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HOUSE BILL 1542

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State of Washington

64th Legislature

2015 Regular Session

By Representatives S. Hunt, Moscoso, Reykdal, Sells, Pollet, and Dunshee

Read first time 01/22/15. Referred to Committee on Appropriations.

1 AN ACT Relating to providing retirement benefits at earlier ages  
2 in the plans 2 and 3 of the public employees' retirement system, the  
3 teachers' retirement system, and the school employees' retirement  
4 system; amending RCW 41.32.765, 41.32.875, 41.35.420, 41.35.680,  
5 41.40.630, and 41.40.820; providing an effective date; and declaring  
6 an emergency.

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

8 **Sec. 1.** RCW 41.32.765 and 2012 1st sp.s. c 7 s 1 are each  
9 amended to read as follows:

10 (1) NORMAL RETIREMENT. Any member with at least five service  
11 credit years of service who has attained at least age sixty-five  
12 shall be eligible to retire and to receive a retirement allowance  
13 computed according to the provisions of RCW 41.32.760.

14 (2) UNREDUCED RETIREMENT. Any member who is at least age fifty-  
15 five and has completed at least five service credit years and for  
16 whom the sum of the number of years of the member's age and the  
17 number of years of the member's service credit equals eighty-five or  
18 more shall be eligible to retire and receive a retirement allowance  
19 computed according to the provisions of RCW 41.32.760.

20 (3) EARLY RETIREMENT. Any member who has completed at least  
21 twenty service credit years of service who has attained at least age

1 fifty-five shall be eligible to retire and to receive a retirement  
2 allowance computed according to the provisions of RCW 41.32.760,  
3 except that a member retiring pursuant to this subsection shall have  
4 the retirement allowance actuarially reduced to reflect the  
5 difference in the number of years between age at retirement and the  
6 attainment of age sixty-five.

7 ~~((3))~~ (4) ALTERNATE EARLY RETIREMENT.

8 (a) Any member who has completed at least thirty service credit  
9 years and has attained age fifty-five shall be eligible to retire and  
10 to receive a retirement allowance computed according to the  
11 provisions of RCW 41.32.760, except that a member retiring pursuant  
12 to this subsection shall have the retirement allowance reduced by  
13 three percent per year to reflect the difference in the number of  
14 years between age at retirement and the attainment of age sixty-five.

15 (b) On or after September 1, 2008, any member who has completed  
16 at least thirty service credit years and has attained age fifty-five  
17 shall be eligible to retire and to receive a retirement allowance  
18 computed according to the provisions of RCW 41.32.760, except that a  
19 member retiring pursuant to this subsection shall have the retirement  
20 allowance reduced as follows:

21	Retirement	Percent
22	Age	Reduction
23	55	20%
24	56	17%
25	57	14%
26	58	11%
27	59	8%
28	60	5%
29	61	2%
30	62	0%
31	63	0%
32	64	0%

33 Any member who retires under the provisions of this subsection is  
34 ineligible for the postretirement employment provisions of RCW  
35 41.32.802(2) until the retired member has reached sixty-five years of  
36 age. For purposes of this subsection, employment with an employer

1 also includes any personal service contract, service by an employer  
2 as a temporary or project employee, or any other similar compensated  
3 relationship with any employer included under the provisions of RCW  
4 41.32.800(1).

5 The subsidized reductions for alternate early retirement in this  
6 subsection as set forth in section 2, chapter 491, Laws of 2007 were  
7 intended by the legislature as replacement benefits for gain-sharing.  
8 Until there is legal certainty with respect to the repeal of chapter  
9 41.31A RCW, the right to retire under this subsection is  
10 noncontractual, and the legislature reserves the right to amend or  
11 repeal this subsection. Legal certainty includes, but is not limited  
12 to, the expiration of any: Applicable limitations on actions; and  
13 periods of time for seeking appellate review, up to and including  
14 reconsideration by the Washington supreme court and the supreme court  
15 of the United States. Until that time, eligible members may still  
16 retire under this subsection, and upon receipt of the first  
17 installment of a retirement allowance computed under this subsection,  
18 the resulting benefit becomes contractual for the recipient. If the  
19 repeal of chapter 41.31A RCW is held to be invalid in a final  
20 determination of a court of law, and the court orders reinstatement  
21 of gain-sharing or other alternate benefits as a remedy, then  
22 retirement benefits for any member who has completed at least thirty  
23 service credit years and has attained age fifty-five but has not yet  
24 received the first installment of a retirement allowance under this  
25 subsection shall be computed using the reductions in (a) of this  
26 subsection.

