



## MESSAGE FROM THE CHAIR



Dennis Lawson

Over the course of many years the LEOFF 2 Board has closely worked with other agencies to ensure that our decisions are made in the best interest of the plan and membership. We have witnessed firsthand the benefits of not reacting quickly, but rather taking the time to educate ourselves on the various proposals, with the intent to maintain plan stability and consistent funding. This practice has allowed us to provide the benefits that you all expect, and to also have plan improvements when appropriate.

It was just two years ago that Governor Inslee signed (Substitute House Bill) SHB 1701 which provided a benefit improvement for our active and retired LEOFF 2 Police and Fire plan participants. This was a significant victory for LEOFF 2, one of which was in the works since the inception of the LEOFF Plan 2 Board in 2003. Not too long after SHB 1701 bill was signed, members started enquiring about the next significant improvement. It is critical to understand that as board members, who also receive the benefits under the plan, we have a fiduciary responsibility to protect the plan and to make decisions in the interest of our active and retired members.

I'm confident that the LEOFF 2 Board would like to find a path forward which would allow us to continue to build upon pension improvement. Doing so will once again take time and more importantly need to be done in a manner that is responsible to all of you and is consistent with the Board's philosophy and direction.

Our current funding status is approximately 102% which is a positive number, however, a recent presentation by Washington State Actuary's Office identified our overall funding trajectory does not create an environment to have our next plan improvement in the immediate future.

Being practical, tempering expectations, and playing the long-game, the LEOFF 2 Board will continue to explore our options, work with other stakeholder groups, and state agencies to prepare ourselves for the future. There is work to be done and we are committed to doing what you have asked of us.

Thank you.

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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.

# 2024 LEGISLATIVE REPORT

The Board endorsed legislation (SB 6197) to address five of the 12 policy issues that they studied during 2023. The Board successfully passed this legislation, which addresses the following policy issues:



## STATUTE OF LIMITATIONS FOR APPLYING FOR THE SPECIAL DEATH BENEFIT

Through the work of the LEOFF 2 Board Ombuds Office it was brought to the Board's attention that multiple survivors of LEOFF 2 members who had died in the line of duty had been denied certain LEOFF 2 death benefits because the Department of Labor and Industries had applied their statute of limitations to these LEOFF 2 benefits. This bill ensures that beneficiaries of LEOFF 2 members who die in the line of duty receive the LEOFF 2 benefits they are entitled to, by clarifying that in determining whether a death was duty related or not the Department of Labor and Industries should not apply their statute of limitations to benefits paid from the LEOFF 2 trust fund. This bill is retroactive so the survivors who were denied their benefits will now receive those benefits.

## DEFINITION OF FIREFIGHTER

Definition of Firefighter – Concerns were raised to the Board that LEOFF 2 members who accepted certain positions, such as firefighter trainers, some management positions, and fire marshals, could lose their membership in LEOFF 2 and be moved into the Public Employees' Retirement System. To address these concerns this bill clarified the definition of firefighter for purposes of membership in LEOFF 2 to include full-time, fully-compensated positions within a fire department that necessitate experience as a firefighter to perform the essential functions of those positions.

## LEOFF OMBUDSMAN

The LEOFF 2 Ombudsman is here to provide disability and survivor consultation to LEOFF 2 members and their dependents. If you have questions regarding disability or survivor benefits or would like help navigating through these processes please visit [leoff.wa.gov/benefits-ombudsman](http://leoff.wa.gov/benefits-ombudsman) for contact information.

## DISABILITY PENSION BENEFITS

The criteria for PTSD to be considered a duty related injury has changed. Therefore, there may be LEOFF 2 non-duty disability retirees that would qualify for a duty disability retirement under the new criteria for PTSD. This bill requires the Department of Retirement Systems to review non-duty disability retirements with a disabling condition of PTSD that were not eligible for duty disability at time of retirement but have since become eligible for duty disability. If the retiree's disabling condition was incurred in the line of duty DRS must convert their retirement to duty disability.

## PENSION OVERPAYMENT RESPONSIBILITY

If it is discovered that a LEOFF 2 employer has incorrectly reported information regarding salary or service credit to the Department of Retirement Systems for the purposes of calculating a member's pension it can result in a retiree having to pay back the overpayment that they have received due to the employer error. This bill shifts responsibility of paying back overpayments due to employer error from

LEOFF 2 retirees to employers. It also lowers the number of years that the overpayment can be charged to the employer from three years to one year.

## EMPLOYEES OF THE LEOFF 2 RETIREMENT BOARD

Currently, the Board does not have salary setting authority over its staff. That authority resides with the Office of Financial Management. The Board was concerned about their ability to pay Board staff salaries that are competitive with similar positions. This bill gives the LEOFF 2 Board salary setting authority over certain LEOFF 2 Board staff.

## COLA PERCENTAGES FOR MOST DRS PLANS (EFFECTIVE July 1, 2024)

Each year, the Office of the State Actuary calculates the LEOFF Plan 2 Cost-of-Living-Adjustments (COLA) at the request of the Department of Retirement Systems.

