

Department of Retirement Systems

Legislative Update

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DRS Advisory Board

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Disclaimer

- ❑ April 27th is the last day of legislative session
- ❑ Links available for all retirement related legislation is available on the DRS website at <https://www.drs.wa.gov/2025-pension-related-legislation/>



Bills that have passed

- HB 1156
 - Volunteer Firefighters in DCP
- HB 1270:
 - Automatic enrollment for local governments into their own DCP
- HB 1349/SB 5306
 - LEOFF Plan 2 authorized leave of absence purchase



Bills that have missed a cutoff

- HB 1642 / SB 5718
 - Allowing Plan 3 members a transfer to Plan 2
- HB 1312 / SB 5114
 - Paying a full month pension at time of death



Bills that have not passed yet

- SB 5738
 - Extending return to work hours
- HB 1467/SB 535
 - Actuarial funding of Pension Systems
- SB 5085
 - Creating the Legacy retirement System
- HB 2034
 - Restatement and Termination of LEOFF Plan 1



Senate Bill 5085

- Merges LEOFF 1, PERS 1 and TRS 1 into a new “Legacy Retirement System”
- Provides an ongoing COLA for PERS 1 and TRS 1 retirees
- Benefit structures remain the same
- DRS is required to receive a favorable determination from the IRS regarding the creation of the new system
- Saves approximately \$600 M for the state and \$475 M for local governments over the next 4 years
- The new system would be projected to be 99.6% funded as of June 30, 2027



House Bill 2034

- Creates a new restated LEOFF 1 retirement system that is 120% funded
- Maintains the same benefit structure as the currently LEOFF 1
- Provides an incentive for the remaining active LEOFF 1 members to retire
- Terminates the prior LEOFF 1 Plan and moves the projected surplus of \$3.3 B to the state on June 30, 2029
- DRS is required to receive a favorable determinations from the IRS regarding the creation of the new system and termination of the prior system



Questions?