27 (c) Members who first become employed by an employer in an  
28 eligible position on or after May 1, 2013, are not eligible for the  
29 alternate early retirement provisions of (a) or (b) of this  
30 subsection. Any member who first becomes employed by an employer in  
31 an eligible position on or after May 1, 2013, and has completed at  
32 least thirty service credit years and has attained age fifty-five  
33 shall be eligible to retire and to receive a retirement allowance  
34 computed according to the provisions of RCW 41.32.760, except that a  
35 member retiring pursuant to this subsection shall have the retirement  
36 allowance reduced by five percent per year to reflect the difference  
37 in the number of years between age at retirement and the attainment  
38 of age sixty-five.

1       **Sec. 2.** RCW 41.32.875 and 2012 1st sp.s. c 7 s 2 are each  
2 amended to read as follows:

3       (1) NORMAL RETIREMENT. Any member who is at least age sixty-five  
4 and who has:

5       (a) Completed ten service credit years; or

6       (b) Completed five service credit years, including twelve service  
7 credit months after attaining age forty-four; or

8       (c) Completed five service credit years by July 1, 1996, under  
9 plan 2 and who transferred to plan 3 under RCW 41.32.817;

10 shall be eligible to retire and to receive a retirement allowance  
11 computed according to the provisions of RCW 41.32.840.

12       (2) UNREDUCED RETIREMENT. Any member who is at least age fifty-  
13 five and has completed the number of service credit years required in  
14 subsection (1) of this section and for whom the sum of the number of  
15 years of the member's age and the number of years of the member's  
16 service credit equals eighty-five or more shall be eligible to retire  
17 and receive a retirement allowance computed according to the  
18 provisions of RCW 41.32.840.

19       (3) EARLY RETIREMENT. Any member who has attained at least age  
20 fifty-five and has completed at least ten years of service shall be  
21 eligible to retire and to receive a retirement allowance computed  
22 according to the provisions of RCW 41.32.840, except that a member  
23 retiring pursuant to this subsection shall have the retirement  
24 allowance actuarially reduced to reflect the difference in the number  
25 of years between age at retirement and the attainment of age sixty-  
26 five.

27       (~~(3)~~) (4) ALTERNATE EARLY RETIREMENT.

28       (a) Any member who has completed at least thirty service credit  
29 years and has attained age fifty-five shall be eligible to retire and  
30 to receive a retirement allowance computed according to the  
31 provisions of RCW 41.32.840, except that a member retiring pursuant  
32 to this subsection shall have the retirement allowance reduced by  
33 three percent per year to reflect the difference in the number of  
34 years between age at retirement and the attainment of age sixty-five.

35       (b) On or after September 1, 2008, any member who has completed  
36 at least thirty service credit years and has attained age fifty-five  
37 shall be eligible to retire and to receive a retirement allowance  
38 computed according to the provisions of RCW 41.32.840, except that a

1 member retiring pursuant to this subsection shall have the retirement  
2 allowance reduced as follows:

3	Retirement	Percent
4	Age	Reduction
5	55	20%
6	56	17%
7	57	14%
8	58	11%
9	59	8%
10	60	5%
11	61	2%
12	62	0%
13	63	0%
14	64	0%

15 Any member who retires under the provisions of this subsection is  
16 ineligible for the postretirement employment provisions of RCW  
17 41.32.862(2) until the retired member has reached sixty-five years of  
18 age. For purposes of this subsection, employment with an employer  
19 also includes any personal service contract, service by an employer  
20 as a temporary or project employee, or any other similar compensated  
21 relationship with any employer included under the provisions of RCW  
22 41.32.860(1).

