
From: Donna Gordon <gordondo@seanet.com>
Sent: Monday, September 19, 2022 3:02 PM
To: Office State Actuary, WA
Subject: Select Committee on Pension Policy Sept 20 2022 Agenda 4 Plans 1 COLA
Attachments: PERS1 COLA letter 09192022.docx

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Please find letter ttachment with comment for the Select Committee on Pension Policy meeting, Sept 20 2022, Agenda Item #4: Plans 1 COLA.

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September 19, 2022

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

RE: PERS Plan 1 COLA

Dear Chair Conway:

I am writing to ask the PERS Plan 1 (PERS1) permanent cost of living adjustment (COLA) be restored. I have many PERS1 friends with whom I was privileged to work and to continue to know in our retirement. I am writing on behalf of them as well as myself.

I have been a public servant and member of the PERS1 since about 1970. Having at various times been responsible for legislative matters, I was familiar with its legislative history including the fact that after so many years of approving an annual PERS1 COLA, the legislature saved itself the effort made it automatic--with the provision that it stop the COLA if it wanted to. When I retired from King County in 2003 after 32 years of service but still under the age 65, I was fully aware that I would not be eligible for a cost of living increase until reaching age 65. I had regularly contributed more than a minimum amount to PERS1 so that I would not be a burden to others in my senior years. If I had known the legislature would strip away that annual increase, I would have forgone other expenses in my life in order to contribute even more to PERS.

As a long time public servant that did more with less during economic down turns and several times faced possible loss of my job, I understood the pressure the legislature faced in 2011 to eliminate the PERS1 COLA because it was an available option. I do not understand the failure to restore those benefits in improved economic times, particularly when the PERS1 retirees, because of age, are the least able to secure additional financial resources at the same time facing growing health expenses and general cost of living. Additionally, many, like myself, are having to help elderly parents and siblings, children or grandchildren. It cannot be underestimated how important it is to be able to count on regular COLAs to manage modest incomes even in the best of times. So PLEASE show respect to PERS1 retirees and earn trust of *all public servants* by providing for an automatic PERS1 COLA.

Part of the PERS1 COLA issue is the fact that the PERS1 plan has been underfunded for many, many years, in spite of entreaties to and promises by the legislature to correct this. The failure of past legislatures to step up to its responsibility now burdens counties and cities with a surcharge on other retirement plans. This has been often cited in the past and continues today as a reason not to provide a PERS1 COLA even though it was their now long-retired PER1 employees who went the extra mile and did more with less when the cities and counties had hard financial times. So PLEASE, work towards a solution for the PERS1 plan underfunding that does not place PERS1 retirees in the middle of the fight between cities and counties and the legislature.

Respectfully

Donna Gordon
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