

WSR 26-09-063  
PERMANENT RULES  
DEPARTMENT OF  
RETIREMENT SYSTEMS

[Filed April 13, 2026, 11:18 a.m., effective May 14, 2026]

Effective Date of Rule: Thirty-one days after filing.

Purpose: Clarifying how the department of retirement systems (DRS) calculates retirement benefits for members who retire, go back to work for a DRS-covered employer, and then retire again later.

Citation of Rules Affected by this Order: Amending WAC 415-104-111, 415-108-830, 415-110-830, and 415-112-544.

Statutory Authority for Adoption: RCW 41.50.050.

Adopted under notice filed as WSR 26-05-079 on February 17, 2026.

Changes Other than Editing from Proposed to Adopted Version: DRS made a minor revision between the proposed and final versions of WAC 415-104-111 (2)(b)(ii)(D), updating a number in the example for Retirement 1 from \$4,108.56 to \$4,018.56. The change is not a substantial difference from the draft rule that DRS proposed in the published notice of proposed rule adoption.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at the Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's own Initiative: New 0, Amended 4, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 4, Repealed 0.

Number of Sections Adopted using Negotiated Rule Making: New 0, Amended 4, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: April 13, 2026.

Kathryn Leathers  
Director

**RDS-6854.3**

AMENDATORY SECTION (Amending WSR 13-18-034, filed 8/28/13, effective 10/1/13)

**WAC 415-104-111 How is my LEOFF Plan 2 retirement allowance affected if I return to work after retirement?** This rule applies to you if you are a LEOFF 2 retiree who returns to work in an eligible LEOFF, public employees' retirement system (PERS), public safety employees' retirement system (PSERS), school employees' retirement system (SERS), or teachers' retirement system (TRS) position.

(1) **If you return to employment in a LEOFF eligible position, you must reenter membership and your retirement allowance will stop.** When you separate from service, the department will calculate your retirement allowance (~~(according to this subsection)~~).

~~((a) If you previously retired before age fifty-three, the department will:~~

~~(i) Calculate your retirement allowance pursuant to RCW 41.26.420 using:~~

~~(A) Your total years of career service, including service earned prior to your initial retirement and service earned after reentering membership; and~~

~~(B) Any increase in your final average salary resulting from your reentry into membership; and~~

~~(ii) Actuarially reduce your retirement allowance:~~

~~(A) Based on the present value of the retirement allowance payments you received during your initial retirement;~~

~~(B) To reflect the difference in the number of years between your current age and the attainment of age fifty-three, if you are not yet fifty-three; and~~

~~(C) To offset the cost of your benefit option if it includes a survivor feature. See WAC 415-104-215.~~

~~(b) If you previously retired at or after age fifty-three, the department will:~~

~~(i) Calculate your retirement allowance pursuant to RCW 41.26.420 using:~~

~~(A) Your total years of career service, including service earned prior to your initial retirement and service earned after reentering membership; and~~

~~(B) Any increase in your final average salary resulting from your reentry into membership; and~~

~~(ii) Actuarially reduce your retirement allowance to offset the cost of your benefit option if it includes a survivor feature. See WAC 415-104-215.~~

~~(c) Under no circumstances will you receive a retirement allowance creditable to a month during which you earned service credit.)~~

~~(2) **The department will:**~~

~~(a) Recompute your retirement allowance pursuant to RCW 41.26.420 using:~~

~~(i) Your total years of career service, including service earned prior to your initial retirement and service earned after reentering membership; and~~

~~(ii) Any increase in your final average salary resulting from your reentry into membership; and~~

~~(iii) An actuarial reduction of your retirement allowance to offset the cost of your benefit option if it includes a survivor feature. See WAC 415-104-215.~~

~~(b) Your benefit will be calculated in two separate parts based on service credit earned in each working period and any early retirement factors applicable based on the age of retirement for that period.~~

~~(i) The first part (original period) will include:~~

~~(A) Service credit that was used in the original retirement calculation.~~

~~(B) Any early retirement reduction factor that was in place at the time of the initial retirement.~~

~~(C) The highest salary considering the entire work history.~~

~~(D) Any previously earned cost of living adjustments.~~

~~(ii) The second part (retiree return to membership period) of the calculation will include:~~

~~(A) Only service credit earned during the retiree return to membership working period.~~

(B) Any appropriate early retirement reduction factors in place at the time of reretirement.