23 The subsidized reductions for alternate early retirement in this  
24 subsection as set forth in section 4, chapter 491, Laws of 2007 were  
25 intended by the legislature as replacement benefits for gain-sharing.  
26 Until there is legal certainty with respect to the repeal of chapter  
27 41.31A RCW, the right to retire under this subsection is  
28 noncontractual, and the legislature reserves the right to amend or  
29 repeal this subsection. Legal certainty includes, but is not limited  
30 to, the expiration of any: Applicable limitations on actions; and  
31 periods of time for seeking appellate review, up to and including  
32 reconsideration by the Washington supreme court and the supreme court  
33 of the United States. Until that time, eligible members may still  
34 retire under this subsection, and upon receipt of the first  
35 installment of a retirement allowance computed under this subsection,  
36 the resulting benefit becomes contractual for the recipient. If the

1 repeal of chapter 41.31A RCW is held to be invalid in a final  
2 determination of a court of law, and the court orders reinstatement  
3 of gain-sharing or other alternate benefits as a remedy, then  
4 retirement benefits for any member who has completed at least thirty  
5 service credit years and has attained age fifty-five but has not yet  
6 received the first installment of a retirement allowance under this  
7 subsection shall be computed using the reductions in (a) of this  
8 subsection.

9 (c) Members who first become employed by an employer in an  
10 eligible position on or after May 1, 2013, are not eligible for the  
11 alternate early retirement provisions of (a) or (b) of this  
12 subsection. Any member who first becomes employed by an employer in  
13 an eligible position on or after May 1, 2013, and has completed at  
14 least thirty service credit years and has attained age fifty-five  
15 shall be eligible to retire and to receive a retirement allowance  
16 computed according to the provisions of RCW 41.32.840, except that a  
17 member retiring pursuant to this subsection shall have the retirement  
18 allowance reduced by five percent per year to reflect the difference  
19 in the number of years between age at retirement and the attainment  
20 of age sixty-five.

21 **Sec. 3.** RCW 41.35.420 and 2012 1st sp.s. c 7 s 3 are each  
22 amended to read as follows:

23 (1) NORMAL RETIREMENT. Any member with at least five service  
24 credit years who has attained at least age sixty-five shall be  
25 eligible to retire and to receive a retirement allowance computed  
26 according to the provisions of RCW 41.35.400.

27 (2) UNREDUCED RETIREMENT. Any member who is at least age fifty-  
28 five and has completed at least five service credit years and for  
29 whom the sum of the number of years of the member's age and the  
30 number of years of the member's service credit equals eighty-five or  
31 more shall be eligible to retire and receive a retirement allowance  
32 computed according to the provisions of RCW 41.35.400.

33 (3) EARLY RETIREMENT. Any member who has completed at least  
34 twenty service credit years and has attained age fifty-five shall be  
35 eligible to retire and to receive a retirement allowance computed  
36 according to the provisions of RCW 41.35.400, except that a member  
37 retiring pursuant to this subsection shall have the retirement  
38 allowance actuarially reduced to reflect the difference in the number

1 of years between age at retirement and the attainment of age sixty-  
2 five.

3 ~~((3))~~ (4) ALTERNATE EARLY RETIREMENT.

4 (a) Any member who has completed at least thirty service credit  
5 years and has attained age fifty-five shall be eligible to retire and  
6 to receive a retirement allowance computed according to the  
7 provisions of RCW 41.35.400, except that a member retiring pursuant  
8 to this subsection shall have the retirement allowance reduced by  
9 three percent per year to reflect the difference in the number of  
10 years between age at retirement and the attainment of age sixty-five.

11 (b) On or after September 1, 2008, any member who has completed  
12 at least thirty service credit years and has attained age fifty-five  
13 shall be eligible to retire and to receive a retirement allowance  
14 computed according to the provisions of RCW 41.35.400, except that a  
15 member retiring pursuant to this subsection shall have the retirement  
16 allowance reduced as follows:

17	Retirement	Percent
18	Age	Reduction
19	55	20%
20	56	17%
21	57	14%
22	58	11%
23	59	8%
24	60	5%
25	61	2%
26	62	0%
27	63	0%
28	64	0%

29 Any member who retires under the provisions of this subsection is  
30 ineligible for the postretirement employment provisions of RCW  
31 41.35.060(2) until the retired member has reached sixty-five years of  
32 age. For purposes of this subsection, employment with an employer  
33 also includes any personal service contract, service by an employer  
34 as a temporary or project employee, or any other similar compensated  
35 relationship with any employer included under the provisions of RCW  
36 41.35.230(1).

