

Follow us...



BOARD MEETINGS

Board meetings are open to the public.

All regular meetings are held both virtually and in person at the Washington 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.

Review upcoming agendas, presentations and learn how to gain access to future meetings by visiting leoff.wa.gov/board-meetings/2025.

LEOFF 2 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 (Ret.)

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



June 2025

DUAL RESPONSE

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

DUAL RESPONSE



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



Dennis Lawson

MESSAGE FROM THE CHAIR

LEOFF PLAN 2 - PENSION STABILITY

In an era when public pension systems across the country face mounting scrutiny and financial uncertainty, the Washington State Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 (LEOFF Plan 2) stands as a model of prudent management and rate stability. At the heart of this success lies a governance structure that empowers the LEOFF Plan 2 Board to adopt contribution rates — a practice that has delivered consistent, long-term value to members, employers, and the state of Washington.

The importance of this structure cannot be overstated. By giving the Board — composed of active and retired plan members, employer representatives, and state appointees — the authority to set contribution rates, Washington has fostered a collaborative and transparent process. This balanced approach ensures that those with a direct stake in the system are at the table, making informed decisions rooted in actuarial data and fiscal responsibility.

One of the greatest advantages of this model is rate predictability. Stable rates allow law enforcement agencies, fire departments, employers, and the state to accurately forecast future pension costs. For LEOFF Plan 2 members, it ensures their retirement system is adequately funded without the volatility that often plagues other public plans. Employers benefit from reduced financial uncertainty, and taxpayers enjoy a system that manages liabilities responsibly.

The 2025 legislative session served as a critical test of this structure — and reaffirmed its strength. By choosing not to alter the contribution rates set by the LEOFF Plan 2 Board, lawmakers reinforced the principle that rate-setting should remain with the Board. This decision preserved the integrity of the process and further bolstered the financial health of the plan.

The system's strength and sustainability hinge on honoring that promise through sound policy and governance. The Board's ability to maintain consistent, actuarially-sound contribution rates has become a cornerstone of that promise.

Respectfully – Dennis Lawson

RETIREE RESOURCES

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

Visit 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

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

P.O. Box 48380
Olympia, WA 98504-8380
(360) 664-7000
(800) 547-6657
drs.wa.gov

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.

IN THIS ISSUE

Chair Article	1
2025 Legislative Session Wrap-up	2
LEOFF 2 Board Videos	2
Social Security Fairness Act	3
DRS Online Resources	3
Retiree Resources	4
Board and Contact Information	4

2025 LEGISLATIVE SESSION WRAP-UP

The Board endorsed one bill this session, **SB 5306 Concerning the purchase of pension service credit for authorized leaves of absence.**

The 2025 Legislative session ended on April 27th. The Board endorsed one bill this session, SB 5306, which passed the legislature unanimously and was signed into law by Governor Ferguson. The underlying issue of this bill was brought to the attention of the Board by a member who retired immediately after being on leave of absence for a non-duty injury. He was barred from purchasing his leave of absence service credit because he retired instead of returning to work. This bill allows LEOFF 2 members in this situation to purchase service credit.



Bill sponsor Senator Holy and Governor Ferguson finalize SB 5306, effective July 27, 2025.

The legislature had a \$12 billion shortfall in the state operating budget that led to multiple proposals attempting to utilize the state pension systems to help address this shortfall. SB 5357, raised the assumed rate of investment returns from 7.0% to 7.25% and used that assumption change to lower contribution rates. This bill impacted all the state pension systems except for LEOFF. The bill resulted in the state saving \$454 million over the 2025-27 budget. Raising the assumed rate of investment returns for the purpose of lowering contribution rates increases the risk of underfunding the pension plan and needing to increase future contribution rates. LEOFF 2's assumed rate of investment returns remains at 7.0%, which is the amount recommended by the Office of the State Actuary and adopted by the LEOFF 2 Board. The contribution rates adopted by the LEOFF 2 Board were fully funded by the legislature and not impacted by SB 5357.