Retirement Dates	Adjustments
July 2, 2023 to July 1, 2024	0.00%
Prior to July 2, 2023	3.00%

Remember, because of COLA banking, your retirement date has little to no impact on your benefit. To learn more about this go to the Board Videos page under Quick Links at [www.leoff.wa.gov](http://www.leoff.wa.gov).

More COLA information can also be found at [www.drs.wa.gov/COLA](http://www.drs.wa.gov/COLA).

## 2025–2029 CONTRIBUTION RATE CHANGES

Member, employer and state contribution rates for Law Enforcement Officers' and Fire Fighters' (LEOFF) Plan 2 Retirement System are approved by the LEOFF Plan 2 Retirement Board.

The LEOFF Plan 2 Retirement Board adopted contribution rates for LEOFF Plan 2 at the July 24, 2024 board meeting. The Board decided to leave the rates already adopted for the 2025-2027 biennium.

The board also voted to increase rates in the 2027-2029 biennium, to account for expected increases in the cost of the plan (See table below). The Board will reevaluate the necessity for these increased rates in 2026.

Fiscal Year	Member Rate	Employer rate	State Rate
2026	8.53%	5.12%	3.41%
2027	8.53%	5.12%	3.14%
2028	8.66%	5.20%	3.46%
2029	8.80%	5.28%	3.52%

## INTERIM PLAN

In May, the Board adopted its 2024 interim plan, which included the following policy topics for study this interim:

- 1. Part-time Firefighter Employment** – LEOFF 2 members who are working part-time (or full-time for part of the year) may not be eligible for LEOFF 2 benefits, including line of duty death and disability benefits.
- 2. Reserve Police Officer Service Credit** - Prior to the passage of ESSB 5424 in 2024, part-time Law Enforcement Officers earned service credit in the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund.
- 3. Duty Disability Health Insurance** - Members recovering from a duty related injury have their access to and cost of health insurance change as their employment and retirement status changes.
- 4. Standby Pay** - "Standby pay" is not considered basic salary for LEOFF 2 members, while it is for PERS and PSERS members.
- 5. COLA/Inflation** - Recent inflation has greatly exceeded projections which has created concerns for some retirees about how long it will take for the current COLA to catch up with lost earning power.
- 6. Authorized Leave of Absence Service Credit Purchase at Retirement** - Members retiring immediately after being out on authorized leave of absence are not eligible to purchase service credit for that time.

For additional detail on these topics and to track the Board's work this interim please visit [leoff.wa.gov](http://leoff.wa.gov).

## RETIREMENT

### PODCAST

The Department of Retirement Systems has a podcast called Fund Your Future with DRS. Over 40 episodes are available to listen to at [drs.wa.gov/podcast](http://drs.wa.gov/podcast).

They'd love to hear from you. Send your questions to: [drs.podcasts@drs.wa.gov](mailto:drs.podcasts@drs.wa.gov)

### WEBINARS

DRS offers a variety of free live webinars to help you plan for retirement. You can register for free at [drs.wa.gov/webinars](http://drs.wa.gov/webinars). Past webinars are recorded and also available to listen to.

### SEMINARS

If you are planning to retire in the next few years you can register to attend a Nearing Retirement Seminar from DRS and learn the steps and information you will need to understand the retirement process. [drs.wa.gov/life/retire/seminar/](http://drs.wa.gov/life/retire/seminar/)

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## BOARD MEETINGS

Board meetings are open to the public.

All regular meetings are held both virtually and in-person at the State Investment Board, located at 2100 Evergreen Park Dr SW in Olympia, on the fourth Wednesday of each month beginning at 9:30 a.m. unless otherwise noted.

For up-to-date meeting information and to learn how to gain access to virtual meetings, visit [leoff.wa.gov](http://leoff.wa.gov).

## BOARD OF TRUSTEES

### Fire Fighter Representatives

Dennis Lawson  
Central Pierce Fire and Rescue, (Ret.)

Mark Johnston  
Vancouver Fire Department, (Ret.)

AJ Johnson  
Snohomish County Fire

### Law Enforcement Representatives

Jason Granneman  
Clark County Sheriff's Office

Tarina Rose-Watson  
Spokane Int'l Airport Police Dept.

Darell Stidham  
Spokane County Sheriff's Office (Ret.)

### Employer Representatives

Pat McElligott  
East Pierce County Fire and Rescue

Wolf Opitz  
Pierce County

Jay Burney  
City of Olympia

### Legislative Representatives

Sen. Jeff Holy  
WA State Senator

Rep. Steve Bergquist  
WA State Representative

# DUAL RESPONSE



c/o DES  
PO Box 798  
Olympia, WA 98507-0798

## RETIREE RESOURCES

Did you know that the Department of Retirement Systems (DRS) has a webpage for retirees? They do!

Visit [drs.wa.gov/retirees](http://drs.wa.gov/retirees) to update your address, find tax forms, and more.

Want to know when your next pay day is? It's there! Getting a divorce? Yep, that's there too. Need more information about PEBB health insurance? You'll find a link there. Check it out today!

## 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  
[leoff.wa.gov](http://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  
[drs.wa.gov](http://drs.wa.gov)