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### BOARD MEETINGS

Board meetings are open to the public and take place in the Washington State Investment Board's large conference room located at 2100 Evergreen Park Drive SW, Suite 100 in Olympia, WA. They are held on the fourth Wednesday of each month from 9:30 a.m. to 3:00 p.m. unless otherwise noted.

For up-to-date Board meeting information, visit [www.leoff.wa.gov](http://www.leoff.wa.gov).

### CONTACT INFORMATION

For questions or comments regarding possible benefit improvements, please contact your affiliated association or local labor representative.

**The LEOFF Plan 2 Retirement Board** will gladly assist you in answering questions regarding LEOFF Plan 2 pension policy, the board's legislative activities or the status of board-sponsored bills.

P.O. Box 40918  
Olympia, WA 98504-0918  
(360) 586-2320  
[www.leoff.wa.gov](http://www.leoff.wa.gov)

**The Department of Retirement Systems (DRS)** administers LEOFF Plan 2 and can assist with individual account information.

P.O. Box 48380  
Olympia, WA 98504-8380  
(360) 664-7000 or (800) 547-6657  
[www.drs.wa.gov](http://www.drs.wa.gov)



July 2019

# DUAL RESPONSE

LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS' PLAN 2 RETIREMENT BOARD

# DUAL RESPONSE



P.O. Box 40918  
Olympia, WA 98504-0918



Dennis Lawson

## MESSAGE FROM THE CHAIR

### WHAT'S NEXT FOR THE LEOFF PLAN 2 BENEFIT IMPROVEMENT ACCOUNT?

Earlier this year the Legislature approved the transfer of \$300 million dollars from the LEOFF Plan 2 Retirement Fund to the LEOFF Plan 2 Benefit Improvement Account (BIA) which will bring the balance in the Account to \$320 million. So what comes next?

This interim, the LEOFF Plan 2 Retirement Board will begin analyzing what kind of LEOFF 2 benefit improvements can be purchased for this amount. There will be some presentation or report regarding the BIA at every meeting and you can find them at [L2B.wa.gov](http://L2B.wa.gov) if you want to follow the issue.

While this research is going on, the stakeholder groups representing LEOFF 2 members will start having discussions with their members and with each other to see if there is common ground on the goal for the benefit improvement. Are we trying to improve the ability of LEOFF Plan 2 to recruit and retain qualified law enforcement officers and firefighters for the future? Are we trying to make it more financially possible for LEOFF Plan 2 members to retire earlier than 30 years? Or, are we trying to provide a benefit that fairly includes all members and retirees who have contributed to LEOFF 2 since it was those funds that were used to fund the BIA? The stakeholders will be bringing their questions and viewpoints to the Board so that we can thoroughly consider this important decision.

Any benefit improvement will have to be approved by the Legislature so the earliest anything could happen would be during the 2020 legislative session. The Board could propose legislation for next session if we are able to reach consensus on a recommendation.

### BOARD OF TRUSTEES

#### Fire Fighter Representatives

Dennis Lawson  
Central Pierce Fire and Rescue  
Mark Johnston  
Vancouver Fire Department  
AJ Johnson  
Snohomish County Fire

#### Law Enforcement Representatives

Jason Granneman  
Clark County Sheriff's Office  
Tarina Rose-Watson  
Spokane Int'l Airport Police Dept.  
Rep. Jeff Holy  
Spokane Police Department (Ret)

#### Employer Representatives

Pat McElligott  
Pierce County Fire and Rescue  
Ade' Ariwoola  
City of Federal Way

#### Legislative Representatives

Sen. Judy Warnick  
WA State Senator  
Rep. Steve Bergquist  
WA State Representative

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### OUR MISSION

The mission of the Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board is to responsibly govern the pension plan for the benefit of the members.

### OUR PRIORITY GOALS

- Enhance the benefits for the members.
- Provide the stakeholders with a voice in plan governance.
- Maintain the financial integrity of the plan.
- Inform the stakeholders.

# 2019 LEGISLATIVE REPORT

For more information and to stay up to date on bills impacting LEOFF 2, visit [www.leoff.wa.gov](http://www.leoff.wa.gov).

## LEOFF/PERS ELIGIBILITY GAP - SB 5355

Allows law enforcement officers and fire fighters to receive a LEOFF 2 pension if they:

- Were not eligible for LEOFF 1 due to not meeting minimum medical and health standards
- Were enrolled into PERS after a 1994 law clarified membership eligibility
- Separated from employment and withdrew from PERS membership prior to paying back their past contributions owed, and
- There is no record of DRS giving the member an option to receive a pension with a reduction to pay back remaining contributions owed



Qualifying individuals would be required to pay all member contributions owed, without interest, by taking an actuarial reduction to their ongoing benefit or by making a lump sum payment. The option to recover service credit would be available until July 1, 2020.

## SPOUSAL CONSENT - HB 1408

Requires written consent from a member's spouse where a member selects a survivor benefit of less than the 50 percent option or names someone other than their spouse as their beneficiary. Prior law required written consent for all survivor option other than the 50 percent option.

## CONFIDENTIALITY OF INDUSTRIAL INSURANCE CLAIM RECORDS (HB 1909)

Subjects an employer to a civil penalty of \$1,000 for each occurrence where the employer or employer's authorized representative reveals information in an injured worker's claim file regarding a mental health condition or treatment to any person other than an authorized representative.

## PRESUMPTIVE ILLNESSES - HB 1913

- Makes the occupational disease presumptions for firefighters applicable to certain emergency medical technicians and public employee fire investigators.
- Adds additional cancers to the occupational disease presumptions, including: mesothelioma, stomach cancer, non-melanoma skin cancer, breast cancer in women, and cervical cancer.
- Creates an occupational disease presumption for heart problems and infectious diseases for law enforcement officers.
- Requires the director of the Department of Labor and Industries to create an advisory committee on occupational disease presumptions, made up of specified scientists.

