



## Rules for Local Officials

You are eligible to participate in Public Employees' Retirement System (PERS) Plan 2 or Plan 3 while in local office if:

- You are a member of one of the following plans when you were elected into office:
  - » PERS Plan 2 or 3, Teachers' Retirement System (TRS) Plan 2 or 3, School Employees' Retirement System (SERS) Plan 2 or 3, or Law Enforcement Officers' and Fire Fighters' (LEOFF) Plan 2; or
- You are a former member of one of these plans (even if you withdrew funds from your retirement account); or
- You have never been a member of a retirement plan administered by the state of Washington.

You are not required to belong to any retirement system as a result of serving in a local-elected position.

However, if you would like to become a member while in office, you must apply to the Department of Retirement Systems (DRS).

### When can I apply for membership?

You may apply for membership at any time during your current term of office. If you enter membership after your current term of office has begun, membership will be retroactive to the first day of this term. You will be required to pay employee contributions plus interest, back to the first day of your term.

**Your membership decision is final:** Once you establish membership in PERS, you must remain a member until you separate from all eligible public employment. If you serve an additional term of office with the same employer without a break in service, you will remain a retirement system member until you terminate employment. You will not be considered separated if you return to office for the same employer during the term in which you left. If there is a change in either your elected position or your employer, you will need to reapply for membership.

### Can I receive credit for past elected service?

When you have established membership for your current term, you may have the option of purchasing service credit for any previous term or terms of office during which you did not choose to apply for membership.

To receive service credit for any previous term or terms of elected service, you must pay the required employee and employer contributions and interest, as determined by DRS. Your employer may elect to pay the required employer contributions and interest for you.

If you served multiple terms in office with different employers, or non-consecutive terms of office, you may purchase credit for each term independently. All past consecutive service with a single employer must be purchased



together. If you do not choose to become a member while holding elected office, and later become an active PERS Plan 2 or Plan 3 member, you may then purchase credit for your elected service.

## How much service credit will I earn?

The amount of service credit you earn helps to determine the size of your retirement benefit.

For each month that you earn 90 times the state minimum wage, you will receive service credit as follows:

- 90 or more hours = One service credit month
- At least 70, but fewer than 90 hours = .5 service credit month
- Less than 70 hours = .25 service credit month

You can earn no more than one service credit month in any calendar month even if you are employed with another DRS-covered employer.

For periods before January 1, 1987, employee and employer contributions are due for any month you worked, including the months in which you did not earn service credit.

For periods after January 1, 1987, employee and employer contributions are due only for the months you received service credit.

## What will my retirement benefit be?

**Plan 2** If you are a PERS Plan 2 member, your benefit will be determined by the following formula:

$$2\% \times \text{Service Credit Years} \times \text{Average Final Compensation (AFC)} = \text{Monthly Benefit}$$

**Plan 3** If you are a PERS Plan 3 member, your benefit has two components. The defined contribution component of your benefit will be determined by the amount of your contributions and their investment earnings. The defined benefit component of your benefit will be determined by the following formula:

$$1\% \times \text{Service Credit Years} \times \text{AFC} = \text{Monthly Benefit}$$

AFC is the monthly average of your 60 consecutive highest-paid service credit months.

## How much will I contribute to my retirement plan?

Plan 2 contribution rates are variable and may be changed as necessary to reflect the cost of the plan (the contribution rate is 4.64% as of this printing).

In Plan 3, the amount you contribute depends on the contribution rate option you choose. Plan 3 features six contribution rate options that, once selected, may only be changed if you change employers.

The Plan 3 contribution rate options are:

- Option A: 5% fixed at all ages
- Option B: 5% up to age 35; 6% ages 35 to 44; 7.5% age 45 and up
- Option C: 6% up to age 35; 7.5% ages 35 to 44; 8.5% age 45 and up
- Option D: 7% fixed at all ages
- Option E: 10% fixed at all ages
- Option F: 15% fixed at all ages

## Can I retain my elected position and retire from PERS?

You may retire during your term of office and continue service in your elected position, if you:

- Earn less than \$25,316 (as of 2012) adjusted annually for inflation;
- Have separated from all DRS-covered employment; and
- Abandon claims for credit for future periods of elected service.

## What if I am a retired PERS Plan 2 or PERS Plan 3 member when elected?

If you are a retired PERS Plan 2 or PERS Plan 3 member when elected to office, you can choose to either remain retired while serving in office, or you can return to PERS Plan 2 or 3 membership.

If you choose to remain retired and you:

- Used the 2008 Early Retirement Factor (ERF), your benefit will stop the first of the month in which you return to work for a DRS-covered employer in any capacity. Your benefit will restart the first of the month after you stop working. Once you reach age 65, the rules for retiring without using the 2008 ERF will apply. For more information, see the DRS brochure *Thinking About Working After Retirement?*; or
- Did not use the 2008 ERF, you will continue to receive your retirement benefit if you wait at least 30 consecutive calendar days after you retire and you work 867 hours or less in a calendar year. Your retirement benefit will stop if you work more than 867 hours in a calendar year. It will restart following your last day of employment, or at the beginning of the next calendar year, whichever comes first.

If you choose to return to membership:

- You will stop receiving your monthly retirement benefit and will resume making contributions to and accumulating service credit in PERS from the first day of the month following the date your application for membership is accepted at DRS. When you retire again, you must reapply for retirement. We will recalculate your benefit.

## How do I enroll?

To begin, continue or re-establish PERS Plan 2 or Plan 3 membership, contact DRS and provide the following information:

- Name
- Social Security number
- Address and phone number
- Position title and employer
- Beginning and ending dates of all elected official service

DRS will send you a letter and application once you provide us with all of these items.

## Contacting DRS

More information is available on the DRS website or by contacting DRS directly. Office hours are 8 am to 5 pm, Monday through Friday, except legal holidays.

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

Telephone: 800.547.6657, extension 4-7966, or  
360.664.7966 in the Olympia area

TTY: 711

Email: [recep@drs.wa.gov](mailto:recep@drs.wa.gov)

Address: Department of Retirement Systems  
PO Box 48380  
Olympia, WA 98504-8380

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## Summary Description

This is not a complete description of your retirement benefits under provisions for Elected Officials. State retirement laws govern your benefits. If there are any conflicts between the information in this brochure and what is contained in current law, the law will govern.