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*“Fighting for the future of our members,  
**NOW**, more than ever!!!!”*

*Affiliated with the Rhode Island AFL-CIO*

## April 29, 2013 E-Newsletter



### Senate Resolution Urges No Social Security, Veterans Benefits Cuts

*Resolution expresses sense of Congress that Chained CPI should not calculate benefits for Social Security, Disabled Veterans*

WASHINGTON, D.C. –  
A resolution introduced in the U.S. Senate today expresses the sense that Congress should not use the Chained Consumer Price Index to calculate cost-of-living adjustments for Social Security or benefits to disabled veterans or their families. The resolution was introduced by Senator Tom Harkin (D-IA) with the support of Senators Mark Begich (D-AK), Sherrod Brown (D-OH), Al Franken (D-MN), Kirsten Gillibrand (D-NY), Kay Hagan (D-NC), Mazie Hirono (D-HI), Frank Lautenberg (D-NJ), Jeff Merkley (D - OR), Barbara Mikulski (D-MD), **Jack Reed (D-RI)**, **Bernie Sanders (I-VT)**, Brian Schatz (D - HI), **Elizabeth Warren (D-MA)**, and **Sheldon Whitehouse (D-RI)**.

“There is nothing more unfair or inappropriate than cutting benefits for seniors and veterans who have become disabled as a result of their service to our country,” said Harkin. “Adequate annual Cost of Living Adjustments are critical for the millions of Americans who rely on

these benefits to make ends meet. The truth is that the way we currently calculate COLAs is already inadequate to keep up with rising medical costs. The Chained CPI would take us even further in the wrong direction by directly cutting benefits for millions of Americans. This resolution expresses our steadfast opposition to doing so.”

Among the highlights of the Concurrent Resolution:

The Social Security program has no borrowing authority, has accumulated assets of \$2,700,000,000,000, and, therefore, does not contribute to the Federal budget deficit;

- The Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund projects that the Trust Fund can pay full benefits through 2032;
- The Congressional Budget Office has estimated that using the Chained CPI to calculate Social Security COLAs would reduce Social Security benefits by 0.25

percent per year, resulting in a reduction in outlays of \$127,000,000,000 over the first decade;

- Reductions in Social Security benefits from using the Chained CPI to calculate Social Security COLAs would continue to compound over time, and the AARP Public Policy Institute estimates that the reductions would grow to 3 percent after 10 years and 8.5 percent after 30 years;
- Social Security Works estimates that using the Chained CPI to calculate Social Security COLAs would reduce annual Social Security benefits of the average earner by \$658 at age 75, \$1,147 at age 85, and \$1,622 at age 95;
- The Department of Veterans Affairs provides more than 3,200,000 veterans with disability compensation benefits as a result of injuries or illnesses sustained during, or as a result of, military service;

Adopting the Chained CPI would also cut the benefits of more than 350,000 surviving spouses and children who have lost

a loved one in battle by cutting Dependency Indemnity Compensation benefits that average less than \$17,000 per year.

A full copy of the resolution can be found [here](#).

National groups lending their support to this effort include: the **AFL-CIO**, **AFSCME**, the **Alliance for Retired Americans**, American Association of University Women, AARP, Campaign for Community Change, CREDO, International Brotherhood of Teamsters, MoveOn.org Civic Action, the National Committee to Preserve Social Security and Medicare, Social Security Works, the Strengthen Social Security Coalition, the Southeast Asia Resource Action Center, United Steelworkers, VetsFirst, and Wider Opportunities for Women.

**Please show your appreciation towards those Senators who have your back! [Click here to thank your Senator!](#)**

# Dems reject Obama's chained CPI formula for Social Security

*Pete Kasperowicz, The Hill*

Dozens of House Democrats on Monday introduced a resolution that rejected President Obama's proposal for calculating growth in Social Security benefits.