There were three proposals that would have used funds from LEOFF 1 to either address the budget shortfall or to pay for pension benefits for other pension systems. These included: HB 2034 that would have terminated LEOFF Plan 1 and transferred a percentage of surplus funds to the state general fund; SB 5085 that would have merged LEOFF 1 with TRS 1 and PERS 1 and used surplus funds in LEOFF 1 to pay for an ongoing COLA for TRS 1 and PERS 1 retirees; and, there was a proposal from the Governor that would have merged LEOFF 1 with LEOFF 2 and transferred a percentage of LEOFF 1 surplus funds to the state general fund. None of these proposals passed; however, the legislature is requiring the Select Committee on Pension Policy to study and report on the tax, legal, actuarial, pension policy, and administrative implications of the Senate and House proposals.

LEOFF 2 BOARD VIDEOS

The LEOFF 2 Board hosts educational videos on YouTube, and also posts audio recordings from the monthly board meetings that you can listen to. Access these recordings and stay up to date with what the LEOFF 2 Board is working on this interim by subscribing to the YouTube channel: www.youtube.com/@leoff2board. Scan this QR code with your phone's camera to be taken directly there. Links to these videos are also available on our website under [Meetings](#).



SOCIAL SECURITY FAIRNESS ACT

The Act, signed into law on January 5, 2025 ends the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO). These provisions reduced or eliminated the Social Security benefits of over 3.2 million people who receive a pension based on work that was not covered by Social Security (a "non-covered pension") because they did not pay Social Security taxes. This law increases Social Security benefits for certain types of workers, including some:

- teachers, firefighters, and police officers in many states;
- federal employees covered by the Civil Service Retirement System; and
- people whose work had been covered by a foreign social security system.

WHEN WILL I RECEIVE MY PAYMENT?

Social Security began paying retroactive payments in February and plans to finish making most retroactive payments in April. Social Security also plans to begin increasing monthly benefit payments impacted by WEP/GPO beginning in April.



For more information scan this QR code with your phone's camera or

visit: blog.ssa.gov/social-security-announces-expedited-retroactive-payments-and-higher-monthly-benefits-for-millions-actions-support-the-social-security-fairness-act/

WHAT SHOULD PEOPLE DO NOW THAT THE SOCIAL SECURITY FAIRNESS ACT IS LAW?

The Act applies to benefits you get on your own record (retirement or disability benefits) and to spouse's or surviving spouse's benefits on another person's record. What action you need to take depends on your situation and on what type of benefits you qualify for. Check your personal my Social Security account by visiting www.ssa.gov/myaccount to sign in or create an account.

If you never applied for retirement, spouse's, or surviving spouse's benefits because of WEP or GPO you may need to file an application. The date of your application might affect when your benefits begin and your benefit amount. However, each case is different, and all other Social Security laws and policies, such as benefit reductions for claiming benefits before the full retirement age, the retirement earnings test, and others, still apply. Social Security recommends applying online for retirement or spouses' benefits at www.ssa.gov/apply.

COST OF LIVING ADJUSTMENTS

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. Here are the 2025 results:

COLAs as of July 1, 2025	
Retirement Dates	Adjustments
July 2, 2024 - July 1, 2025	0.00%
Prior to July 2, 2024	3.00%

WHEN WILL I RECEIVE A COLA?

You need to have been retired for at least one year by July 1. Once you are eligible, you will receive any COLA starting with the pension payment issued at the end of July, and every year after. You don't need to apply to receive the COLA – it is automatic.

Because of COLA banking, your retirement date has little to no impact on your benefit. For a video explaining this please visit leoff.wa.gov/member-resources/board-videos.

RETIREMENT

NEARING RETIREMENT SEMINARS

If you are planning to retire in the next few years you can register to attend a **Nearing Retirement Seminar** offered online from DRS. This half day seminar walks you through the specific steps you need to take for retirement. **Upcoming seminar dates are: August 2, October 4, December 5.** Sign up here: drs.wa.gov/seminar

WEBINARS

DRS offers a variety of free live webinars to help you plan for retirement. Visit drs.wa.gov/webinars for a current schedule. Recorded webinars are also available to listen to on topics like financial wellness and purchasing an annuity or service credit.

FUND YOUR FUTURE

The Department of Retirement Systems "Fund Your Future with DRS" podcast has over 60 episodes available to listen to at drs.wa.gov/podcast. Check out Episode 63 "Firefighters and financial planning: what we can learn" featuring board member AJ Johnson.