(C) Any survivor factor in place at the time of reretirement will be applied to both retirement periods. You must return to work to become eligible for any survivor benefit option other than the option chosen in the first retirement (WAC 415-104-215 (7)(a)).

(D) The highest salary considering the entire work history.

Example: Pat had 30 years of service when they initially retired at age 50 with a final average salary (FAS) of \$5,000. An early retirement factor of .91 was applied to this initial retirement. Pat returned to membership at age 55 and worked for an additional three years and then reretired with a newly calculated FAS of \$8,000. No early retirement factor is applicable. Pat also selected a survivorship option at reretirement that will provide them .92 of their calculated retirement benefit.

The two parts of their retirement calculation would be as follows:

Retirement 1:  $2\% \times 30 \text{ years} \times \$8,000 \times .91 \times .92 = \$4,018.56$

Retirement 2:  $2\% \times 3 \text{ years} \times \$8,000 \times .92 = \$441.60$

Part 1 will also include any cost-of-living adjustments previously applied prior to Pat returning to membership. Any early retirement factor applicable to retirement 2 will take into consideration total service credit earned over entire career. The same benefit enhancement that was applied to the first retirement, a lump sum based on service credit or an additional tiered multiplier, will also be applied to the second retirement.

(c) Under no circumstances will you receive a retirement allowance for a month during which you earned service credit.

**(3) If you enter employment in a PERS, PSERS, SERS, or TRS eligible position, you have two options:**

(a) You may decline membership in the PERS, PSERS, SERS, or TRS retirement system. Under this option, you will continue to receive your monthly LEOFF Plan 2 retirement allowance; or

(b) You may choose to become a member of the PERS, PSERS, SERS, or TRS retirement system. Under this option, your LEOFF Plan 2 retirement allowance will be suspended while you earn (~~a retirement benefit~~) service credit in the other system. When you terminate employment in the PERS, PSERS, SERS, or TRS eligible position, you will resume receiving your LEOFF Plan 2 retirement allowance, along with a retroactive payment of your LEOFF Plan 2 retirement allowance for the time you were employed.

(i) Your **ongoing LEOFF Plan 2 retirement allowance** will include any cost of living adjustments (COLAs) that you would have received if your LEOFF allowance had not been suspended during the period of non-LEOFF employment.

(ii) Your **retroactive payment** will equal the sum of your suspended LEOFF Plan 2 retirement allowances, including COLAs, during the period of non-LEOFF employment. You may choose to receive your retroactive payment in either of the following forms:

(A) A lump sum; or

(B) An increase in your ongoing LEOFF Plan 2 retirement allowance on an actuarial basis. The amount of the increase is calculated by taking the lump sum amount and multiplying it by an actuarial factor that is determined by your age at the time your retirement allowance is resumed. See WAC 415-02-340 for more information on how the department uses actuarial factors to determine the equivalent value of a lump sum amount when compared with monthly payments.

## RDS-6855.2

AMENDATORY SECTION (Amending WSR 05-12-043, filed 5/25/05, effective 6/25/05)

**WAC 415-108-830 How does the department calculate the retirement allowance of a PERS Plan 2 or Plan 3 member who retires, reenters PERS membership, and then retires again?** This rule establishes a method to actuarially recompute your defined benefit retirement allowance if you are a Plan 2 or Plan 3 member who retires, reenters PERS membership causing your retirement allowance to stop, and then retires again.

