



# MCALLEN AFT NEWS



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## GETTING THE TWO I's

by Chris Ardis

I attended the Alliance for Retired Americans (ARA) Convention held April 28 – May 1 as an American Federation of Teachers delegate. I have to admit I thought my days of fighting for our rights and our benefits ended when I retired, but the most important thing I learned at this convention is that all of us who are retired, and all of you who plan to retire one day, need “TO GET THE TWO I's”—We need to **GET INFORMED** and **GET INVOLVED!**

Here are just a few things we all need to learn more about:

- The Strengthening Social Security Act, S. 567, introduced in the Senate by Sen. Tom Harkin (D-IA) March 14, 2013 and in the House as H.R. 3118 by Congresswoman Linda Sanchez (D-CA) September 17, 2013. At the ARA convention, one of the loudest battle cries was to ignore the doom and gloom warnings of social security going bankrupt. S. 567 and H.R. 3118 prove Congress can adjust the social security benefit formula to INCREASE benefits an average of \$65 per month, which means an additional \$800 per year. It also adopts a Consumer Price Index for Elderly Consumers (CPI-E) that will result in benefits keeping pace with the cost of living. The question that is always raised is, “And how are you going to pay for THAT?” This Act raises, and eventually “scraps,” the cap (You’re going to be hearing the catch phrase, “Scrap the cap!”) on earnings subject to social security contributions. The current cap is \$113,700. According to the ARA, “This change alone extends the life of the Social Security Trust Fund through 2049,” while the current fund is projected to extend only to 2033. (Although our districts may not pay into social security, if you have worked outside the public school system OR if your spouse has, you need to GET INFORMED and GET INVOLVED!)

- GET INFORMED and GET INVOLVED regarding the Government Pension Offset (more acronyms—GPO)—this **reduces your social security survivor benefits, even though your spouse earned them, by an amount equal to TWO-THIRDS of YOUR public pension!!!!**

Here is one example they provided:

*A widowed and retired educator has earned \$600 per month from her state retirement plan after 25 years of service. Her deceased husband worked in the private sector and paid into social security his entire working life. She normally would be entitled to monthly social security survivor benefits of \$850; however, because she works in a state (like Texas) where public employees do not participate in the social security system, the GPO cuts her survivor benefits by TWO-THIRDS of her \$600 monthly retirement payment (\$400). Her survivor benefit thus will be \$450 rather than the \$850 her husband earned.*

- Similarly, the Windfall Elimination provision (WEP) changes the formula used to figure benefit amounts—reducing OUR OWN social security benefits earned while working outside of the Texas education system. Here is an example:

*A teacher taught 17 years in one state and then moved to Texas and taught for 14 years. He/She earned a monthly benefit of \$540 for the contributions paid into the social security system while working in the first state. Because public employees in Texas do not participate in the social security system, that \$540 will be cut by \$196 due to the current WEP. Thus, he/she will receive a monthly check of \$344 rather than the \$540 earned. **We need to GET***



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**INVOLVED to REPEAL the WEP/GPO!!!!**

• I definitely learned that I need to GET INFORMED about ALEC (the American Legislative Exchange Council) and Paul Ryan’s proposed budget because another HOT TOPIC at this convention was how detrimental both of these are to retirees who have earned a pension. Stay tuned on these two as I learn more—or read up on them on your own. I did learn that: 1) ALEC gets nearly 98% of its funding from corporations/trade associations/corporate foundations and is a privately-funded collaborative, 2) ALEC’s “model” legislation calls for privatizing public services and **replacing public pensions (aka defined-BENEFITS plans) with defined-contribution plans** (BAD news for US!!!), and that 3) ALEC also supports a hefty increase in the number of charter and “virtual” schools. ARA actively opposes ALEC’s agenda and urges all current and future retirees with pensions to understand that THIS IS PERSONAL!!! (With a defined-benefits plan, we pay a certain amount of money into our pension fund, and then, based on a specific formula, we have a guaranteed pension. Under a defined-contribution plan, our money would go into money market accounts that could cause us to gain or lose money, thus providing no guarantee of our retirement income. Google “defined-benefits vs. defined-contributions” to learn more.)

As mentioned above, I have much more to learn about Paul Ryan’s budget, as well. I did learn that his budget includes 1) replacing Medicare’s guaranteed benefits with a “premium support” payment that sounds complicated and costly and 2) raising the Medicare eligibility age to 67 (currently 65) beginning in 2024. I know there’s much more to it, so GET INFORMED!

Some of the legislators lauded for their work to support us included:

- \*Sen. Justin Jones from Nevada
- \*Majority Leader Harry Reid from Nevada
- \*Rep. Dina Titus from Nevada
- \*Sen. Tom Harkin from Iowa
- \*Sen. Sherrod Brown from Ohio
- \*Rep. Steven Horsford from Nevada (I’m beginning to think we need to retire in Nevada! J )

There was MUCH more, but these are the key points. PLEASE STAY TUNED!!! There is **a plan in place to get retirees in the RGV ORGANIZED!!!**

In the meantime, here are some things you can do to GET INFORMED and GET INVOLVED:

- Learn about the Chained-CPI, the voting records of Congress members on retirees’ benefits, and much more on the ARA web site at [retiredamericans.org](http://retiredamericans.org)
- If you are a union member AND a U.S. Veteran, you may want to get involved with Union Veterans’ Council. According to their web site, “*The Union Veterans Council brings together union leaders and union members who are veterans to speak out on veterans’ issues and influence public policy to improve the quality of life for U.S. veterans and their families.*” To learn more, visit [unionveteran.org](http://unionveteran.org).

**THAT’S ALL FOR NOW! STAY TUNED!  
 GET THE TWO I’s!!!**



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