
From: John Smith <jmyronsmith@gmail.com>
Sent: Sunday, October 16, 2022 12:10 PM
To: Office State Actuary, WA
Subject: Remote testimony for Oct. 2022

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I submit the following to the full committee and to the Executive Committee:

SCPP testimony - October, 2022

Thank you for providing this opportunity for public input to the committee.

I am John M. Smith, President of Retired Public Employees Council chapter 8, serving those living in Skagit, San Juan and Island counties.

I am a plan 2 retiree and will likely receive a COLA of 3% next July. My Plan 1 member retirees, about half of our membership in chapter 8 will not be so fortunate unless this committee recommends a COLA and the Legislature passes it.

You have likely heard that Social Security Beneficiaries will receive a substantial COLA in January. Please do not believe that such an increase in benefits would cover the increased costs of living for Public retirees in Washington state; many of whom worked for public agencies such as Public Utility Districts which DID NOT pay into Social Security. Those public retirees are balanced on the proverbial three-legged stool of retirement income consisting of a pension, personal savings and Social Security, but have only a TWO legged stool.

Additionally, plan 1 retirees worked in jobs where the pay was much lower than exists now for the same job. And they have been without a COLA for many of the years they have likely been retired. I also remind the committee that many of our still living retirees are women whose salaries were not comparable to men working the same jobs. Therefore, their pensions are based on those lower salaries.

Inflation may be in the headlines now due to a huge increase, but in years past the costs of EVERYTHING increased, just maybe more slowly than recently.

Also, bear in mind that prescription drug prices continue to take a large portion of the incomes of many retirees and, although the Inflation Reduction Act had provisions to stabilize drug prices the number of drugs the price of which may be controlled is limited to a few per year and the initial controls will not be in effect for more than a year and the cap on out of pocket medical costs will not go into effect until 2025.

Thank you,

John M. Smith
PO Box 337
Clear Lake, WA 98235
(360) 856-6901

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