(1) ~~((If you previously retired before age sixty-five, the department will:~~

~~(a) Recompute your retirement allowance pursuant to RCW 41.40.620 (Plan 2) or 41.40.790 (Plan 3) using:~~

~~(i) Your total years of career service, including service earned prior to your initial retirement and service earned after reentering membership; and~~

~~(ii) Any increase in your average final compensation resulting from your reentry into membership; and~~

~~(b) Actuarially reduce your retirement allowance:~~

~~(i) Based on the present value of the retirement allowance payments you received during your initial retirement;~~

~~(ii) To reflect the difference in the number of years between your current age and the attainment of age sixty-five, if applicable; and~~

~~(iii) To offset the cost of your benefit option if it includes a survivor feature. See WAC 415-108-326.~~

~~(2) If you previously retired at or after age sixty-five, the department will recompute your retirement allowance pursuant to RCW 41.40.620 (Plan 2) or 41.40.790 (Plan 3) and include any additional service credit you earned and any increase in your average final compensation resulting from your reentry into membership. The department will actuarially reduce your retirement allowance to offset the cost of your benefit option if it includes a survivor feature. See WAC 415-108-326.~~

~~(3) Under no circumstances will you receive a retirement allowance creditable to a month during which you earned service credit.)~~

**The department will:**

(a) Recompute your retirement allowance pursuant to RCW 41.40.620 (Plan 2) or 41.40.790 (Plan 3) using:

(i) Your total years of career service, including service earned prior to your initial retirement and service earned after reentering membership; and

(ii) Any increase in your average final compensation resulting from your reentry into membership; and

(iii) An actuarial reduction of your retirement allowance to offset the cost of your benefit option if it includes a survivor feature. See WAC 415-108-326.

(b) Your benefit will be calculated in two separate parts based on service credit earned in each working period and any early retirement factors applicable based on the age of retirement for that period.

(i) The first part will include:

(A) Service credit that was used in the original retirement calculation.

(B) Any early retirement reduction factor that was in place at the time of the initial retirement.

(C) The highest salary considering the entire work history.

(D) Any previously earned cost of living adjustments.

(ii) The second part of the calculation will include:

(A) Only service credit earned during the return to membership working period.

(B) Any appropriate early retirement reduction factors in place at the time of reretirement.

(C) Any survivor factor in place at the time of reretirement will be applied to both retirement periods. You must return to work for at least 24 consecutive months to become eligible for any survivor benefit option other than the option you chose in your initial retirement (RCW 41.40.037(3)).

(D) The highest salary considering the entire work history.

Example: Pat became a Plan 2 member before May 1, 2013. Pat had 30 years of service when they initially retired at age 55 with an AFC of \$5,000. An early retirement factor of .8 was applied to this initial retirement. Pat returned to membership at age 62 and worked for an additional three years and then reretired with a newly calculated AFC of \$8,000. No early retirement factor is applicable. Pat also selected a survivorship option at reretirement that will provide them .92 of their calculated retirement benefit.

The two parts of their retirement calculation would be as follows:

Retirement 1:  $2\% \times 30 \text{ years} \times \$8,000 \times .8 \times .92 = \$3,532.80$

Retirement 2:  $2\% \times 3 \text{ years} \times \$8,000 \times .92 = \$441.60$

Part 1 will also include any cost-of-living adjustments previously applied prior to Pat returning to membership. Any early retirement factor applicable to retirement 2 will take into consideration total service credit earned over the entire career.

(2) Under no circumstances will you receive a retirement allowance creditable to a month during which you earned service credit.

## RDS-6856.2

AMENDATORY SECTION (Amending WSR 05-12-043, filed 5/25/05, effective 6/25/05)

**WAC 415-110-830 How does the department calculate the retirement allowance of a SERS Plan 2 or Plan 3 member who retires, reenters SERS membership, and then retires again?** This rule establishes a method to actuarially recompute your defined benefit retirement allowance if you are a Plan 2 or Plan 3 member who retires, reenters SERS membership causing your retirement allowance to stop, and then retires again.

