



Washington State School Retirees' Association

4726 Pacific Avenue SE • Lacey, WA 98503 • (360) 413-5496 • www.wssra.org

RECEIVED

September 7, 2018

SEP 11 2018

Tracy Guerin, Director
Department of Retirement Systems
PO Box 48380
Olympia, WA 98504-8380

DEPARTMENT OF
RETIREMENT SYSTEMS

Dear Ms. Guerin:

We are writing to request that your fellow members and the executive leadership of the Select Committee on Pension Policy again examine and forward to the legislature a recommendation supporting a 3% Plan 1 TRS/PERS COLA. This topic needs your advocacy in order to be added to the October or November SCPP agenda for discussion and action.

As you know, the 2018 legislature did approve a one-time, 1.5% COLA increase that was less than the November, 2017 SCPP recommendation of 3%. This partial payment was appreciated, but we want to remind the committee of the long-standing legislative pattern of little or no action on this issue.

In 2011 the UCOLA (which, beginning in 1995, provided some relief for those Plan 1 retirees over 65 years of age) was eliminated by the legislature. From that year through 2018 only two alternative COLA opportunities were available for the lowest earning retirees (about 10% of the total). During that time most Plan 1 TRS/PERS retirees lost over 16% in purchasing power. Many younger and long-time retirees—those not eligible for the UCOLA—are 35% worse off now than they were in 2003.

Meanwhile, of the 16 separate pension plans in Washington state, only TRS 1 and PERS 1 are without a guaranteed annual COLA—a fact that is difficult to understand and impossible to justify.

To make matters worse, inflation in 2017 (Seattle Consumer Price Index) was 3.1%. Through June of this year prices are rising at a 3.3% rate. Clearly, pensioners on a fixed income will suffer without adding a COLA for 2019. They need your support now and during the upcoming legislative session.

A thorough and appropriate discussion of the COLA topic, followed by a positive SCPP recommendation, should occur before the end of the year. Please address this issue.

Thanks for your consideration of this request.

Sincerely,

A handwritten signature in black ink that reads "Alan Burke".

Alan Burke
Executive Director, WSSRA
(360) 413-5496 xt 118
Alan@wssra.org