

From: [Jim Davison](#)
To: [Couture, Rep. Travis](#); [Conway, Sen. Steve](#); [Office State Actuary, WA](#)
Subject: Is this equity?
Date: Wednesday, July 2, 2025 7:51:25 PM
Attachments: [250701 TRS 1 and LEOFF 1 comparison.xlsx](#)

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Dear Chair Couture, Vice Chair Conway and committee members:

While the numbers may have changed slightly, the point is there has been an inconsistency in how various Department of Retirement Systems (DRS) plans are treated by legislators. The two plans shown on the attached spreadsheet have definitely NOT been treated equally.

Teachers' Retirement System 1 (TRS 1) was started October 1, 1938. Inflation varied widely at that time (<https://www.investopedia.com/inflation-rate-by-year-7253832>) which makes me wonder why it was not built into TRS 1 as it was with later DRS plans? Since most teachers were female, the thinking appeared to be it was a second family income which did not require a higher wage or much retirement security.

Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF 1) was established March 1, 1970. Inflation was definitely a factor at that time which may explain why that plan was granted an Unlimited Cost of Living Adjustment (COLA) based on inflation, unlike other DRS plans.

There have long been stories about the legislature borrowing money from TRS 1 to build the original Tacoma Narrows bridge, which may have resulted in legislation to prohibit borrowing from retirement systems. That has not prevented legislators from putting in less than what it should have, resulting in underfunding TRS 1 and Public Employees' Retirement System 1 (PERS 1).

The point is, while there may be justification for variations in DRS plans, they have not been treated equally post inception, as shown on the attachment. It's past time to consider whether that discrimination is based on number of members, sex of members or some other factor.

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2025 COMPARISON

	<u>LEOFF 1</u>	<u>TRS 1</u>	
Members	6,154	28,556	
Male	98%	42%	
Female	2%	58%	
Employee Contribution	6% <2000 0% >2000	6% during career	
Avg Monthly Benefit	\$ 5,662	\$ 2,556	
Medical	Fully Paid	Deducted, Medicare Supplement \$183/mo*	*Supplement reduced to \$150 from 2011-18
COLA	Unlimited Inflation Based	5 ad-hoc since 2011, but for some it's been longer	
Plan Funding	OVER by \$2 billion	UNDER**	** State payments to TRS 1 & PERS 1 averaged 58.4% from 2001-10
Bonus Payment	\$100/mo of service in 2023	None	

Some might conclude the Legislature has used TRS 1 to help balance budgets while ignoring LEOFF 1 overfunding.

It's apparent not all retiree plans are treated equally.