

Halverson, Beth

From: Fred Yancey <fyancey@comcast.net>
Sent: Thursday, May 18, 2017 7:38 PM
To: Chandler, Rep. Bruce; Conway, Sen. Steve; Gutierrez, Aaron; Office State Actuary, WA
Subject: Request for SCPP Action/Consideration

Dear Chair Chandler, Vice-Chair Conway, and esteemed members of the SCPP,

As you begin to lay out a work plan for the SCPP, I would draw your attention to one of the goals articulated during this month's meeting: "Increase and maintain purchasing power of Plan 1 benefits".

As many of you know, TRS 1 and PERS 1 retirees are among the oldest members in the DRS system. Out of 15 plans, these two are the only retirement groups that do not receive a cost of living adjustment. I will acknowledge that those at the very bottom receive a COLA but the vast majority have had their retirement incomes fixed in place since 2007. Meanwhile, their and our own living expenses continue to increase. Their purchasing power has and is continuing to decline. This is wrong and needs to be addressed.

The SCPP has studied this issue in the past but due to lack of a quorum no action has been taken to forward any fixes to the legislature for consideration.

I would respectfully suggest that the committee look at the addressing the needs of this population of persons.

Proposed bills during the current session attempted to address these needs in some fashion or other. These bills were reviewed by staff at your recent meeting. They include proposals to broaden the opportunities for retirees to return to work and proposals to grant a cost of living increase for TRS 1 and PERS 1 retirees.

I would like the committee to study this issue again and achieve some closure and resulting recommendation to the legislature. How much purchasing power have retirees on fixed pensions lost? What options are there to address their situation?

Please give serious consideration to further study. The sad fact is that there are current retirees who have moved from reliance on DRS to reliance on programs through DSHS, a much more expensive shift.

Thank you for your time.

On behalf of the Washington State School Retirees' Association,

Fred Yancey, Mike Moran, Peter Diedrick Sent from my iPad