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RI ARA

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

Affiliated with the Rhode Island AFL-CIO

March 25, 2013 E-Newsletter



Paul Ryan's Republican Budget Passes the House, Despite Threats Posed to Seniors

The U.S. House of Representatives voted to pass **Paul Ryan's** Republican Budget for fiscal year 2014 on Thursday, 221-207. It was a mostly party-line vote, with only 10 Republicans voting against it, and no Democrats voting for it. For a full tally, go to <http://tinyurl.com/atg588r>. Ryan's plan would fast-track cuts to Social Security, gut Medicaid and dismantle the Medicare program – all while giving \$5.7 trillion in new tax cuts for the wealthy and corporations. To see the Alliance's letter to House members listing the ways in which the

budget would hurt seniors, go to <http://tinyurl.com/buazaea>. If you have not done so already, please sign the petition expressing your disapproval of the Paul Ryan budget here: <http://bit.ly/YdAmr6>.

Diane Fleming, a retired member of the International Association of Machinists who, along with her 92-year-old mother, is a Medicare beneficiary, spoke at a Capitol Hill press conference on Wednesday that drew attention to the many problems with the Republican budget. Because Ryan's plan also calls for the repeal of health care reform, Ms. Fleming highlighted the imminent three-year anniversary

(tomorrow, March 23) of the Affordable Care Act. Members of Congress at the event included Minority Leader **Nancy Pelosi** (CA), Democratic Whip **Steny Hoyer** (MD), Assistant Democratic Leader **James Clyburn** (SC), Democratic Caucus Chair **Xavier Becerra** (CA), Caucus Vice Chair **Joseph Crowley** (NY), and Rep. **John Dingell** (MI).

In separate action, the House and Senate reached agreement on Thursday to fund the federal government through September, avoiding a government shutdown. However, the bill leaves in place the machinery of sequestration cuts that took effect on March 1, and the bill does

not add funding that many Democrats wanted to implement health care and Wall Street reforms.

FYI

Rhode Island Congressmen Langevin & Cicilline voted against the Ryan Budget.

Senator Whitehouse voted against the Ryan Budget in the U. S. Senate. The Senator said "Rhode Islanders deserve a balanced approach to deficit reduction, one that doesn't turn Medicare into a voucher system or cut Pell Grants." Senator Reed also voted "no" on the Ryan Budget.

The RI ARA would like to thank them for their support.

Union workers picket Treasurer Gina Raimondo

PROVIDENCE, R.I. – On Monday, March 18, 2013 roughly 200 union workers picketed outside the Onni Providence Hotel, formerly the Westin, in Downtown Providence. Workers stood in front of the hotel protesting Treasurer Gina Raimondo's selection as one of the speakers to a crowd of financial advisers and analysts

attending the second annual Bond Buyer's Symposium on Distressed Municipalities.

Among those attending the protest were representatives for firefighters, police officers, teachers, nurses, Council 94, which represents municipal and state workers, and USAW-RI, which represents some employees at Brown, RISD, Bryant as well as the Providence Public Library and the Providence Community Library and the Rhode Island

Turnpike and Bridge Authority.

"We are not protesting the conference; we are protesting her being the keynote speaker," said Paul Valletta, president of the Cranston firefighters' union.

In national interviews and speeches Raimondo "said that labor had a place on the table" in the overhaul of the state pension system, "which we didn't," Valletta said.

"And she said that we agreed

with what she did, which we didn't," he added.

Raimondo, believed to be a future candidate for governor, acknowledged the protesters in her keynote address, saying "not everyone does agree" with the pension changes.

Valletta said he and his fellow union members plan to protest against Raimondo and her pension reform plan "right 'til she runs for governor and hopefully loses."

Story by, Sarah Jaffe, independent journalist, a rabble-rouser and contributor to Truthout, AlterNet, the Nation, Jacobin and others.

Chained CPI: A direct attack on middle class and working class people.

Instead of cuts and tax hikes on working people, elderly and veterans, it is time for "higher taxes on the wealthy".

Barack Obama "prefers" it. Nancy Pelosi is willing to consider it. The AARP, organized labor, and progressive Democrats in and out of elected office are entirely opposed.