## BENEFIT IMPROVEMENT ACCOUNT - HB 2144

Makes a one-time transfer of \$300 million from the LEOFF 2 retirement fund to the LEOFF 2 Benefit Improvement Account. Repeals any further state obligation to fund the LEOFF 2 Benefit Improvement Account.

## CONTRIBUTION RATES

The budget fully funds the contribution rates adopted by the LEOFF Plan 2 Retirement Board for the 2017-19 biennium. Those rates, beginning July 1, 2019, will be: Member - 8.59%, Employer - 5.15%, and State - 3.44%.

## RETIREMENT

### IN-PERSON SEMINARS

Learn about how to apply for retirement, Social Security, health insurance, VEBA (Voluntary Employee Beneficiary Association), and more.

Visit [www.drs.wa.gov](http://www.drs.wa.gov) and click "Seminars" under the popular links heading.

### LIVE WEBINARS

Seminars don't fit into your schedule? Try a webinar!

Learn more about your benefits and get specifics like: how to purchase an annuity, prepare for retirement, the basics of Medicare and Social Security.

Register online at: [www.drs.wa.gov/education/webinar.html](http://www.drs.wa.gov/education/webinar.html)

### MID CAREER CHECK

Get on track, or learn how to stay there with a variety of online resources.

[www.drs.wa.gov/education](http://www.drs.wa.gov/education)

## VALUABLE BENEFIT OFFERING BY NCPERS

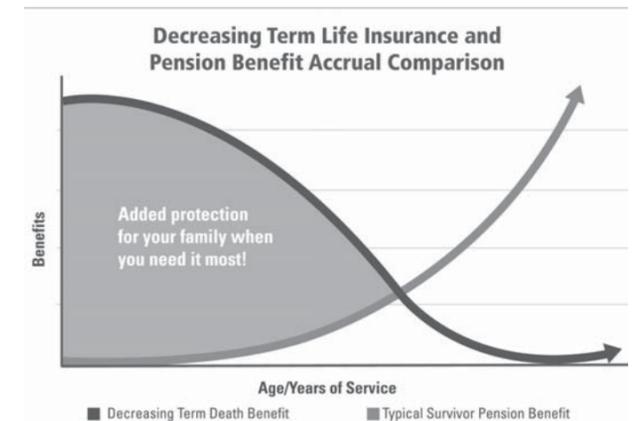
It's the annual open enrollment time for a unique life insurance offering designed specifically for public employees, and especially, public safety professionals. From **August 1, 2019 – September 30, 2019**, active LEOFF 2 members can enroll in the National Conference on Public Employee Retirement Systems (NCPERS) Public Employee Financial Protection Plan.

This plan, designed as a supplement to your retirement benefits, has been offered to public retirement plan participants for nearly 50 years, currently insures more than 100,000 public employee retirement system members nationwide and has never experienced an increase in premiums.

Why enroll? The program provides a unique, packaged array of benefits and valuable features, including:

- Benefit starts out higher when your family's needs are greater
- Benefit decreases with age and as you build up your pension
- Premiums never increases, regardless of age
- Benefit is paid to your beneficiary if something happens to you
- Provides financial protection for your loved ones through all stages of life
- No medical underwriting—coverage is guaranteed
- Accidental, spouse and child death benefits are automatically included also with no medical questions asked
- 24/7 accident coverage on or off the job
- Benefit as much as \$325,000, depending on your age
- Coverage can continue into retirement
- Flat rate of \$17/month

This important benefit has many other attractive features you can learn about by visiting [NCPERSProtection.com](http://NCPERSProtection.com). Enroll electronically using a secure enrollment "log on" on the website. Paper enrollment is also available upon request.



## LEOFF 2 MILITARY SERVICE CREDIT INFORMATION

Any LEOFF 2 member who is called up to serve in the military can receive LEOFF 2 service credit for that time when they return to work to work in their LEOFF position by simply paying the contributions that they would have paid into LEOFF 2 for that time. If your military service was in combat and you received a campaign medal for your service, you can receive LEOFF 2 service credit without paying LEOFF 2 contributions. Contact the Department of Retirement Systems at [DRS.wa.gov](http://DRS.wa.gov) or (800) 547-6657 to get an estimate or to get your service credit.

The Department of Defense (DoD) recently rewrote their guidelines for which military conflicts and what type of service could be considered combat service and qualify for a campaign medal. If you previously received an expeditionary medal for your service in Kosovo, Iraq, Syria or Afghanistan, you may now be able to receive a campaign medal by contacting the DoD. If your service is awarded a campaign medal, you can contact DRS to get your LEOFF 2 service credit or to get a refund of contributions you previously paid to receive that service credit.

## ONLINE TOOL HELPS YOU COMPARE HEALTH CARE COSTS

The state's HealthCareCompare website was created to help Washington residents make better health care decisions. In addition to information on providers and facilities, you can compare cost and quality for medical procedures.

To learn more, visit the HealthCare Compare website at [wahealthcarecompare.com](http://wahealthcarecompare.com).

## 2019 COLAs EFFECTIVE JULY 1

Cost-of-Living Adjustments (COLAs) for DRS-administered retirement systems and plans have been established for 2019. COLAs for LEOFF 2 will take effect July 1 and will be reflected in end-of-July benefit payments.

To view the 2019 COLA percentages by retirement date and plan, visit: [drs.wa.gov/retiree/information/cola.htm](http://drs.wa.gov/retiree/information/cola.htm)