



Retired Public Employees Council Chapter 22 – Jefferson County

Mike Marston, President

(360) 821-1211 or marston@cablespeed.com

Date: Wednesday, April 9th, 2025
Time: 12:00 PM
Place: Highway Twenty Roadhouse, Conference Room
Address: 2152 W Sims Way, Port Townsend, WA

Please note that the day of the week for this meeting is Wednesday instead of our customary second Tuesday. Another organization had booked the conference room for Tuesday at the Roadhouse. As this conflict in booking the room is a perennial problem for Tuesday, we will discuss the possibility of making a permanent change of the day of the week that we conduct meetings.

The big business of the meeting will be the planning and funding of our annual cookout in July. We need your input to help make this event bigger and better than ever, not like it isn't already great. In past years we have had a good attendance of Chapter members and families, and our State and local representatives.

We will also outline our budget for 2025, with the annual cookout being the major expense. **After the meeting we'll conduct our annual audit of Chapter finances for 2024.** We will need several Chapter members to function in the role of trustees.

A \$25 gift card (probably QFC) will be awarded by chance to some lucky member in attendance.

As always, the chapter will buy lunch for first-time meeting attendees.

Mike Marston, Chapter 22 President, (360) 821-1211

APRIL 2025 EXECUTIVE DIRECTOR REPORT

Why did you join RPEC? Most of our members tell us that they joined RPEC because they recognize the need to have an organization as their advocate for retirement security with state legislators, state policy leaders, members of Congress, and on federal issues.

RPEC is a non-partisan organization. We exist to advocate for your retirement security. Thus, we actively work to expand relationships with all state and federal legislators, regardless of their party affiliation. When state legislators, Congressional leaders, and state or federal agency heads or leaders take steps to harm your retirement security, we act on your behalf. Sometimes that action takes the form of meetings with key policy makers. Other times it translates into a formal letter of concern. We also ask our members to mobilize with us through "calls to action", which come to you through the weekly NewsFlash.

When you receive an email from us or from AFSCME Retirees about taking action, it is because we believe that proactive engagement is needed to stop potentially detrimental policies from being

enacted into law. This April report includes an example of our work to prevent a potential policy decision from negatively impacting your retirement security. Every action we take together aligns with the Legislative Priorities, which have been crafted and approved by members. Our sources for information, which frame the content of the emails to you, are drawn from insights provided by our state and federal lobbyists and from reputable retiree organizations and unbiased news sources.

Thank you for joining us in preserving your retirement security at state and federal levels. We stand together to ensure your hard-earned benefits are available to you and future generations of retirees.

State facing multi-year budget deficit

On March 20th, the Office of Financial Management unveiled the updated state fiscal forecast. Estimates place the overall deficit at \$12 to \$15 billion. The state's revenue collections have not recovered since the pandemic. Collections from sales, business and occupation taxes have dropped but are expected to be offset, somewhat, from capital gains and estate taxes. Governor Ferguson has called for cuts to state agency budgets and has recommended that state employees be furloughed one day per month to reduce state costs. Our union family, including the Washington Federation of State Employees (WFSE), is deeply opposing balancing the state's budget on the backs of state employees. We stand in solidarity with WFSE in opposing the reduction of salaries of state employees through a monthly furlough.

In the fiscal budget hearings on the proposed Senate and House budgets on March 25th, the state's deficit was the "elephant in the room." Both branches have recommended deep cuts, while also proposing some revenue-generating strategies.

Proactive advocacy: RPEC helps to stop a reduction in the Medicare Explicit Subsidy

News about the looming state deficit was first reported publicly in June 2024. RPEC immediately conducted meetings with Governor Inslee's staff and policy decision makers about our policy priorities, which are set by members through the Legislative Priorities. (Those meetings resulted in Governor Inslee maintaining the Medicare Explicit Subsidy at \$183. He also included funding for a one-time cost-of-living adjustment for PERS/TRS 1 retirees.)

In late January, Governor Ferguson asked all state agencies to freeze hiring and travel, and to make recommendations on budget cuts. The Health Care Authority (HCA), which manages the medical plans for the public sector retirees who earn their healthcare benefits from the Public Employees Benefits Board (PEBB), recommended cutting the Medicare Explicit Subsidy. This subsidy is used to make healthcare premiums more affordable. The subsidy is currently \$183 per month or up to 50% of the monthly premium, whichever is less.

HCA recommended cutting the subsidy to \$90 per month. Fortunately, through RPEC's advocacy efforts, Governor Ferguson rejected this budget reduction!

This example illustrates why RPEC engages in proactive advocacy on potential policy decisions. The recommendation to reduce the subsidy would have harmed our members. When we are proactive, we stand a greater likelihood of influencing policy. RPEC wields political clout. When RPEC expresses concern about a policy decision under consideration, we fulfill our commitment to you. We owe it to you to step in and communicate why a potential policy decision is a bad idea.

Senate's Proposed Budget is Better for RPEC

On March 24th, the Senate and House unveiled their proposed biennial budgets. As expected, they are radically different. The Senate's proposed budget, [PSSB 5167](#), funds a recurring one-time

cost-of-living adjustment (COLA) in 2025 and a recurring COLA in 2026 for PERS/TRS 1 retirees. The House's proposed budget, [PSHB 1198](#), includes no COLA. Both proposed budgets fully fund the Medicare Explicit Subsidy as noted above, thanks to our advocacy. President Clair Olivers offered strong testimony in the House Appropriations Committee on March 25th, expressing disappointment in the House's budget. David Koenig, Legislative Committee Chair, offered thanks in the Senate Ways & Means Committee for composing a budget that considers the needs of public sector retirees. The Ways & Means Committee also met on March 25th.

Stay informed

The best way to stay informed is to read the weekly NewsFlash (sent via email each Friday), participate in the weekly Legislative Update Calls (held weekly at 2 p.m. on Fridays during the legislative session; see details on the calendar at www.rpecwa.org), and read your chapter newsletter.

Important Dates

Visit the RPEC website at www.rpecwa.org for the full calendar:

- April 4: Universal Healthcare Webinar (10:00 a.m.)
Legislative Update Call (2:00 p.m.)
- April 10: Healthcare Workgroup (3:30 p.m.)
- April 11: Legislative Committee (10:00 a.m.)
Legislative Update Call (2:00 p.m.)
- April 14: Finance Committee (10:00 a.m.)
- April 18: Legislative Update Call (2:00 p.m.)
- April 21: Senior Lobby (10:00 a.m.)
- April 24: Healthcare Workgroup (3:30 p.m.)
- April 25: Strategic Plan Special Task Force (10:00 a.m.)
Legislative Update Call (2:00 p.m.)
- April 27: End of the Legislative Session
- May 2: Strategic Plan Special Task Force (10:00 a.m.)
Legislative Update Call (2:00 p.m.)
- May 5: Executive Board Meeting (10:00 a.m.)
- May 6: Executive Board Meeting – Strategic Plan Review (9:00 a.m.)