

From: [linda ferkingstad](#)
To: [Office State Actuary, WA](#)
Subject: Letter to Select Committee on Pension Policy
Date: Saturday, September 17, 2022 3:45:56 PM
Attachments: [PERS1 COLA.pdf](#)

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September 16, 2022

The Honorable Steve Conway, Chair
Select Committee on Pension Policy
P.O. Box 40429
Olympia, WA 98504-042

Dear Chair Conway:

I am writing to ask you and the members of the Select Committee on Pension Policy (SCC) to take immediate action to restore a permanent cost of living adjustment (COLA) to Plan 1 retirees.

I deeply appreciate the one-time COLA you secured for Plan 1 retirees like me in the last legislative session. The COLA helped provide temporary relief from rising costs. That said, I know that the SCPP is committed to ensuring equity in the pension systems. However, the one-time COLAs, while appreciated, are only a short-term fix that does not address the real problem: the long-standing systemic inequity that plagues Plan 1 retirees. Year-after-year, the state's oldest retirees, who historically receive the lowest pensions, continue to lose purchasing power. A decade without a COLA reduces purchasing power by 20%.

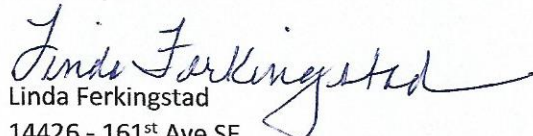
I know personally how much this has impacted my family since the legislature took away Plan 1 COLAs after 2010. This year alone, we have had increases in water, gas, electricity, garbage, cable, phone, medical and medigap insurance, long term care insurance, Rx insurance, car insurance, homeowner insurance, and other services equaling almost \$200 a month. Our property tax increased over \$400, and groceries and gas have increased dramatically. We are in our 80's and on a fixed income. My husband's pension is \$926 a month and has been that amount since he retired in 1998 from Boeing, as he does not have a COLA. I have been a Plan 1 retiree since 2003, almost 20 years, and my pension is a little over \$1,300. Only a permanent COLA can guarantee food, housing, and financial security in retirement.

With the pay down of the unfunded liability in the Plan 1 pension plan on the horizon, the Retired Public Employees Council (RPEC) asks that you work this legislative session to codify, in law, a trigger point by which the state will fund a permanent COLA for Plan 1 retirees.

I hope we can count on you to embrace this request and lead the path forward to legislation to finally eliminate the inequity that currently exists.

Thank you for giving RPEC's request your consideration.

Sincerely,



Linda Ferkingstad
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