1       The subsidized reductions for alternate early retirement in this  
2 subsection as set forth in section 6, chapter 491, Laws of 2007 were  
3 intended by the legislature as replacement benefits for gain-sharing.  
4 Until there is legal certainty with respect to the repeal of chapter  
5 41.31A RCW, the right to retire under this subsection is  
6 noncontractual, and the legislature reserves the right to amend or  
7 repeal this subsection. Legal certainty includes, but is not limited  
8 to, the expiration of any: Applicable limitations on actions; and  
9 periods of time for seeking appellate review, up to and including  
10 reconsideration by the Washington supreme court and the supreme court  
11 of the United States. Until that time, eligible members may still  
12 retire under this subsection, and upon receipt of the first  
13 installment of a retirement allowance computed under this subsection,  
14 the resulting benefit becomes contractual for the recipient. If the  
15 repeal of chapter 41.31A RCW is held to be invalid in a final  
16 determination of a court of law, and the court orders reinstatement  
17 of gain-sharing or other alternate benefits as a remedy, then  
18 retirement benefits for any member who has completed at least thirty  
19 service credit years and has attained age fifty-five but has not yet  
20 received the first installment of a retirement allowance under this  
21 subsection shall be computed using the reductions in (a) of this  
22 subsection.

23       (c) Members who first become employed by an employer in an  
24 eligible position on or after May 1, 2013, are not eligible for the  
25 alternate early retirement provisions of (a) or (b) of this  
26 subsection. Any member who first becomes employed by an employer in  
27 an eligible position on or after May 1, 2013, and has completed at  
28 least thirty service credit years and has attained age fifty-five  
29 shall be eligible to retire and to receive a retirement allowance  
30 computed according to the provisions of RCW 41.35.400, except that a  
31 member retiring pursuant to this subsection shall have the retirement  
32 allowance reduced by five percent per year to reflect the difference  
33 in the number of years between age at retirement and the attainment  
34 of age sixty-five.

35       **Sec. 4.** RCW 41.35.680 and 2012 1st sp.s. c 7 s 4 are each  
36 amended to read as follows:

37       (1) NORMAL RETIREMENT. Any member who is at least age sixty-five  
38 and who has:

39       (a) Completed ten service credit years; or



1 (b) Completed five service credit years, including twelve service  
2 credit months after attaining age forty-four; or

3 (c) Completed five service credit years by September 1, 2000,  
4 under the public employees' retirement system plan 2 and who  
5 transferred to plan 3 under RCW 41.35.510;  
6 shall be eligible to retire and to receive a retirement allowance  
7 computed according to the provisions of RCW 41.35.620.

8 (2) UNREDUCED RETIREMENT. Any member who is at least age fifty-  
9 five and has completed the number of service credit years required in  
10 subsection (1) of this section and for whom the sum of the number of  
11 years of the member's age and the number of years of the member's  
12 service credit equals eighty-five or more shall be eligible to retire  
13 and receive a retirement allowance computed according to the  
14 provisions of RCW 41.35.620.

15 (3) EARLY RETIREMENT. Any member who has attained at least age  
16 fifty-five and has completed at least ten years of service shall be  
17 eligible to retire and to receive a retirement allowance computed  
18 according to the provisions of RCW 41.35.620, except that a member  
19 retiring pursuant to this subsection shall have the retirement  
20 allowance actuarially reduced to reflect the difference in the number  
21 of years between age at retirement and the attainment of age sixty-  
22 five.

23 (~~(3)~~) (4) ALTERNATE EARLY RETIREMENT.

24 (a) Any member who has completed at least thirty service credit  
25 years and has attained age fifty-five shall be eligible to retire and  
26 to receive a retirement allowance computed according to the  
27 provisions of RCW 41.35.620, except that a member retiring pursuant  
28 to this subsection shall have the retirement allowance reduced by  
29 three percent per year to reflect the difference in the number of  
30 years between age at retirement and the attainment of age sixty-five.