The resolution, **H. Con. Res. 34**, was sponsored by **Rep. David Cicilline (D-R.I.)**, and co-sponsored by 81 other Democrats. It says it is the sense of Congress that "the Chained Consumer Price Index should not be used to calculate cost of living adjustments for Social Security benefits." Obama used his 2014 budget plan to call for imposing a so-called chained CPI formula. That formula would reduce Social Security cost of living adjustments by taking into account alternative purchases people can make in order to avoid goods and services whose costs are rising quickly.



Since Obama's budget was released, Democrats have criticized it as a way to shrink Social Security payments to seniors and have repeatedly rejected it in speeches on the House floor.

"We should not expect Rhode Island seniors to sacrifice their earned Social Security benefits to fix fiscal problems that they had no hand in creating," Cicilline reiterated in a statement accompanying his resolution. "I am proud that so many of my colleagues are standing together in this effort with me, as original co-sponsors, and I look forward to helping lead the fight to protect our seniors by fiercely defending Social Security and Medicare benefits in the federal budget."

The resolution finds that Social Security payments average about \$14,000 per year, and that more than 53 million people receive them. It also adds that the Congressional Budget Office estimates that chained CPI would cut Social Security benefits by 0.25 percent, and would reduce outlays by \$112 billion over the first decade.

While Obama proposed his plan as a way to help reduce the budget deficit, the resolution argues that Social Security does not contribute to the deficit. Cicilline said the government should not be looking at Social Security as a source of funds to cut the deficit.

"Social Security isn't an 'entitlement program' — it's a promise our country has made that, after a lifetime of hard work, American seniors can enjoy their retirement years with peace of mind and economic security," he said. "I will keep fighting to maintain these earned benefit for seniors, veterans, and individuals with disabilities."

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## HOW WOULD 'CHAINED CPI' AFFECT YOUR BENEFITS?

*Josh Hicks, The Washington Post*

A House Ways and Means subcommittee on Wednesday, April 17, held a hearing to examine the impacts of using "Chained CPI" to slow the growth in entitlement spending and increase tax revenue.

President Obama has put Chained CPI on the table as part of his proposal to cut entitlements in exchange for higher taxes, but many Democrats think that deal gives away too much to Republicans.

All this probably leads our readers to wonder: What is Chained CPI, and how would it affect me?

To find out, go to: <http://www.washingtonpost.com/blogs/federal-eye/wp/2013/04/18/how-would-chained-cpi-affect-your-benefits/>

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## WHY THE 'SPREADSHEET SCANDAL' SHOULD KILL OBAMA'S SOCIAL SECURITY CUT

*Richard Eskow, The Huffington Post*

A recent "Spreadsheet Scandal" has rocked the economics world. It also seems to have eliminated the last remaining technical argument in support of the president's "chained CPI" Social Security cut....[Read More](#)

# Pave way for infrastructure investment

By *ARMAND E. SABITONI*

Rhode Island is at a fork in the road in more ways than one. Our unemployment rate is still unacceptably high, and among the construction trades alone it is about 40 percent.

A recent report by the American Society of Civil Engineers found that 70 percent of our state's roads are of poor or mediocre quality. This same report awarded the United States an overall grade of D-plus on infrastructure.

Our economy is stuck in neutral. While there is no silver bullet, we must begin to work toward solutions that move us in the right direction.

Recently, House Speaker Gordon Fox and General Treasurer Gina Raimondo proposed an idea that is a win for workers, taxpayers and every motorist traveling on our roads and bridges.

The Municipal Road and Bridge Revolving Fund (MRBRF) is a first step to developing a plan to systematically rebuild our crumbling locally maintained roads and

bridges and creating construction jobs, all while benefiting taxpayers.

The proven model for this program has been under our noses for years. The Rhode Island Clean Water Finance Authority has loaned \$1 billion since 1996 to support municipal water projects, and has a track record of success when it comes to working with cities and towns. This agency partners with the Department of Environmental Management and the Department of Health to ensure that, despite economic downturns and stretched budgets, municipalities prioritize and invest in their water infrastructure.

