

October 21, 2013 E-Newsletter

October 16 Budget Deal - What does it mean?????

The agreement by the U.S. House and Senate to fund the government until January 15, and to raise the debt ceiling through February 7 is good news, but it leaves us with a new deadline for tough decisions – December 13th.

There is danger of a 'grand bargain' that would cut seniors' Social Security and Medicare benefits ahead. Such a deal would be a "Grand Betrayal" and would be unfair.

Congress must stop playing games with Social Security, Medicare, and Medicaid, which are important to not only seniors but all Americans.

We call on our representatives to oppose any cuts in Social Security, Medicare, or Medicaid benefits, including any shifting of health care costs to beneficiaries.

We should be improving Social Security, Medicare, and Medicaid benefits, not cutting them, because working people need more economic security, not less.

It was not the veterans, the seniors, the workers, the people with disabilities, or the children who tanked our economy, and they should not be scapegoated into paying for it.

Retirees who were in a prolonged state of limbo about whether their Social Security and Medicare benefits would continue to be paid as promised are relieved that the government can re-open and continue to pay its bills. However, this budget agreement merely kicks the can down the road.

On December 13, we will all run into a self-imposed deadline to come up with a permanent budget deal.

There is real danger ahead of a 'grand bargain' that would cut seniors' Social Security and Medicare benefits, giving us more reason to be anxious.

Republicans in Congress have consistently voiced their desire to adopt the chained CPI formula change in order to cut Social Security benefits, to raise the retirement age, and to cut Medicare benefits by shifting significant costs back onto seniors. Other cuts are also very possible.

Members of Congress have the opportunity to stand with us to protect Social Security and Medicare.

The Alliance's 4 million members and all of our community allies across the country are watching closely, and we will remember in November of 2014.

Seniors Applaud Budget Deal, Brace for Next One

Concern over "Grand Betrayal" on Earned Benefits - Social Security & Medicare - in December

The agreement by the U.S. House and Senate to fund the government until January 15, and to raise the debt ceiling through February 7 is a relief for retirees and most Americans. Senior citizens who were in a prolonged state of limbo about whether their Social Security and Medicare benefits would continue to be paid on time are relieved that the government can re-open and continue to pay its bills.

However, on December 13, we will run into another deadline to come up with a permanent budget deal.

There is real danger of a 'grand bargain' that would cut seniors' Social Security and Medicare benefits ahead. Such a deal would more accurately be termed a 'grand betrayal.' Republicans in Congress have consistently voiced their desire to adopt the chained CPI formula change in order to cut Social Security benefits, raise the retirement age, and to cut Medicare benefits by shifting significant costs back onto seniors. These and other cuts would be incredibly unfair. It was not the veterans, the seniors, the workers, the people with disabilities, or the children who tanked our economy, and they should not be scapegoated into paying for it.

We call on our representatives to oppose any cuts in Social Security, Medicare, or Medicaid benefits, including any shifting of health care costs to beneficiaries. We should be improving Social Security, Medicaid, and Medicare benefits, not cutting them, because working people need more economic security, not less.

How can you get involved???

Below are a few samples of Letters to the Editor you can submit.

Use the sample LTE's to respond to coverage in newspapers about the deal reached in Congress. This is an important opportunity to get our message out about protecting Medicare and Social Security from benefit cuts in the ongoing budget negotiations.

Dear Editor:

The agreement by the U.S. House and Senate to fund the government until January 15, and to raise the debt ceiling through February 7 is good news to me and so many retirees in my community. Thank goodness the government can re-open and continue to pay its bills.

I'm worried about the next budget debate and obstacle set for December 13 when another deal must be struck to continue to pay our bills. The real danger of a 'grand bargain' that would cut our Social Security and Medicare programs is just sad. A deal like this would be a GRAND BETRAYAL.

Many Republicans in Congress have consistently voiced their desire to adopt the chained CPI cost of living formula change to cut Social Security benefits, raise the retirement age, and to cut Medicare benefits by shifting significant costs back onto seniors. This is unfair and it's the wrong way to balance our budget. For one, Social Security does not contribute one cent to the budget deficit – it is funded by the payroll taxes of workers and their employers.

It's time that Congress played fair – leave Social Security OUT of the deficit talks.

Sincerely,

Name

Address (City, State)

Phone / Email

Dear Editor:

Like so many, I was relieved this week when Congress struck a deal to fund the government until January 15th and to raise the debt ceiling through February 7th. But I can't stop worrying that the next round of budget negotiations and a 'grand bargain' will include cuts to Social Security and Medicare, as many Republican members of Congress continue to promote.

Congress should really stop playing games with these crucial American programs that are important to veterans, seniors, people with disabilities and so many others who paid into the programs and earned their benefits. Many people are unaware that Social Security has not contributed one cent to the federal deficit and is funded by workers and their employers. As such, it should definitely be left OUT of budget deals.

This winter, I hope Congress will prove to people like me that we still live in a democracy by voting with popular opinion and doing the right thing by protecting Social Security and Medicare from cuts.

Sincerely,

Name

Address (City, State)

Phone / Email

To see how Social Security works for Rhode Islanders, please refer to these Social Security Works reports for state-specific numbers/data to add into your communications including LTEs, press releases, etc. at <http://www.socialsecurityworks.org/>

**RI Senator Sheldon Whitehouse has been named as one of the
Senators to the Budget Committee along with
Committee Chair Patty Murry (WA) & Bernie Sanders (VT)**

Chained CPI May Reduce Your Retirement Income; Social Security Advocates Stir Opposition

National Committee, a leader in the battle against chained CPI to determine social security COLA, issues study on detrimental impact, provides informational sources.



