance:

(i) Based on the present value of the retirement allowance payments you received during your initial retirement;

(ii) To reflect the difference in the number of years between your current age and the attainment of age sixty-five, if applicable; and

(iii) To offset the cost of your benefit option if it includes a survivor feature. See WAC 415-112-493.

(2) **If you previously retired at or after age sixty-five**, the department will recompute your retirement allowance pursuant to RCW 41.32.760 (Plan 2) or 41.32.840 (Plan 3) and include any additional service credit you earned and any increase in your average final compensation resulting from your reentry into membership. The department will actuarially reduce your retirement allowance to offset the cost of your benefit option if it includes a survivor feature. See WAC 415-112-493.

(3) Under no circumstances will you receive a retirement allowance creditable to a month during which you earned service credit.

REPEALER

The following section of the Washington Administrative Code is repealed:

WAC 415-112-840

Actuarial recomputation of retirement allowance upon retirement following reemployment.

**Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board  
2005 Meeting Calendar**

<b>Meeting Date and Time</b>	<b>Proposed Agenda Items</b>
<b>January 26, 2005</b> 9:30 a.m. – 3:00 p.m.	Duty Disability Off-Sets, Initial Consideration Pension Funding Proposals, OFM
<b>February 23, 2005</b> 9:30 a.m. – 3:00 p.m.	<i>Meeting Cancelled Due to Legislative Session</i>
<b>March 23, 2005</b> 9:30 a.m. – 1:00 p.m.	Actuarial Reduction Factors, Initial Consideration Death Benefits/Occupational Illness, Initial Consideration Labor & Industries Benefits Presentation
<b>April 27, 2005</b> 9:30 a.m. – 1:00 p.m.	2005 Interim Issues Legislative Update Exempt Salary Setting Board Membership Survey Follow-Up
<b>May 25, 2005</b> 9:30 a.m. – 3:00 p.m.	
<b>June 23, 2005</b> 9:30 a.m. – 3:00 p.m.	
<b>July 27, 2005</b> 9:30 a.m. – 3:00 p.m.	
<b>August 24, 2005</b> 9:30 a.m. – 3:00 p.m.	
<b>September 28, 2005</b> 9:30 a.m. – 3:00 p.m.	
<b>October 26, 2005</b> 9:30 a.m. – 3:00 p.m.	
<b>November 16, 2005</b> <i>(Washington Counties Building)</i> 9:30 a.m. – 3:00 p.m.	
<b>December 8, 2005</b> 9:30 a.m. – 3:00 p.m.	