~~(1) ((If you previously retired before age sixty-five, the department will:~~

~~(a) Recompute your retirement allowance pursuant to RCW 41.35.400 (Plan 2) or RCW 41.35.620 (Plan 3) using:~~

~~(i) Your total years of career service, including service earned prior to your initial retirement and service earned after reentering membership; and~~

~~(ii) Any increase in your average final compensation resulting from your reentry into membership; and~~

~~(b) Actuarially reduce your retirement allowance:~~

~~(i) Based on the present value of the retirement allowance payments you received during your initial retirement;~~

~~(ii) To reflect the difference in the number of years between your current age and the attainment of age sixty-five, if applicable; and~~

~~(iii) To offset the cost of your benefit option if it includes a survivor feature. See WAC 415-110-326.~~

~~(2) **If you previously retired at or after age sixty-five**, the department will recompute your retirement allowance pursuant to RCW 41.35.400 (Plan 2) or RCW 41.35.620 (Plan 3) and include any additional service credit you earned and any increase in your average final compensation resulting from your reentry into membership. The department will actuarially reduce your retirement allowance to offset the cost of your benefit option if it includes a survivor feature. See WAC 415-110-326.~~

~~(3-)) **The department will:**~~

~~(a) Recompute your retirement allowance pursuant to RCW 41.35.400 (Plan 2) or 41.35.620 (Plan 3) using:~~

~~(i) Your total years of career service, including service earned prior to your initial retirement and service earned after reentering membership; and~~

~~(ii) Any increase in your average final compensation resulting from your reentry into membership; and~~

~~(iii) An actuarial reduction of your retirement allowance to offset the cost of your benefit option if it includes a survivor feature. See WAC 415-110-326.~~

~~(b) Your benefit will be calculated in two separate parts based on service credit earned in each working period and any early retirement factors applicable based on the age of retirement for that period.~~

~~(i) The first part will include:~~

~~(A) Service credit that was used in the original retirement calculation.~~

~~(B) Any early retirement reduction factor that was in place at the time of the initial retirement.~~

~~(C) The highest salary considering the entire work history.~~

~~(D) Any previously earned cost-of-living adjustments.~~

~~(ii) The second part of the calculation will include:~~

~~(A) Only service credit earned during the return to membership working period.~~

~~(B) Any appropriate early retirement reduction factors in place at the time of reretirement.~~

~~(C) Any survivor factor in place at the time of reretirement will be applied to both retirement periods. You must return to work for at least 24 consecutive months to become eligible for any survivor benefit option other than the option you chose in your initial retirement (RCW 41.35.060(3)).~~

~~(D) The highest salary considering the entire work history.~~

~~Example: Pat became a Plan 2 member before May 1, 2013. Pat had 30 years of service when they initially retired at age 55 with an AFC of \$5,000. An early retirement factor of .8 was applied to this initial retirement. Pat returned to membership at age 62 and worked for an additional three years and then reretired with a newly calculated AFC of \$8,000. No early retirement factor is applicable. Pat also se-~~

lected a survivorship option at reretirement that will provide them .92 of their calculated retirement benefit.

The two parts of their retirement calculation would be as follows:

Retirement 1:  $2\% \times 30 \text{ years} \times \$8,000 \times .8 \times .92 = \$3,532.80$

Retirement 2:  $2\% \times 3 \text{ years} \times \$8,000 \times .92 = \$441.60$

Part 1 will also include any cost-of-living adjustments previously applied prior to Pat returning to membership. Any early retirement factor applicable to retirement 2 will take into consideration total service credit earned over entire career.

(2) Under no circumstances will you receive a retirement allowance creditable to a month during which you earned service credit.