It is "Chained CPI", the new favorite bit of jargon being tossed around in very serious policy circles as a possible bargaining chip in a budget Grand Bargain. The consumer price index (CPI) is a measure of inflation that is used to calculate cost-of-living-increases for programs like Social Security. The "chained CPI" is a different method of calculation that presumes that when the price of one product goes up, people will simply buy something cheaper. Using this formula to calculate Social Security, veterans' benefits, and other programmes (including, for instance, Pell grants that help lower-income students afford college) would amount to a cut in benefits.

Republicans and many Democrats - including, apparently, the President - want to do it. They want to establish the wildly popular New Deal social safety net as part of the problem and they want to cut it. And this little scheme sounds enough like not cutting benefits that the objective press is able to pretend that it is just a technocratic adjustment, really, instead of what it is. (It is also a stealth tax increase.) Yet Obama's economic adviser Gene Sperling noted in a Reddit discussion last week that "protections" from the cuts would be necessary for "low-income Americans, certain veterans, and older Social Security beneficiaries". If we need to protect people from it, how is it good policy?

Chained CPI is a particularly nasty kind of politics. What it actually does is change the adjustments for cost of living according to "behavior". As Thom Hartmann writes: "If the price of beef goes up, and some people start eating cheaper chicken instead, then instead of measuring actual inflation (as reflected by the rising cost of meats), the Chained CPI measures the behavior of moving from beef to cheaper chicken and lowers the cost-of-living adjustment." In other words, screw what you want to eat, what you like. You're buying the cheap stuff.

Austerity politics

This is tied to a particular kind of personal austerity politics that the Right loves and too many liberals accept, a kind of asceticism that they push on the elderly and lower-income people in a convoluted way rather than just straight-up cutting their monthly allowance. And yet it is a trap - if you adjust to the cheap stuff, you get your benefits cut, so then you have to adjust more to cheaper stuff, and then they cut you again. The cuts aggregate, meaning people who rely on Social Security longer (more women, for instance) get hit harder.

Of course the obvious next question is, what if people do not want to eat chicken instead of beef? What if grandma wants a steak? We are supposed to assume that desire is simply off the table; for people living on government programs, you forfeit your right to prefer the tastier food, the pleasure of a well-cooked steak or fresh vegetables from the farm stand, or god forbid a night out at the neighborhood restaurant. Nope, subsistence level is good enough for you! You want that steak, you should have planned ahead and saved for your retirement!

Desire is for the wealthy, this line of thinking goes. The rest of us only get to want as long as we have earned it, as long as our sweat and blood stain every dollar we spend on oysters or steaks or heirloom tomatoes or wine. The poor do not get to want nice things - if they have nice things, they are not really poor, and they must be cheating us out of our hard-earned money. The poor should be like Fantine from this winter's film adaptation of Les Misérables, selling everything they have, even their teeth and hair, to prove their desperation before they are worthy of the bare minimum. Just buy the chicken. Look grateful.

Chained CPI is another way to dictate what choices people on benefits can make; for all the lip service paid to freedom and liberty, American politicians do not seem to like the freedom and choice involved when people are given a check and allowed to priorities what they like. They prefer, instead, the virtues of sacrifice, the willingness to live on less and less in service of some greater good (like "debt reduction" or "keeping the company in business"). The idea that freedom includes the freedom to want more is off the table.

This is why the people who want to end them refer to social safety net programs as "entitlements", because the very word conjures up the image of people who are mooching off the rest of us, feeling entitled to our money without having worked for it. From welfare queens to hipsters on food stamps, we are used to having people demonized for daring to want nice things while relying on government assistance. How many times have you read some columnist ranting about poor people who have big-screen TVs or even microwaves?

Cuts and tax hikes

Yet this is the perfect opportunity to push back on this kind of talk, because Social Security is different - we pay for it all of our lives, through the regressive payroll tax, and most Americans know this even if some of us have been tricked into believing that Social Security contributes to the overall deficit. People do feel "entitled" to their Social Security - there is no equivalent stigma for living on Social Security to the ones that come along with, say, Temporary Assistance for Needy Families or SNAP (food stamps).

And so we should start here, then, and say yes, grandma should have steak (or organic kale, or whatever the heck grandma likes best). That she should not suffer weaselly cuts to her monthly income based on the idea that she can just adjust to chicken, or cat food, or whatever costs the least at the neighborhood grocery. That grandma does not have to continually refine her expectations downward for the rest of her life if she does not want to.

