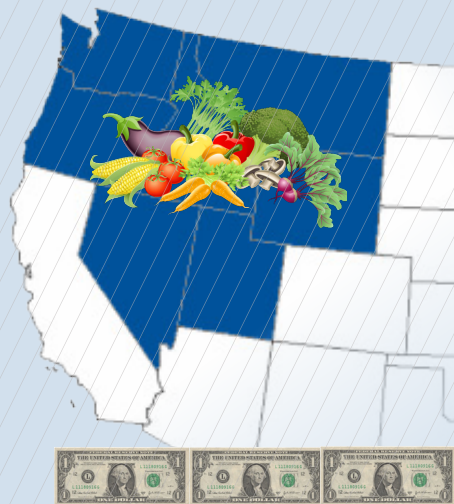


## WHAT DOES WASHINGTON STATE'S PUBLIC DEBT LOOK LIKE?

### Washington Public Debt and Liabilities

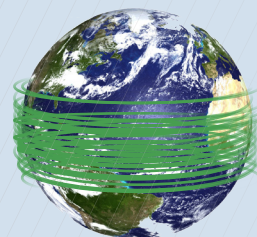
Total General Obligation Debt Service Requirements (principal and interest through 2043)

## \$28.9 BILLION



Washington's total general obligation debt service requirement is \$28,900,000,000, which is larger than the total annual value of agriculture in Washington, Oregon, Idaho, Montana, Wyoming, Nevada and Utah *combined*.

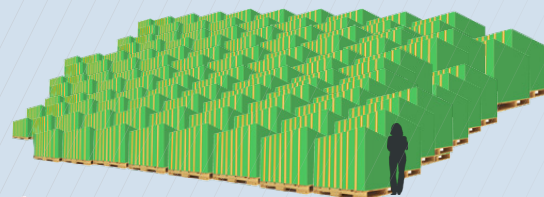
Lined up, Washington's debt and liabilities in \$1 bills would wrap around the earth 112 times.



### Unfunded Public Employees' Retirement System 1 State Pension Plan\*

## \$3.8 BILLION

Washingtonians' unfunded liabilities in the PERS 1 Pension Plan are \$3,800,000,000. That's 4,188.74 tons, or 8,377,480 pounds in \$1 bills, or more than the weight of 15 Boeing 787s.



### Unfunded Teacher Retirement System 1 State Pension Plan\*

## \$1.9 BILLION

\$1,900,000,000 is the amount of unfunded liabilities in the TRS 1 Pension Plan in our state. To reach this amount by stacking \$1 bills on top of each other, the stack would need to reach the height of 11 Seattle Space Needles stacked on top of each other.



For more information on Washington's public debt, visit [www.washingtonpolicy.org](http://www.washingtonpolicy.org) or contact WPC at (206) 973-9691.

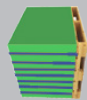
\*Based on WA state's 2013 Comprehensive Annual Financial Report <http://www.ofm.wa.gov/cafr/2013/default.asp>

fit on 1 pallet



10,000 stacks of

= \$1 million



1 pallet of \$1 bills

# WASHINGTON'S PUBLIC PENSION DEBT

Although Washington has already implemented many of the pension reforms just now being considered across the country (which is why the state's unfunded pension liability compares well relative to other states), more still can be done to limit future taxpayer liability for pension payments and the share of the general fund devoted to pension costs, while still providing a retirement benefit for public service.

It is important to maintain diligence on the state's existing pension obligations. Part of what has contributed to the state's nearly \$6 billion unfunded pension liability is that some legislators and past governors have not made the required contributions over the past decade, choosing instead to spend that money on other programs. Washington's multibillion-dollar pension problem was not created overnight, so it will take time to pay off these unfunded liabilities.

Effective state pension reform should be based on the following principles:

- Do not skip any pension payments
- Close the current defined benefit plan to new hires
- Direct all savings toward paying down unfunded pension liabilities
- Enroll new hires into a defined contribution plan
- Constitutionally require the actuarially recommend pension payment and require a supermajority vote to enact new benefits

For future pension benefits, it would serve the public interest for Washington to transition to a defined contribution plan. Any long-term savings realized by these reforms could then be used to pay down the state's multi-billion dollar unfunded pension liability, to reduce the temptation for lawmakers to increase state spending elsewhere in the budget.



/WashingtonPolicyCenter



@WAPolicyCenter



'WA Policy' for Android, Windows

SEATTLE (206) 937-9691 | PO Box 3643 Seattle, WA 98124-3643  
OLYMPIA (360) 705-6543 | SPOKANE (509) 570-2384 | TRI-CITIES (509) 547-2234

## WWW.WASHINGTONPOLICY.ORG