

## President's Message for March 2018 by Richard C Warbrouck

I was in the galleries of the House and Senate on March 8, 2018 when the short sixty-day legislature was brought to a close. I was relieved that there was no major pension legislation passed that would be detrimental to the members. As we worked our way through the halls visiting key legislators, committee chairs and staff members we felt confident that there would be no attempt to merge the retirement systems. The proposed increase in the state's revenue was another indication that the retirement systems were safe.

If my memory is correct the revenue forecast from the state's property tax increase went from one billion dollars to two billion. That in itself generated a lot of controversy regarding the excess funds. Some wanted to rebate a portion to the tax to the tax payers while others wanted to redirect the surplus to other programs. This was a short sixty-day session with enough time to do a lot of damage. I was relieved and thankful that HB 2719 didn't make it out of the House and died in the House Local Government Committee chaired by Representative Sherry Appleton. We want to thank Representative Appleton and the members on the committee for passing our amendment which may have killed the bill.

This is a good example as to why a group has to be careful when having a bill introduced. Once a bill is introduced you lose control of the bill. A simple LEOFF I retirement bill can turn into a disaster.

Dave Peery and Andy Wilson of the so-called Coalition recently posted in their December fake newsletter about opening the LEOFF I statute. A statute is always open for amendment. All a legislator has to do is have a bill introduced. It's after the bill is introduced and is open for study, consideration and further amendments that you can have problems. I refer to their newsletter as "fake" because their information is inaccurate and misleading.

HB 2719 was introduced by two legislators in the House and could have been a foot in the door to dismantle the LEOFF I disability boards. The bill first presented itself as a simple LEOFF I bill to change the requirement for a city to establish a LEOFF Disability Board. Currently when a city reaches a population of 20,000 it must create a LEOFF I Disability Board. HB 2719 first seemed like a very simple bill to change the city's population from 20,000 to 30,000 as the requirement to establish a LEOFF I Disability Board. This seemed fairly logical as there are about 9 cities that will reach a population of 20,000 and will have to create a disability board. The intent was that these cities are now under the county board and would rather stay under the county board than create their own board. The bill was silent as to what else it could do. It was possible that the cities that now have established disability boards with a population of 20,000 or over could perhaps dismantle their existing board and go under the county boards until they reach a population of 30,000. In the future the population requirement could be changed again to force the smaller cities under the county boards.

We contacted the Chair of the Local Government Committee and explained that we were in support of the intent but fear that if the bill is passed without the proper amendment it will cause a lot of problems, legal and otherwise. Depending on how the bill if passed, was implemented, it could be in conflict with the State Supreme Court Bakenhus decision. We did get the following amendment passed:

(B) Maintain a city disability board having jurisdiction over all members employed by that city if the city has a population of at least twenty thousand and such city established its disability board on or before the effective date of this section. The operations of an existing city disability board created on or before the effective date of this section shall be maintained by the city and the city shall continue to carry out the benefits as provided by the established city disability board.

If any of the cities reverted to the county board, the county board could raise or lower certain benefits to match the county benefit level. The so-called Coalition advertises their mission statement in their newsletter:

*“The mission of the LEOFF I Coalition is to protect the integrity of the LEOFF I Law and LEOFF I Retirement Trust Fund. LEOFF I Coalition members are law enforcement officers and fire fighters.”*

This is misleading to those who read it because HB 2719 could have been a move to create county disability boards and no one from the Coalition attended any of the House Local Government Committee Hearings or endorsed our amendment. In the December newsletter they printed “No merger and leave us alone.” Now just recently they were talking about having a bill introduced to amend the LEOFF I Retirement statute. To my knowledge they have never had a bill introduced. When we asked several questions about the bill they were considering they had very little knowledge and no answers.

The whole December fake newsletter is so misleading, it’s a shame. In that newsletter Dave Peery states “there’s no surplus but only a short time ago after jerry Taylor and I had testified to the SCPP Committee that there was no surplus, Dave Peery and Andy Wilson got up and said they wanted to negotiate the surplus. You should have seen the faces of the committee members. Right after that we met with Dave Peery and Andy Wilson as requested to discuss the drafting of a bill to negotiate the stated surplus. After a short meeting and a few questions we all left.

Again, in their newsletter the Coalition has taken the position “That the LEOFF I Retirement System is not a defined benefit system because the word “defined benefit” never appeared in our law at inception. This is just ridiculous. If it’s not a defined benefit plan please explain what kind of retirement system it is, a defined contribution plan, a trust or whatever.

The headline under the masthead .of the December newsletter read “LEOFF I Coalition Expects More Attempts On Our Pension.” This was only to help solicit funds.

Now that the session is over and there was no merger bill, will the Coalition refund the donations or retain them in their treasury and next year use the same scare tactic to collect more money?

I feel it's taking advantage of the LEOFF I members to continuously ask for donations in advance of a problem and without posting how much is currently in their treasury. Any other group or charitable organization would be in deep trouble for conducting business in this fashion. In the year 2000 when SB 6166 was introduced to terminate the LEOFF I Retirement System we formed the Coalition, we reached out to all LEOFF I members and collected maybe \$200,000. The RFFOW itself collected \$57,000. A group would not be at the Supreme Court the day after a detrimental bill is introduced, there is time to collect money when needed.

Andy Wilson's statement in the December newsletter stated:

"This leads to why LEOFF I Coalition and other LEOFF I groups do not publicize the funds they have on hand. We do not want legislators to know how much money we have. If the legislators knew how much money each group had, they would know whether we would be easy pickings in a lawsuit."

This is not only naïve, it's plain stupid. The legislators don't monitor your bank account before introducing a bill. They have no idea as to how much money you could raise or how many people or organizations would support your cause. Also keep in mind that there are other ways to find the value of an organization, including tax records. The last we checked the Coalition has assets of about \$84,000.00. Until recently Joyce Willms never reported any salary as a lobbyist to the Public Disclosure Commission. In 2016 the Coalition reported they paid \$13,331.25 to Media Services Inc. for lobbying. The RFFOW does not publicize our assets but we do give a financial statement to our Board members and a complete report at each monthly meeting to our members. One would think that such a report would be given to donors by the Coalition before asking for donations.