Some politicians agree; Rep Alan Grayson and Rep Mark Takano put out a letter, now signed by many members of Congress, saying they would vote against any and every cut to Social Security or Medicare. Senator Bernie Sanders called it an "economic, moral disaster" and Senator Sherrod Brown, who had proposed legislation last year that would have increased, not cut, cost of living adjustments for seniors, called chained CPI "a direct attack on middle class and working class voters". Instead of cuts and tax hikes on working people, people with disabilities, the elderly and veterans, they argue, it is time for higher taxes on the wealthy.

Perhaps we could start with raising the cap on payroll taxes?

And then maybe we can go on and argue for better Social Security benefits, for expanded, not just extended, unemployment, for a welfare state that actually works for most people, for the right of every person to want a delicious meal, to feel they deserve it.

A copy of this Alliance letter in opposition to the Ryan FY 2014 budget resolution (H. Con. Res. 25), was blast-faxed to the Hill on March 20, 2013.



*President
Barbara J. Easterling
Secretary-Treasurer
Ruben Burks*

March 20, 2013

Dear Representative:

On behalf of the four million members of the Alliance for Retired Americans, we strongly urge you to vote against the Fiscal Year 2014 budget introduced by Rep. Paul Ryan (H. Con. Res. 25) ("Ryan budget"). This budget plan would fast-track cuts to Social Security, gut Medicaid and dismantle the Medicare program – all while giving \$5.7 trillion in new tax cuts for the wealthy and corporations.

The Ryan budget portends to balance the budget in 10 years, but this is done by decimating programs that help the middle and lower-income Americans, seniors and persons with disabilities. In fact, according to the Center on Budget and Policy Priorities, the Ryan budget gets 66% of its spending cuts from programs like Medicaid, Food Stamps and Pell Grants.

The Ryan budget breaks America's promise to seniors and jeopardizes their health. By replacing Medicare's guaranteed benefits with a flat premium-support payment, or voucher, which is not expected to keep up with inflation, Ryan's plan would significantly raise out-of-pocket healthcare costs for most Medicare beneficiaries. Likewise, raising the Medicare eligibility in 2024 will leave 65 and 66 year olds uninsured, forcing them to buy insurance in the individual market and paying excessively high premiums. Ryan's plan for further means-testing Medicare benefits would force individuals with annual incomes as low as \$47,000 to pay higher premiums. The Ryan budget jeopardizes nursing home care by slashing Medicaid funding by almost \$800 billion. By repealing the Affordable Care Act, the Ryan budget will leave millions of people uninsured and eliminate preventive screenings and drugs discounts for current Medicare beneficiaries.

For these reasons, we strongly urge you to oppose the Ryan FY 2014 budget proposal. Should you have any questions, please contact Richard Fiesta or Eva Dominguez at the Alliance Department of Government and Political Affairs.

Sincerely yours,

Barbara J. Easterling

Ruben Burks

Edward F. Coyle

RI ARA Response to the Rep. Ryan's Budget & Senator Murphy's Budget Proposals

For the reasons stated in the above letter, RI ARA President, John A. Pernorio sent letters to Congressmen Langevin & Cicilline asking them to "VOTE NO" on the Ryan 2014 Budget proposal. He sited concerns the adverse effect it would have on the RI ARA members, seniors and many Rhode Islanders that rely on these programs.

He also sent a letter to Senator Whitehouse asking him to "VOTE YES" on Senator Murphy's budget (S. Con. Res. 8) proposal which contained a responsible approach to tackling our country's fiscal priorities over the coming decade while making necessary investments to create jobs immediately. It also reduces our deficit through both new revenue and targeted spending cuts without cutting Medicare, Medicaid or Social Security benefits. Senator Murphy's budget also includes \$100 billion for programs meant to boost the economic recovery, including \$50 billion for much-needed infrastructure projects, putting Americans back to work. **(See page 4 for more information on the Murphy Budget)**

Senate passes budget with \$1 trillion tax hike

By David Lawder, ReutersBy David Lawder, Reuters

WASHINGTON -- The Senate on Saturday narrowly passed its first federal budget in four years, a move that will usher in a relative lull in Washington's fiscal wars until an anticipated summer showdown over raising the debt ceiling.

The budget plan was passed by a 50-49 vote in the Democratic-controlled chamber. Four Democratic senators facing tough re-election campaigns in 2014 joined all the Senate Republicans in opposing the measure, which seeks to raise nearly \$1 trillion in new tax revenues by closing some tax breaks for the wealthy.