This creative programming expansion is appealing because everyone benefits: municipalities, taxpayers, workers and businesses. Right now, cities and towns benefit from this predictable and low-cost funding mechanism to complete critical water projects. As they pay back their loans at low rates, the money is again lent out to other municipalities, creating a continuous cycle of

investment in water infrastructure. Replicating this model for roads and bridges is a smart idea.

The fiscal structure also means the municipalities save money because they are borrowing more affordably and at lower rates. The MRBRF would incentivize cities and towns to invest a certain amount in their roads and bridges every year an investment that, over time, will result in safe, high-quality municipal roads and bridges, and very likely, steady economic growth.

If there is a steady stream of prioritized projects, then there is a steady stream of dependable work for the construction trades. This planning will lead to even greater cost-efficiencies because they will be able to more effectively manage their resources.

Lastly, having well-maintained roads and bridges will attract businesses to grow and relocate here. By showing a commitment to long-term, viable investment in our infrastructure, a clear signal is sent that Rhode Island is open for business.

I believe this proposal shows a commitment to our future and includes everyone in the solution to move us forward. I am grateful to our leaders across government for continuing to work together to find fiscally prudent solutions to our economic challenges. Only by working across all levels of government will we move forward. Let's support them and take action now. Our roads need work, our construction trades want work, and it's time to pave the way for sustainable and predictable infrastructure investment to grow Rhode Island's economy.

I would ask that all Rhode Islanders join me in calling their General Assembly representatives and senators, and urging them to reverse the years of chronic underinvestment in our infrastructure and pass the Municipal Road and Bridge Revolving Fund.

**Armand E. Sabitoni is the General Secretary-Treasurer and the New England Regional Manager of the Laborers' International Union of North America.**



Helmets to Hardhats is a national, nonprofit program that connects National Guard, Reserve, retired and transitioning active-duty military service members with skilled training and quality career opportunities in the construction industry. The program is designed to help military service members successfully transition back into civilian life by offering them the means to secure a quality career in the construction industry.....[Read More](#)

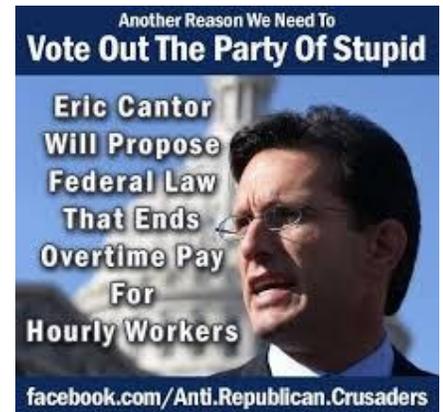
## **Be very afraid: GOP wants to take away your overtime Republicans in Congress are gunning for your overtime.**

They claim they're replacing it with "comp time" to make your work "more flexible." They aren't and it won't be.

Last week, a House committee passed a bill to let employers avoid paying overtime. Instead, they could promise you'll get some time off -- sometime.

The [HR Policy Association](#) reports,

...the House Committee on Education and the Workforce approved along party lines the Working Families Flexibility Act after defeating an amendment that would have substituted a paid sick leave mandate along the lines of the Healthy Families Act. H.R. 1406 would amend the Fair Labor Standards Act to let private sector employers offer compensatory time off in lieu of overtime pay.



Rep. George Miller, a California Democrat, tells the truth about what the bill would do:

...this bill will not provide greater flexibility to working families. It's really about working more and getting less at the end of the week.

Today's workforce is confronting two major problems that H.R. 1406 will make decidedly worse. The first problem is pay. Wages have stagnated. As a share of national income, workers' earnings have fallen to their lowest level in 50 years, while corporate profits have risen to their highest share. The bottom line is that America's workers need a raise. But this bill gives them a pay cut.