31 (b) On or after September 1, 2008, any member who has completed  
32 at least thirty service credit years and has attained age fifty-five  
33 shall be eligible to retire and to receive a retirement allowance  
34 computed according to the provisions of RCW 41.35.620, except that a  
35 member retiring pursuant to this subsection shall have the retirement  
36 allowance reduced as follows:

Retirement Age	Percent Reduction
55	20%

1	56	17%
2	57	14%
3	58	11%
4	59	8%
5	60	5%
6	61	2%
7	62	0%
8	63	0%
9	64	0%

10 Any member who retires under the provisions of this subsection is  
11 ineligible for the postretirement employment provisions of RCW  
12 41.35.060(2) until the retired member has reached sixty-five years of  
13 age. For purposes of this subsection, employment with an employer  
14 also includes any personal service contract, service by an employer  
15 as a temporary or project employee, or any other similar compensated  
16 relationship with any employer included under the provisions of RCW  
17 41.35.230(1).

18 The subsidized reductions for alternate early retirement in this  
19 subsection as set forth in section 8, chapter 491, Laws of 2007 were  
20 intended by the legislature as replacement benefits for gain-sharing.  
21 Until there is legal certainty with respect to the repeal of chapter  
22 41.31A RCW, the right to retire under this subsection is  
23 noncontractual, and the legislature reserves the right to amend or  
24 repeal this subsection. Legal certainty includes, but is not limited  
25 to, the expiration of any: Applicable limitations on actions; and  
26 periods of time for seeking appellate review, up to and including  
27 reconsideration by the Washington supreme court and the supreme court  
28 of the United States. Until that time, eligible members may still  
29 retire under this subsection, and upon receipt of the first  
30 installment of a retirement allowance computed under this subsection,  
31 the resulting benefit becomes contractual for the recipient. If the  
32 repeal of chapter 41.31A RCW is held to be invalid in a final  
33 determination of a court of law, and the court orders reinstatement  
34 of gain-sharing or other alternate benefits as a remedy, then  
35 retirement benefits for any member who has completed at least thirty  
36 service credit years and has attained age fifty-five but has not yet  
37 received the first installment of a retirement allowance under this

1 subsection shall be computed using the reductions in (a) of this  
2 subsection.

3 (c) Members who first become employed by an employer in an  
4 eligible position on or after May 1, 2013, are not eligible for the  
5 alternate early retirement provisions of (a) or (b) of this  
6 subsection. Any member who first becomes employed by an employer in  
7 an eligible position on or after May 1, 2013, and has completed at  
8 least thirty service credit years and has attained age fifty-five  
9 shall be eligible to retire and to receive a retirement allowance  
10 computed according to the provisions of RCW 41.35.620, except that a  
11 member retiring pursuant to this subsection shall have the retirement  
12 allowance reduced by five percent per year to reflect the difference  
13 in the number of years between age at retirement and the attainment  
14 of age sixty-five.

15 **Sec. 5.** RCW 41.40.630 and 2012 1st sp.s. c 7 s 5 are each  
16 amended to read as follows:

17 (1) NORMAL RETIREMENT. Any member with at least five service  
18 credit years who has attained at least age sixty-five shall be  
19 eligible to retire and to receive a retirement allowance computed  
20 according to the provisions of RCW 41.40.620.

21 (2) UNREDUCED RETIREMENT. Any member who is at least age fifty-  
22 five and has completed at least five service credit years and for  
23 whom the sum of the number of years of the member's age and the  
24 number of years of the member's service credit equals eighty-five or  
25 more shall be eligible to retire and receive a retirement allowance  
26 computed according to the provisions of RCW 41.40.620.

27 (3) EARLY RETIREMENT. Any member who has completed at least  
28 twenty service credit years and has attained age fifty-five shall be  
29 eligible to retire and to receive a retirement allowance computed  
30 according to the provisions of RCW 41.40.620, except that a member  
31 retiring pursuant to this subsection shall have the retirement  
32 allowance actuarially reduced to reflect the difference in the number  
33 of years between age at retirement and the attainment of age sixty-  
34 five.

35 (~~(3)~~) (4) ALTERNATE EARLY RETIREMENT.

