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**SENATE BILL 6315**

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**State of Washington**

**68th Legislature**

**2024 Regular Session**

**By** Senator Robinson

1 AN ACT Relating to benefits available to retirees of the state's  
2 retirement systems; amending RCW 41.32.4992, 41.40.1987, and  
3 41.05.085; and adding a new section to chapter 41.05 RCW.

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

5 **Sec. 1.** RCW 41.32.4992 and 2023 c 397 s 3 are each amended to  
6 read as follows:

7 (1) Beneficiaries who are receiving a monthly benefit from the  
8 teachers' retirement system plan 1 on July 1, 2017, shall receive,  
9 effective July 1, 2018, an increase to their monthly benefit of one  
10 and one-half percent multiplied by the beneficiaries' monthly  
11 benefit, not to exceed \$62.50.

12 (2) Beneficiaries who are receiving a monthly benefit from the  
13 teachers' retirement system plan 1 on July 1, 2019, shall receive,  
14 effective July 1, 2020, an increase to their monthly benefit of three  
15 percent multiplied by the beneficiaries' monthly benefit, not to  
16 exceed \$62.50.

17 (3) Beneficiaries who are receiving a monthly benefit from the  
18 teachers' retirement system plan 1 on July 1, 2021, shall receive,  
19 effective July 1, 2022, an increase to their monthly benefit of three  
20 percent multiplied by the beneficiaries' monthly benefit, not to  
21 exceed \$110.00.

1 (4) Beneficiaries who are receiving a monthly benefit from the  
2 teachers' retirement system plan 1 on July 1, 2022, shall receive,  
3 effective July 1, 2023, an increase to their monthly benefit of three  
4 percent multiplied by the beneficiaries' monthly benefit, not to  
5 exceed \$110.00.

6 (5) Beneficiaries who are receiving a monthly benefit from the  
7 teachers' retirement system plan 1 on July 1, 2023, shall receive,  
8 effective July 1, 2024, an increase to their monthly benefit of three  
9 percent multiplied by the beneficiaries' monthly benefit, not to  
10 exceed \$125.00.

11 (6) This section does not apply to those receiving benefits  
12 pursuant to RCW 41.32.489 or 41.32.540.

13 **Sec. 2.** RCW 41.40.1987 and 2023 c 397 s 4 are each amended to  
14 read as follows:

15 (1) Beneficiaries who are receiving a monthly benefit from the  
16 public employees' retirement system plan 1 on July 1, 2017, shall  
17 receive, effective July 1, 2018, an increase to their monthly benefit  
18 of one and one-half percent multiplied by the beneficiaries' monthly  
19 benefit, not to exceed \$62.50.

20 (2) Beneficiaries who are receiving a monthly benefit from the  
21 public employees' retirement system plan 1 on July 1, 2019, shall  
22 receive, effective July 1, 2020, an increase to their monthly benefit  
23 of three percent multiplied by the beneficiaries' monthly benefit,  
24 not to exceed \$62.50.

25 (3) Beneficiaries who are receiving a monthly benefit from the  
26 public employees' retirement system plan 1 on July 1, 2021, shall  
27 receive, effective July 1, 2022, an increase to their monthly benefit  
28 of three percent multiplied by the beneficiaries' monthly benefit,  
29 not to exceed \$110.00.

30 (4) Beneficiaries who are receiving a monthly benefit from the  
31 public employees' retirement system plan 1 on July 1, 2022, shall  
32 receive, effective July 1, 2023, an increase to their monthly benefit  
33 of three percent multiplied by the beneficiaries' monthly benefit,  
34 not to exceed \$110.00.

35 (5) Beneficiaries who are receiving a monthly benefit from the  
36 public employees' retirement system plan 1 on July 1, 2023, shall  
37 receive, effective July 1, 2024, an increase to their monthly benefit  
38 of three percent multiplied by the beneficiaries' monthly benefit,  
39 not to exceed \$125.00.

1       (6) This section does not apply to those receiving benefits  
2 pursuant to RCW 41.40.1984.

3       NEW SECTION.   **Sec. 3.** A new section is added to chapter 41.05  
4 RCW to read as follows:

5       Any self-insured medical plan offered as of January 1, 2025, by  
6 the public employees' benefits board to the persons described in RCW  
7 41.05.080(1) shall apply any savings incurred when the plan is the  
8 secondary payer, after coordination of coverage with medicare, to  
9 reduce the plan's overall medical claims costs and will not record  
10 savings as a benefit reserve for the covered person to pay any  
11 allowable expenses not otherwise paid by the plan.

12       **Sec. 4.** RCW 41.05.085 and 2018 c 260 s 16 are each amended to  
13 read as follows:

14       (1) ~~((Beginning with the appropriations act for the 2005-2007~~  
15 ~~biennium, the)) The legislature shall establish as part of both the  
16 state employees' and the school and educational service district  
17 employees' insurance benefit allocation the portion of the allocation  
18 to be used to provide a ~~((prescription drug))~~ subsidy to reduce the  
19 ~~((health care))~~ medical and prescription drug insurance premium~~((s))~~  
20 charged to retired or disabled school district and educational  
21 service district employees, or retired state employees, who are  
22 eligible for parts A and B of medicare. ~~((The legislature may also~~  
23 ~~establish a separate health care subsidy to reduce insurance premiums~~  
24 ~~charged to individuals who select a medicare supplemental insurance~~  
25 ~~policy option established in RCW 41.05.195.))~~~~

26       (2) The amount of any premium reduction shall be established by  
27 the public employees' benefits board. The amount established shall  
28 not result in a premium reduction of more than fifty percent, except  
29 as provided in subsection (3) of this section. The public employees'  
30 benefits board may also determine the amount of any subsidy to be  
31 available to spouses and dependents.

32       (3) The amount of the premium reduction in subsection (2) of this  
33 section may exceed fifty percent, if the director, in consultation  
34 with the office of financial management, determines that it is  
35 necessary in order to meet eligibility requirements to participate in  
36 the federal employer incentive program as provided in RCW 41.05.068.

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