## RDS-6857.2

AMENDATORY SECTION (Amending WSR 08-20-068, filed 9/25/08, effective 10/26/08)

**WAC 415-112-544 How does the department calculate the retirement allowance of a TRS Plan 2 or Plan 3 member who retires, reenters TRS membership, and then retires again?** This rule establishes a method to actuarially recompute your defined benefit retirement allowance if you are a Plan 2 or Plan 3 member who retires, reenters TRS membership causing your retirement allowance to stop, and then retires again.

(1) ~~((If you previously retired before age sixty-five, the department will:~~

~~(a) Recompute your retirement allowance pursuant to RCW 41.32.760 (Plan 2) or 41.32.840 (Plan 3) using:~~

~~(i) Your total years of career service, including service earned prior to your initial retirement and service earned after reentering membership; and~~

~~(ii) Any increase in your average final compensation resulting from your reentry into membership; and~~

~~(b) Actuarially reduce your retirement allowance:~~

~~(i) Based on the present value of the retirement allowance payments you received during your initial retirement;~~

~~(ii) To reflect the difference in the number of years between your current age and the attainment of age sixty-five, if applicable; and~~

~~(iii) To offset the cost of your benefit option if it includes a survivor feature. See WAC 415-112-505.~~

~~(2) If you previously retired at or after age sixty-five, the department will recompute your retirement allowance pursuant to RCW 41.32.760 (Plan 2) or 41.32.840 (Plan 3) and include any additional service credit you earned and any increase in your average final compensation resulting from your reentry into membership. The department will actuarially reduce your retirement allowance to offset the cost of your benefit option if it includes a survivor feature. See WAC 415-112-505.~~

~~(3)) **The department will:**~~

~~(a) Recompute your retirement allowance pursuant to RCW 41.32.760 (Plan 2) or 41.32.840 (Plan 3) using:~~

(i) Your total years of career service, including service earned prior to your initial retirement and service earned after reentering membership; and

(ii) Any increase in your average final compensation resulting from your reentry into membership; and

(iii) An actuarial reduction of your retirement allowance to offset the cost of your benefit option if it includes a survivor feature. See WAC 415-112-505.

(b) Your benefit will be calculated in two separate parts based on service credit earned in each working period and any early retirement factors applicable based on the age of retirement for that period.

(i) The first part will include:

(A) Service credit that was used in the original retirement calculation.

(B) Any early retirement reduction factor that was in place at the time of the initial retirement.

(C) The highest salary considering the entire work history.

(D) Any previously earned cost-of-living adjustments.

(ii) The second part of the calculation will include:

(A) Only service credit earned during the return to membership working period.

(B) Any appropriate early retirement reduction factors in place at the time of reretirement.

(C) Any survivor factor in place at the time of reretirement will be applied to both retirement periods. You must return to work for at least 24 consecutive months to become eligible for any survivor benefit option other than the option you chose in your initial retirement (RCW 41.32.044).

(D) The highest salary considering the entire work history.

Example: Pat became a Plan 2 member before May 1, 2013. Pat had 30 years of service when they initially retired at age 55 with an AFC of \$5,000. An early retirement factor of .8 was applied to this initial retirement. Pat returned to membership at age 62 and worked for an additional three years and then reretired with a newly calculated AFC of \$8,000. No early retirement factor is applicable. Pat also selected a survivorship option at reretirement that will provide them .92 of their calculated retirement benefit.

The two parts of their retirement calculation would be as follows:

Retirement 1:  $2\% \times 30 \text{ years} \times \$8,000 \times .8 \times .92 = \$3,532.80$

Retirement 2:  $2\% \times 3 \text{ years} \times \$8,000 \times .92 = \$441.60$

Part 1 will also include any cost-of-living adjustments previously applied prior to Pat returning to membership. Any early retirement factor applicable to retirement 2 will take into consideration total service credit earned over entire career.

(2) Under no circumstances will you receive a retirement allowance creditable to a month during which you earned service credit.