36 (a) Any member who has completed at least thirty service credit  
37 years and has attained age fifty-five shall be eligible to retire and  
38 to receive a retirement allowance computed according to the  
39 provisions of RCW 41.40.620, except that a member retiring pursuant

1 to this subsection shall have the retirement allowance reduced by  
2 three percent per year to reflect the difference in the number of  
3 years between age at retirement and the attainment of age sixty-five.

4 (b) On or after July 1, 2008, any member who has completed at  
5 least thirty service credit years and has attained age fifty-five  
6 shall be eligible to retire and to receive a retirement allowance  
7 computed according to the provisions of RCW 41.40.620, except that a  
8 member retiring pursuant to this subsection shall have the retirement  
9 allowance reduced as follows:

10	Retirement	Percent
11	Age	Reduction
12	55	20%
13	56	17%
14	57	14%
15	58	11%
16	59	8%
17	60	5%
18	61	2%
19	62	0%
20	63	0%
21	64	0%

22 Any member who retires under the provisions of this subsection is  
23 ineligible for the postretirement employment provisions of RCW  
24 41.40.037(2)(d) until the retired member has reached sixty-five years  
25 of age. For purposes of this subsection, employment with an employer  
26 also includes any personal service contract, service by an employer  
27 as a temporary or project employee, or any other similar compensated  
28 relationship with any employer included under the provisions of RCW  
29 41.40.690(1).

30 The subsidized reductions for alternate early retirement in this  
31 subsection as set forth in section 9, chapter 491, Laws of 2007 were  
32 intended by the legislature as replacement benefits for gain-sharing.  
33 Until there is legal certainty with respect to the repeal of chapter  
34 41.31A RCW, the right to retire under this subsection is  
35 noncontractual, and the legislature reserves the right to amend or  
36 repeal this subsection. Legal certainty includes, but is not limited

1 to, the expiration of any: Applicable limitations on actions; and  
2 periods of time for seeking appellate review, up to and including  
3 reconsideration by the Washington supreme court and the supreme court  
4 of the United States. Until that time, eligible members may still  
5 retire under this subsection, and upon receipt of the first  
6 installment of a retirement allowance computed under this subsection,  
7 the resulting benefit becomes contractual for the recipient. If the  
8 repeal of chapter 41.31A RCW is held to be invalid in a final  
9 determination of a court of law, and the court orders reinstatement  
10 of gain-sharing or other alternate benefits as a remedy, then  
11 retirement benefits for any member who has completed at least thirty  
12 service credit years and has attained age fifty-five but has not yet  
13 received the first installment of a retirement allowance under this  
14 subsection shall be computed using the reductions in (a) of this  
15 subsection.

16 (c) Members who first become employed by an employer in an  
17 eligible position on or after May 1, 2013, are not eligible for the  
18 alternate early retirement provisions of (a) or (b) of this  
19 subsection. Any member who first becomes employed by an employer in  
20 an eligible position on or after May 1, 2013, and has completed at  
21 least thirty service credit years and has attained age fifty-five  
22 shall be eligible to retire and to receive a retirement allowance  
23 computed according to the provisions of RCW 41.40.620, except that a  
24 member retiring pursuant to this subsection shall have the retirement  
25 allowance reduced by five percent per year to reflect the difference  
26 in the number of years between age at retirement and the attainment  
27 of age sixty-five.

28 **Sec. 6.** RCW 41.40.820 and 2012 1st sp.s. c 7 s 6 are each  
29 amended to read as follows:

30 (1) NORMAL RETIREMENT. Any member who is at least age sixty-five  
31 and who has:

32 (a) Completed ten service credit years; or

33 (b) Completed five service credit years, including twelve service  
34 credit months after attaining age forty-four; or

35 (c) Completed five service credit years by the transfer payment  
36 date specified in RCW 41.40.795, under the public employees'  
37 retirement system plan 2 and who transferred to plan 3 under RCW  
38 41.40.795;

1 shall be eligible to retire and to receive a retirement allowance  
2 computed according to the provisions of RCW 41.40.790.

3 (2) UNREDUCED RETIREMENT. Any member who is at least age fifty-  
4 five and has completed the number of service credit years required in  
5 subsection (1) of this section and for whom the sum of the number of  
6 years of the member's age and the number of years of the member's  
7 service credit equals eighty-five or more shall be eligible to retire  
8 and receive a retirement allowance computed according to the  
9 provisions of RCW 41.40.790.

