
From: Jan Tucker <tuckersprings@gmail.com>
Sent: Wednesday, September 21, 2022 11:26 AM
To: Office State Actuary, WA
Subject: Support for COLA for TRS 1 Pension Plan

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Good morning, Chair Conway, Legislators and Members of the Select Committee on Pension Policy. My name is Renee Peare, I am a retired public service employee. I retired in 2011 and am a member of the Retired Public Employees Council of Washington. I am also writing on behalf of Barbara C., also a retired public service employee and my good friend. Barb is reluctant to speak before the committee but has given me permission to write about her situation and position in support of a permanent COLA for Plan 1 retirees. Barb lives in Marysville and I live in Everett. We are both members of RPEC.

We urge you to support the restoration of a permanent cost of living adjustment (COLA) for Plan 1 retirees, and to place in statute a trigger date by which this will happen.

We thank you for the one-time COLA I received last year. One-time COLAs are helpful, but not a reliable solution. They don't address the real problem: year after year after year our purchasing power is eroded more and more and Barb is in 80s and I am in my 70s. Barb, a widow now, began working at the age of 38 in the Snohomish School District as a library aide. She later worked for Snohomish County Government predominantly as a receptionist and clerk. She retired after 29 years in 2003. Barb is very frugal and takes advantage of discounts when available such as the discount on property taxes for low income and disabled home owners. Last year, she hit the "donut hole" in Medicare in December and had to figure out how to manage her prescriptions and considered rationing them. This year she anticipates the "donut hole" in October. This means she will have to endure approximately \$7,200 of out of pocket prescription costs before Medicare benefits start again. A cost she cannot absorb. Her very life depends on her medications. It should be noted that the recent Inflation Reduction Act that does improve parts of Medicare but won't be fully implemented for 4 to 10 years.

I retired at the age of 60 following extensive spinal surgery that left me unable to sit for long periods of time. In the beginning, I was able to take care of most expenses and tasks such as house cleaning, grocery shopping and yard maintenance. Then, add to this rising costs in food, taxes, and transportation, managing my resources has become more challenging. Over the years and 3 more major surgeries, I find I need to hire some help or rely on friends and neighbors in order to stay in my home. In addition, I now have a prescription with a \$610 per month co-pay if I were to get it here in the states. I currently get this prescription out of Canada for \$65 per month. However, there is now a bill (Domain Reform For Unlawful Drug Sellers Act) before Congress to close this avenue completely. When that occurs I will have to find an alternative drug to replace the one that is most effective for me.

One-time COLAs provide needed relief. But they are not a long-term solution. With the pay down of the unfunded liability in sight, it's time the SCPP takes decisive action to secure a permanent COLA for Plan 1 retirees.

Only a permanent COLA provides financial, food and housing security in retirement. We urge you to support the restoration of a permanent cost of living adjustment (COLA) for Plan 1 retirees, and to place in statute to implement at the earliest possible date.

Thank you.

Respectfully,

Renee Peare and Barbara C.