The Senate budget, which reflects Democratic priorities of boosting near-term job growth and preserving social safety net programs, will square off in coming months against a Republican-Neither of the non-binding blueprints has a chance of passage in the opposing chamber, leaving Congress no closer to resolving deep differences over how to shrink U.S. deficits and grow the economy. But they give each party a platform from which to tout their respective fiscal visions.

The Democrats' plan from Senate Budget Committee Chairman Patty Murray aims to reduce deficits by \$1.85 trillion over 10 years through an equal mix of tax increases and spending cuts.

The Republican plan from House Budget Committee Chairman Paul Ryan seeks \$4.6 trillion in savings over the same period without raising new taxes. It aims to reach a small surplus by 2023 through deep cuts to health care and social programs that aid the poor.

"The House budget changes our debt course, while the Senate budget does not," said Senator Jeff Sessions, the top Republican on the Senate Budget Committee.

'Very different' values

Murray said after the vote that she would try to work with Ryan on a path toward compromise.

"While it is clear that the policies, values, and priorities of the Senate budget are very different than those articulated in the House budget, I know the American people are expecting us to work together to end the gridlock and find common ground, and I plan to continue doing exactly that."

Passage of a stop-gap government funding measure on Thursday lowered the temperature in the budget debate by eliminating the threat of a government shutdown next week.

"We're going to get a breather here. Congress will let things cool off a bit and there'll be other issues that come to the forefront in the spring," said Greg Valliere, chief political strategist at Potomac Research Group, a firm that advises institutional investors on Washington politics.

These issues include legislation on gun control, immigration reform and initial work on simplifying the tax code, which is particularly important to Republicans.

Joining Republicans in opposing the Democratic budget were Democratic senators from conservative-leaning states: Max Baucus of Montana, Mark Begich of Alaska, Kay Hagan of North Carolina and Mark Pryor of Arkansas.

Voting for a budget that raises tax revenues could increase their vulnerability in congressional elections next year and put Democrats' thin majority at risk.

In the lead-up to the Senate vote early on Saturday morning, the body considered more than 100 largely symbolic, non-binding amendments to the budget aimed at scoring political points and staking out positions.

Among notable amendments, the Senate signaled strong support for allowing states more authority to collect sales taxes on Internet purchases, for approval of the controversial Canada-to-Texas Keystone XL oil pipeline and for repealing a tax on medical devices imposed by President Barack Obama's health care reform law.

The Senate also voted 99-0 to end policies that subsidized large banks considered "too big to fail" but came out against imposing taxes on industrial carbon emissions.

The Senate had not passed a budget resolution since 2009 because of fiscal policy disputes with House Republicans that forced Congress to turn to numerous stop-gap spending measures to avoid government shutdowns.



RIPAYDAY.ORG

Rhode Island Coalition for Payday Lending Reform

As residents of Rhode Island, it is saddening and frustrating to know we are the only New England state that permits a payday loan at an annual percentage rate above 36 percent.

State law currently allows lenders to charge as much as 260 percent interest.

Payday loans are deceptively marketed as a short term solution to my neighbors with financial problems. However, a family that couldn't afford to pay living expenses before obtaining a payday loan cannot shoulder the additional burden of triple-digit interest. Once the cycle begins, borrowers typically take out larger loans with larger interest payments. The payday loan becomes a long-term obligation where the interest paid far exceeds the loan obtained.

This trap undermines choice and competition in the market and allows millions of dollars to flow out of our economy to large, out-of-state national payday lending chains.

Sign the Petition! It is to vote on a bill to reduce payday loan rates!

ASCE: 2013 Report Card for America's Infrastructure

Every 4 years, the American Society of Civil Engineers releases a Report Card for America's Infrastructure that depicts the condition and performance of the nation's infrastructure in the familiar form of a school report card by assigning letter grades to each type of infrastructure....[Read More](#)



Alliance Supports Nomination of Thomas E. Perez for Labor Secretary

President **Barack Obama** announced on Monday that he is nominating **Thomas E. Perez** to be his next Secretary of the Department of Labor. Mr. Perez, currently the head of the Civil Rights Division of the U.S. Department of Justice, is a longtime champion of labor causes. During his time as head of the Maryland Department of Labor, he championed legislation that stopped bosses from cheating their workers out of full pay and benefits by classifying them as “independent contractors.” The bill was signed into law in 2009, earning Perez high praise from union leaders. Perez has also been an advocate for many other causes, including protecting the rights of domestic workers and fighting back against restrictive voter ID laws. For more, go to *Mother Jones*'s take on the nomination at <http://tinyurl.com/atlej28>.

