



2026.03

RESOLUTION IN SUPPORT OF PERMANENT COST OF LIVING ADJUSTMENT FOR PERS AND TRS PLAN 1 RETIREES

WHEREAS, the state of Washington has one of the best-funded public pension systems in the country, ranking second at 103% funded in 2025. The Public Employees Retirement System (PERS) plan covers state, county, city, and local public entity employees. The Teachers Retirement System (TRS) plan covers teachers in our public schools; and,

WHEREAS, accumulated pension funds are under the control of the Washington State Investment Board, which has had excellent return on its investments: 9.3% over the last 10 years, and 8.4% over the last 20 years. Seventy-five percent of funds paid to retirees are from those returns; and,

WHEREAS, retirees who participated in PERS and TRS Plan 1 annually received a cost-of-living adjustment (COLA) upon a vote of the Washington State Legislature. That annual COLA was eliminated in 2011 due to the economic downturn. Retirees in Plans 2 and 3 receive an annual COLA of up to 3% depending on the inflation index each year; and,

WHEREAS, the lack of a regular, consistent COLA for Plan 1 member retirees has resulted in a loss of more than 40% of their purchasing power in the past 15 years; and,

WHEREAS, there are approximately only 65,000 PERS and TRS Plan 1 surviving retirees, and about 5,000 are lost every biennium to attrition; and,

WHEREAS, the Retired Public Employees Council of Washington and other retiree groups are asking the Legislature to restore an annual COLA to Plan 1 retirees structured similar to the Plan 2 annual COLA; and,

WHEREAS, the Washington State Legislature has only provided six one-time COLA's since 2011 for Plan 1 retirees; and,

WHEREAS, many of the retirees were unionized workers who have taught our children, repaired our roads, and provided essential services on behalf of our state and local government entities. They should have the dignity and respect of the retirement system they paid for and were promised; now therefore be it,

RESOLVED, that the Washington State Labor Council, AFL-CIO (WSLC) support the permanent restoration of an annual COLA for PERS and TRS Plan 1 retirees and support any necessary one-time COLA's for PERS and TRS Plan 1 retirees until a permanent annual COLA is implemented; and be it further,

RESOLVED, that support for the permanent annual Plan 1 COLA becomes adopted as a legislative priority by the WSLC; and be it finally,

RESOLVED, that support for the permanent annual Plan 1 COLA be communicated to the Select Committee on Pension Policy.

7.23.26

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