Under current law, if a worker works overtime, she gets those hours paid at a premium rate in the next paycheck. Under H.R. 1406, she would work those overtime hours for free with the hope - not the guarantee - that the employer will give her paid time off when she needs it.

Effectively, this bill asks workers to work extra hours and give their employers an interest-free loan. It also discourages employers from giving workers raises if they have accrued unused comp time. And the bill does not include adequate protections for workers who are fired or see their schedules cut because they refuse to take comp time in lieu of overtime pay...

The second major problem confronting today's workforce is how to balance work and family... They need flexibility.

But this bill is not about providing employees with greater flexibility. It's about providing employers with greater flexibility.

Employers already have flexibility to provide all workers with paid or unpaid comp time.

The one thing employers cannot do today is fail to pay hourly workers overtime compensation after 40 hours in a workweek. By lifting that prohibition, H.R. 1406 makes it cheaper for employers to demand excessive work hours from their employees.

That means less predictability in a worker's schedule. That means less time at home with her family.

And, as she earns a bank of comp time hours in lieu of overtime pay, she is not guaranteed the right to take it when she needs it. The employer will ultimately get to decide.

**Read Miller's whole statement [here](#).**

*Posted by Teamster Power*

## Why do we need unions???. This is why:

The death toll is now over 351 and climbing and thousands were injured in the an eight-story building collapses on the outskirts of the Bangladeshi capital Dhaka. 3000 workers were in the building and 1900 are still trapped in the collapsed building. Workers were told to go into the building even after cracks were found. This factory made clothing for Britain & the USA.

**WAL-MART, TARGET, K-MART, SEARS, QVC, HSN and many others make MILLIONS off the backs of these unprotected workers around the world, some are children. Without UNIONS this would happen in the USA.**

**WE NEED MORE "MADE IN AMERICA" to stop things like this from happening  
THIS WOULD NEVER HAPPEN AT A UNITE HERE FACTORY.  
PUT AMERICAN WORKERS BACK TO WORK**

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## Scams are tied to Confusion over Health Care Reform

Law enforcement agencies are reporting an increase in health insurance scams across the country. Many of the fraudsters seem to be preying on the public's confusion over the massive changes taking place in the nation's health care system. According to Kaiser Health News, seniors are often targets -- they're more likely to be home to answer the phone, and they tend to have retirement savings that scammers hope to tap. But they aren't the only victims: The federal government received nearly 83,000 complaints of "imposter scams" last year—up 12 percent from the year before (<http://tinyurl.com/bpdlbq4>).

"Don't take calls from people you did not initiate contact with, who are offering to help you with your health care needs," advised **Ruben Burks**, Secretary-Treasurer of the Alliance. "And definitely don't give them any personal information."

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## House Joins Senate Voting to End Air-Controller Furloughs

*By Laura Lil-van & Alan Levin*

Congress passed legislation to end days of flight delays stemming from air-traffic controller furloughs, letting the Federal Aviation Administration work around across-the-board spending cuts that kicked in last month.

The House cleared the measure 361-41 yesterday after the Senate unanimously passed the bipartisan bill the previous night. The bill lets the FAA move as much as \$253 million within its budget to end furloughs, or unpaid days off. President Barack Obama will sign the bill, spokesman Jay Carney said.

House Democrats decried the move to single out the aviation agency for budget relief while not changing across-the-board cuts in programs for the poor, such as Head Start.

"We ought not to be mitigating the sequester's effect on just one segment when children, the sick, our military and many other groups who will be impacted by this irresponsible policy will be left unhelped," said Representative Steny Hoyer of Maryland, the No. 2 House Democrat...[Read More](#)

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## House Democratic Caucus' Seniors Task Force Re-Launches

On Wednesday, the House Democratic Caucus re-launched its Seniors Task Force, an initiative to raise awareness on issues that matter most to America's seniors and work to protect and strengthen vital services that the aging population has earned through a lifetime of hard work. The Task Force, co-chaired by Reps. **Jan Schakowsky** (IL) and **Doris Matsui** (CA), announced that it will host its first meeting of the 113th Congress this week. The Task Force already has 38 members and expects to welcome more. For additional information, watch the video at <http://tinyurl.com/crokt2t>.