One of the most strident opponents of changing the consumer price index used to calculate the annual cost-of-living adjustment for those on Social Security is The National Committee. It released a study earlier this month on the potential impact with the headline, "...Billions of Dollars and Hundreds of Thousands of Jobs Would Be Lost While Seniors, Veterans and Disabled Put at Risk." The group's news release called it a "startling" report. Yesterday, it released a list of sources for information about the controversial chained CPI, a creation of the Obama administration to slow the long-term cost of Social Security through slower growth in the COLA...[Read More](#)

The Alliance for Retired Americans also strongly Advocates Opposition to the Chained CPI

'FORENSIC INVESTIGATION' FINANCED BY UNION BLASTS RAIMONDO'S HANDLING OF R.I. PENSION FUND

By Katherine Gregg

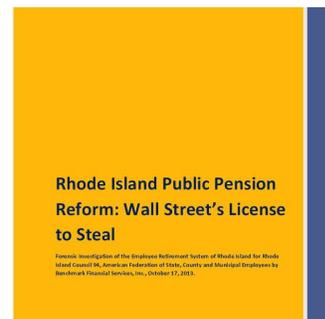


PROVIDENCE, R.I. -- In a scathing report commissioned by the largest state employees union, national financial industry critic Edward "Ted" Siedle accuses Gen. Treas. Gina Raimondo of selling out Rhode Island's public workers and retirees to create an "opportunity to enrich herself and her hedge fund backers." Siedle titled the report, unveiled Thursday afternoon at the Charles Street headquarters of Rhode Island Council 94, American Federation of State, County and Municipal Employees, "Rhode Island Public Pension Reform: Wall Street's License to Steal."

"Two years ago, Rhode Island's state pension fund fell victim to a Wall Street coup," the report begins.

"It happened when Gina Raimondo, a venture capital manager with an uncertain investment track record of only a few years -- a principal in a firm that had been hired by the state to manage a paltry \$5 million in pension assets -- got herself elected [general treasurer] ... with the financial backing of out-of-state hedge fund managers.

"In short, the foxes (money managers) had taken over management of the henhouse (the pension)," the report says...[Read More](#)



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Business Insider: The Shutdown Took \$24 Billion Out of the US Economy

The U.S. government has been shut down for more than two weeks. Earlier today, Senate leadership crafted an agreement to end the shutdown and avert a debt default. However, the deal needs to be voted on by both chambers of Congress.- [READ MORE](#)

What Did We Get For The Price Of A SHUTDOWN?

- ◆ The net cost of to the government from the **Troubled Assets Relief Program (TARP): \$24 billion**
- ◆ The **Department of Agriculture's** proposed budget: **\$22.6 billion**
- ◆ NASA's approved budget: **\$16.6 billion**
- ◆ **All air transportation programs**, including the Federal Aviation Administration, security, research, and other costs: **\$21.9 billion**
- ◆ The **Child Tax Credit: \$22.1 billion**
- ◆ The **Temporary Assistance for Needy Families (TANF)** program (formally known as welfare): **\$17.7 billion**
- ◆ The cost of **Head Start, the Children's Health Insurance Program (CHIP), and Women Infants and Children (WIC)** program combined: \$25.2 billion

[Click on the BOLD UNDERLINED words to view articles](#)

On October 18, 2013, the RI ARA submitted the below Resolution at the 2013 Rhode Island AFL-CIO Constitutional Convention on behalf of it's members.

The Resolution was introduce and adopted.

Please note: All of the RI Congressional members support legislation to repeal the Government Pension Offset and the Windfall Elimination Provision from the Social Security Act

Rhode Island AFL-CIO Constitutional Convention

October 18, 2013

Resolution No. 17

Elimination of the Unfair GPO and WEP Provisions of the Social Security Act

Whereas, The Government Pension Offset (GPO) and Windfall Elimination Provision (WEP) penalize people who have dedicated their lives to public service, including many teachers, firefighters and police officers, by taking away benefits they, or their spouses, have EARNED, and

Whereas, The WEP causes hard-working people to lose a significant portion of the benefits they earned themselves, and

Whereas, Nine out of 10 public employees affected by the GPO lose their entire spousal benefit, even though their spouse paid Social Security taxes for many years, and

Whereas, this is a national problem because people move from state to state, especially after retirement, there are affected individuals everywhere, and

Whereas, the loss of a major portion of their earned Social Security benefit forces some people into poverty, and

Whereas, more than 300,000 individuals lose an average of \$3,600 a year due to the GPO and the number impacted grows quickly as more people reach retirement age, and

Whereas, this becomes a community problem throughout the country as these unfairly penalized individuals have less money to spend in their local economy, and

Whereas, various forms of the Social Security Fairness Act, which would completely repeal the GPO and the WEP have been introduced, gained bipartisan support and sponsorship, but languished in the halls of Congress for many years, therefore

Be it resolved that the Rhode Island Alliance for Retired Americans, urge all of the Rhode Island Congressional delegation to sign on supporting this repeal and to work to move the legislation through to passage and being signed into law,

And be it also resolved that we urge the Alliance for Retired Americans to increase their efforts to make sure the Congress of the United States enacts legislation to repeal the Government Pension Offset and the Windfall Elimination Provision from the Social Security Act, and further requests President Barack Obama to sign that legislation,

And be it further resolved that the Rhode Island Alliance for Retired Americans requests that all state Alliances for Retired Americans double their efforts to be sure the repeal legislation gets more than lip service from politicians in all states, and that their individual delegations are committed to the repeal of this unjust denial of benefits so that our many members who suffer this penalty will be made whole.

Submitted by: ***The Rhode Island Alliance for Retired Americans***