10 (3) EARLY RETIREMENT. Any member who has attained at least age  
11 fifty-five and has completed at least ten years of service shall be  
12 eligible to retire and to receive a retirement allowance computed  
13 according to the provisions of RCW 41.40.790, except that a member  
14 retiring pursuant to this subsection shall have the retirement  
15 allowance actuarially reduced to reflect the difference in the number  
16 of years between age at retirement and the attainment of age sixty-  
17 five.

18 ((+3)) (4) ALTERNATE EARLY RETIREMENT.

19 (a) Any member who has completed at least thirty service credit  
20 years and has attained age fifty-five shall be eligible to retire and  
21 to receive a retirement allowance computed according to the  
22 provisions of RCW 41.40.790, except that a member retiring pursuant  
23 to this subsection shall have the retirement allowance reduced by  
24 three percent per year to reflect the difference in the number of  
25 years between age at retirement and the attainment of age sixty-five.

26 (b) On or after July 1, 2008, any member who has completed at  
27 least thirty service credit years and has attained age fifty-five  
28 shall be eligible to retire and to receive a retirement allowance  
29 computed according to the provisions of RCW 41.40.790, except that a  
30 member retiring pursuant to this subsection shall have the retirement  
31 allowance reduced as follows:

Retirement	Percent
Age	Reduction
55	20%
56	17%
57	14%
58	11%
59	8%

1	60	5%
2	61	2%
3	62	0%
4	63	0%
5	64	0%

6 Any member who retires under the provisions of this subsection is  
7 ineligible for the postretirement employment provisions of RCW  
8 41.40.037(2)(d) until the retired member has reached sixty-five years  
9 of age. For purposes of this subsection, employment with an employer  
10 also includes any personal service contract, service by an employer  
11 as a temporary or project employee, or any other similar compensated  
12 relationship with any employer included under the provisions of RCW  
13 41.40.850(1).

14 The subsidized reductions for alternate early retirement in this  
15 subsection as set forth in section 10, chapter 491, Laws of 2007 were  
16 intended by the legislature as replacement benefits for gain-sharing.  
17 Until there is legal certainty with respect to the repeal of chapter  
18 41.31A RCW, the right to retire under this subsection is  
19 noncontractual, and the legislature reserves the right to amend or  
20 repeal this subsection. Legal certainty includes, but is not limited  
21 to, the expiration of any: Applicable limitations on actions; and  
22 periods of time for seeking appellate review, up to and including  
23 reconsideration by the Washington supreme court and the supreme court  
24 of the United States. Until that time, eligible members may still  
25 retire under this subsection, and upon receipt of the first  
26 installment of a retirement allowance computed under this subsection,  
27 the resulting benefit becomes contractual for the recipient. If the  
28 repeal of chapter 41.31A RCW is held to be invalid in a final  
29 determination of a court of law, and the court orders reinstatement  
30 of gain-sharing or other alternate benefits as a remedy, then  
31 retirement benefits for any member who has completed at least thirty  
32 service credit years and has attained age fifty-five but has not yet  
33 received the first installment of a retirement allowance under this  
34 subsection shall be computed using the reductions in (a) of this  
35 subsection.

36 (c) Members who first become employed by an employer in an  
37 eligible position on or after May 1, 2013, are not eligible for the  
38 alternate early retirement provisions of (a) or (b) of this

1 subsection. Any member who first becomes employed by an employer in  
2 an eligible position on or after May 1, 2013, and has completed at  
3 least thirty service credit years and has attained age fifty-five  
4 shall be eligible to retire and to receive a retirement allowance  
5 computed according to the provisions of RCW 41.40.790, except that a  
6 member retiring pursuant to this subsection shall have the retirement  
7 allowance reduced by five percent per year to reflect the difference  
8 in the number of years between age at retirement and the attainment  
9 of age sixty-five.

10 NEW SECTION. **Sec. 7.** This act is necessary for the immediate  
11 preservation of the public peace, health, or safety, or support of  
12 the state government and its existing public institutions, and takes  
13 effect July 1, 2015.

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