"The Task Force is a key weapon against attempts to cut seniors' earned benefits and reduce their retirement security," said **Barbara J. Easterling**, President of the Alliance.

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### ***Did You Know...***

"Opponents of any change in the Social Security CPI have collected 2.4 million signatures and are keeping the pressure on the White House." (Forbes, referring to petitions opposing the chained CPI).

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## **AP-GFK POLL: PUBLIC LACKS FAITH IN GOVERNMENT, OPPOSES CHANGES TO MEDICARE, SOCIAL SECURITY**

*The Washington Post/Associated Press*

Most Americans also oppose a proposal to slow the cost-of-living hikes in Social Security benefits. Now, 54 percent oppose the idea, up slightly from January, when 49 percent opposed it. Only about a quarter favor it....[Read More](#)

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### **FINANCIAL ADVISERS' CREDENTIALS MISLEAD SENIORS, WATCHDOG SAYS**

*Emily Stephenson, Reuters*

The consumer watchdog on Thursday called for tougher oversight of the credentials that financial advisers use to show they are trained to work with older Americans. The Consumer Financial Protection Bureau said these financial advisers use more than 50 different credentials, some of which they can simply buy online....[Read More](#)

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### **TAXES: PRESIDENT OBAMA'S BUDGET WOULD HIT MIDDLE CLASS**

*Steven Sloan, Politico*

President Obama's annual budget is doing more to target middle-class taxpayers than any of his previous proposals, calling for caps on deductions, changes in the way some tax benefits are calculated and a big hike in cigarette taxes — all proposals that would make middle-class Americans pay more....[Read More](#)

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### **BUDGET NEGOTIATING CHIP HAS BIG DOWNSIDE FOR OLD AND POOR**

*By Tara Siegel Bernard, The New York Times*

The President has proposed slowing the rate at which benefits increase over time, a change that would ultimately hit the oldest of the old, often single women, many of whom have probably exhausted any other savings....[Read More](#)

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### **Study: Growth in health spending, curbed by recession, to rebound**

*By Chad Terhune, LA Times*

A new study attributes a slowdown in U.S. healthcare spending to the recent recession and predicts more rapid growth as the economy strengthens. The analysis found that economic factors related to the recession accounted for 77% of the reduced growth in national healthcare spending, which totaled an estimated \$2.8 trillion in 2012....[Read More](#)

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### **POLL FINDS PEOPLE IN DENIAL ABOUT THE NEED FOR LONG-TERM CARE AS THEY GET OLDER**

*Washington Post/AP*

We're in denial: Americans underestimate their chances of needing long-term care as they get older — and are taking few steps to get ready. A new poll examined how people 40 and over are preparing for this difficult and often pricey reality of aging, and found two-thirds say they've done little to no planning....[Read More](#)

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### **RETIREMENT GONE WRONG? HOW SENIORS CAN DIG OUT OF DEBT**

*NPR Money Coach*

Older middle-class Americans are now carrying more credit card debt than younger Americans, according to the AARP. Host Michel Martin speaks with certified financial planner Steve Repak, about ways for seniors to ease the burden....[Read More](#)

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### **Obama Administration Offering Seniors a Reward of Almost \$10 Million for Exposing Medicare Fraud**

Also funding expansion of Senior Medicare Patrol to spread the word on fraud, waste and abuse - elderly are on 'frontlines of this fight,' 'critical partners' in protecting taxpayer dollars. **The Senior Medicare Patrol (SMP)** is a national, volunteer-based program that empowers Medicare beneficiaries to prevent and report Medicare fraud, waste, and abuse....[Read More](#)

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