

Retirement Reporting Reminders - Temporary Duty Disability (TDD)

- Workers' compensation payments are not reportable compensation.
- Shared leave is reportable compensation for:
 - All employees of state agencies and higher education institutions;
 - All employees of school districts and educational service districts; and
 - Members of LEOFF Plan 2 employed by local government agencies.
- Used sick or vacation leave is reportable compensation.
- Employers must use the retirement transmittal to back out the reported leave that is restored to the member's leave balance. This may result in lost service credit for the member.
- Members may request to purchase lost service credit for each period of absence due to TDD. (Refer to Email 07-020.)
 - PERS, PSERS, TRS, and SERS members are limited to 24 consecutive months.
 - LEOFF Plan 2 members are now limited to 24 consecutive months for each duty disability that occurs on or after July 1, 2002.
 - LEOFF Plan 2 members whose disability occurred before July 1, 2002 are limited to 6 consecutive months.
 - WSP members are limited to 6 consecutive months.
- Members must apply directly to DRS to purchase the lost service credit.
- Contributions due are based on the regular compensation the member would have received had the disability not occurred including raises.
- Members will receive an Optional Bill for the member contributions from DRS. Employers will receive an invoice for employer contributions only if the member pays the Optional Bill amount. Payments are subject to interest (8%) compounded monthly from the time of the disability.

Alternative Method for Employers (Refer to DRS Notice 94-006)

- Employers have the option to report the regular compensation the employee would have earned if not on TDD through the transmittal process.
- Employers must report the employee's regular compensation and associated retirement contributions for the entire disability period up to the maximum consecutive months limit.
- This reporting must be done on the current retirement transmittal reports and cannot be reported retroactively.
- DRS recommends that employers create a written agreement with the employee regarding the obligation to repay the member retirement contributions to the employer based on the regular compensation reported to DRS during the TDD period.

RCW(s):	PERS 41.40.038, 41.40.010(8)	TRS 41.32.0641
	SERS 41.35.070, 41.35.010(6)	LEOFF 41.26.470(3)
	PSERS 41.37.060	WSP 43.43.290