“Thomas Perez’s record clearly shows that he will promote policies that help workers achieve stable retirements,” said **Ruben Burks**, Secretary-Treasurer of the Alliance. “We are also encouraged by his strong opposition to voter ID laws, which discriminate against seniors.”

Alzheimer's 'Epidemic' Now A Deadlier Threat To Elderly

by *Jon Hamilton*

Alzheimer's disease doesn't just steal memories. It takes lives.



The disease is now the sixth leading cause of death in the U.S., and figures released Tuesday by the [Alzheimer's Association](#) show that deaths from the disease increased by 68 percent between 2000 and 2010.

"It's an epidemic, it's on the rise, and currently [there is] no way to delay it, prevent it or cure it," says Maria Carrillo, a neuroscientist with the Alzheimer's Association. More than 5 million people in the U.S. have the disease, she says, and that number could reach nearly 14 million by 2050.

One reason Alzheimer's deaths are going up is that deaths from other causes, like heart disease and prostate cancer, are going down, Carrillo says. "We're

living longer," she says, "and unfortunately age is still the greatest risk factor for Alzheimer's disease."

There are still no effective treatments for Alzheimer's, and people who have the disease face a greatly increased risk of dying within 10 years, according to an analysis by the Alzheimer's Association of data from the Centers for Disease Control and Prevention.

"If a person is living with Alzheimer's disease in their 70s, it actually doubles their mortality risk," Carrillo says.

It's still tricky to decide when to blame Alzheimer's for the death of a particular person, though, says Susan Mitchell, a professor of medicine at Harvard and a scientist at Hebrew Senior Life Institute for Aging Research. That's because Alzheimer's patients tend to have other health problems as well, she says.

As a result, Mitchell says, many death certificates still list pneumonia or some other disease as the cause of death, even when the underlying problem is Alzheimer's. "So even the statistics that show dementia increasing as a cause of death are a gross underestimate," she says.

Because Alzheimer's damages cells in the brain, it often kills in ways that are indirect, says Mitchell, an author of [a 2009 study](#) of more than 300 nursing home residents with advanced dementia. "In the early and middle stages, the changes to those nerve cells mostly affect memory and behavior problems," she says. "But as the disease progresses toward the end stage, the brain changes eventually affect basic bodily functions," including swallowing.

This seemingly simple act requires the brain to orchestrate a complex sequence of muscular contractions, and that sequence often goes awry in people in the later stages of Alzheimer's, Mitchell says. "That can often lead to a lung infection if the food goes down the wrong way, and that is a common cause of pneumonia," she says.

Alzheimer's and other dementias also can affect a person's balance and ability to walk, which can lead to falls and injury, Mitchell says. And she says damage to the brain itself can cause fatal seizures.

But the most common causes of death in people with late-stage Alzheimer's are fevers and infections, Mitchell says. She says this is because the disease has gradually eroded the body's defenses.

"The body is so debilitated, frail and weak at the end of dementia that some of the usual immunological and metabolic factors that can protect a healthy body from infections and fevers really become susceptible," Mitchell says.

Yet many families of people with Alzheimer's don't realize that the disease goes after the body as well as the mind, Mitchell says. So it's important that health care professionals explain this aspect of the disease, she says.

"By understanding dementia as a terminal illness, we can much better prepare and counsel families about what to expect at the end stage," Mitchell says. And research shows that when they fully understand what is happening, she says, they are less likely to request extreme measures to keep a family member alive.

Unions for Single Payer Health Care:

Rhode Island is the 41st State AFL-CIO Federation to Endorse HR 676

On February 25, 2013, the Executive Board of the Rhode Island AFL-CIO unanimously endorsed HR 676, Expanded and Improved Medicare for All, the national single payer legislation recently reintroduced into Congress by Rep. John Conyers, Jr. (D. MI).

George Nee, President of the Rhode Island AFL-CIO stated, "Year after year America continues to spend more and get less in return for our broken health care system, something must be done. The Rhode Island AFL-CIO strongly supports single-payer national health care as a way to insure all Americans, cut wasteful spending out of our health care system, and contain costs in a system where prices are spinning out of control. All Americans should have access to high quality affordable health care, that does not jeopardize the financial or physical well-being of themselves, their families, or the companies they work for." -[READ MORE](#)