
SUBSTITUTE SENATE BILL 6264

AS AMENDED BY THE HOUSE

Passed Legislature - 2016 Regular Session

State of Washington 64th Legislature 2016 Regular Session

By Senate Ways & Means (originally sponsored by Senators Dammeier, Conway, Bailey, Rivers, Hasegawa, O'Ban, Frockt, Schoesler, Darneille, Lias, and Rolfes; by request of LEOFF Plan 2 Retirement Board)

READ FIRST TIME 02/09/16.

1 AN ACT Relating to allowing certain Washington state patrol
2 retirement system and law enforcement officers' and firefighters'
3 members to purchase annuities; adding a new section to chapter 43.43
4 RCW; adding new sections to chapter 41.26 RCW; and creating a new
5 section.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.43
8 RCW to read as follows, but because of its temporary nature is not
9 codified:

10 (1) A retiree whose retirement was effective before July 24,
11 2015, may purchase an annuity under subsection (2) of this section
12 between January 1, 2017, and June 1, 2017.

13 (2) Retirees who meet the requirements of subsection (1) of this
14 section may purchase an optional actuarially equivalent life annuity
15 benefit from the Washington state patrol retirement fund established
16 in RCW 43.43.130. A minimum payment of twenty-five thousand dollars
17 is required.

18 (a) Subject to rules adopted by the department, a member
19 purchasing an annuity under this section must pay all of the cost
20 with an eligible rollover, direct rollover, or trustee-to-trustee
21 transfer from an eligible retirement plan.

1 (b) The department shall adopt rules to ensure that all eligible
2 rollovers and transfers comply with the requirements of the internal
3 revenue code and regulations adopted by the internal revenue service.
4 The rules adopted by the department may condition the acceptance of a
5 rollover or transfer from another plan on the receipt of information
6 necessary to enable the department to determine the eligibility of
7 any transferred funds for tax-free rollover treatment or other
8 treatment under federal income tax law.

9 (c) "Eligible retirement plan" means a tax qualified plan offered
10 by a governmental employer.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.26
12 RCW under the subchapter heading "plan 1" to read as follows:

13 (1) At the time of retirement, plan 1 members may purchase an
14 optional actuarially equivalent life annuity benefit from the
15 Washington law enforcement officers' and firefighters' retirement
16 system plan 1 retirement fund established in RCW 41.50.075. A minimum
17 payment of twenty-five thousand dollars is required.

18 (2) Subject to rules adopted by the department, a member
19 purchasing an annuity under this section must pay all of the cost
20 with an eligible rollover, direct rollover, or trustee-to-trustee
21 transfer from an eligible retirement plan.

22 (a) The department shall adopt rules to ensure that all eligible
23 rollovers and transfers comply with the requirements of the internal
24 revenue code and regulations adopted by the internal revenue service.
25 The rules adopted by the department may condition the acceptance of a
26 rollover or transfer from another plan on the receipt of information
27 necessary to enable the department to determine the eligibility of
28 any transferred funds for tax-free rollover treatment or other
29 treatment under federal income tax law.

30 (b) "Eligible retirement plan" means a tax qualified plan offered
31 by a governmental employer.

32 (3) Plan 1 members whose retirement was effective prior to the
33 effective date of this section may purchase an annuity under this
34 section between January 1, 2017, and June 1, 2017.

35 NEW SECTION. **Sec. 3.** A new section is added to chapter 41.26
36 RCW under the subchapter heading "plan 2" to read as follows, but
37 because of its temporary nature is not codified:

1 (1) A plan 2 retiree whose retirement was effective before June
2 1, 2014, may purchase an annuity under this section between January
3 1, 2017, and June 1, 2017.

4 (2) Plan 2 retirees who meet the requirements of subsection (1)
5 of this section may purchase an optional actuarially equivalent life
6 annuity benefit from the Washington law enforcement officers' and
7 firefighters' retirement system plan 2 retirement fund established in
8 RCW 41.50.075. A minimum payment of twenty-five thousand dollars is
9 required.

10 (a) Subject to rules adopted by the department, a retiree
11 purchasing an annuity under this section must pay all of the cost
12 with an eligible rollover, direct rollover, or trustee-to-trustee
13 transfer from an eligible retirement plan.

14 (b) The department shall adopt rules to ensure that all eligible
15 rollovers and transfers comply with the requirements of the internal
16 revenue code and regulations adopted by the internal revenue service.
17 The rules adopted by the department may condition the acceptance of a
18 rollover or transfer from another plan on the receipt of information
19 necessary to enable the department to determine the eligibility of
20 any transferred funds for tax-free rollover treatment or other
21 treatment under federal income tax law.

22 (c) "Eligible retirement plan" means a tax qualified plan offered
23 by a governmental employer.

24 NEW SECTION. **Sec. 4.** If specific funding for purposes of this
25 act, referencing this act by bill or chapter number, is not provided
26 by June 30, 2016, in the omnibus appropriations act, this act is null
27 and void.

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