

FRIDAY ALERT



Alliance for Retired Americans

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GOP Tax Bills a Likely Prelude to Cuts in Social Security, Medicare, and Medicaid

Both the House and Senate [GOP tax bills](#) would add nearly \$1.5 trillion to the national debt, threatening Social Security, Medicare and Medicaid in the process. The two chambers are working out their differences in conference committee in hopes of getting a final version to the President before Christmas.

The Senate plan, passed last Saturday, will cause the deficit to explode and trigger \$25 billion in cuts to Medicare next year, and another \$385 billion over the next nine years. Besides the automatic cuts to Medicare, the legislation gives a massive tax cut to millionaires and corporations. Over 60% of the tax cuts go to the richest 1% and the taxes on 67 million families making less than \$100,000 will go up. It also repeals the Affordable Care Act's individual mandate, stripping 13 million Americans of their health insurance and raises insurance premiums by \$2,000, on average, for millions of people on the individual market.

"If the Congress follows through on such a large tax cut to corporations and the wealthiest 1%, the middle class becomes smaller and smaller, endangering the retirement security of millions of current and future retirees," said **Robert Roach, Jr.**, President of the Alliance. "We also know that they are doing this as part of a 2-step plan to try to cut our earned Social Security and Medicare benefits."

Following Sen. **Marco Rubio's** [statement](#) last week that Republican tax cuts will mean instituting "structural changes to Social Security and Medicare for the future," House Speaker [Paul Ryan](#) and Majority Leader [Kevin McCarthy](#) made similar statements this week.

Speaker Ryan specifically mentioned Medicare as being the "biggest entitlement that's got to have reform," while Rep. McCarthy would like changes to the corporate alternative minimum tax rate, individual tax rate, mortgage deduction, and the estate tax. He indicated that cuts to Social Security, Medicare and Medicaid would be needed to fund these adjustments.

In addition, tax experts are starting to find [massive errors](#) in the GOP tax bill after it went through Congress at lightning speed: their plans to cut taxes on "pass-through" businesses, for example, could open broad new corporate tax loopholes.

Alliance Works with Leader Pelosi to Draw Attention to Tax Plan's Effects on Seniors

On Wednesday, Alliance Executive Director **Richard Fiesta** spoke at a press conference on Capitol Hill, joining Members of the House including Democratic Leader **Nancy Pelosi** (CA), Seniors Task Force Co-Chairs/Representatives **Doris Matsui** (CA) and **Jan Schakowsky** (D-IL), and Reps. **Joyce Beatty** (D-OH), **Charlie Crist** (D-FL) and **Debbie Dingell** (D-MI) to highlight the effects the GOP tax bill would have on America's older Americans and middle class.

“The GOP tax plan is shameful,” Fiesta said during the event, “It is bad news for retirees and anyone who is not a millionaire. The GOP seems determined to create a retirement crisis that would take decades to reverse.”



Left to right: Reps. Schakowsky and Crist, Executive Director Fiesta, House Democratic Leader Pelosi, and Rep. Matsui.

Alliance for Retired Americans Pension Symposium 2017: An Overview

Last week, the Alliance hosted a symposium, *Responses to the Pension Crisis*, at AFL-CIO headquarters in Washington, DC. The event included experts from multiple fields, with each offering a unique perspective on the pension crisis. In addition to presentations mentioned in last week's [Friday Alert](#), **Phil Smith**, Director of Communications and Government Affairs with the United Mine Workers of America (UMWA) spoke about multiemployer pension plans. Officials from the Pension Benefit Guaranty Corporation (PBGC) gave a presentation focusing on bankruptcy, the Early Warning Program, and multiemployer benefits.

Karen Friedman and **Emily Spreiser** from the Pension Rights Center gave a presentation entitled *Trends Shaping the Retirement Security of American Workers*. Officials from AFSCME gave three presentations: **Michael Artz**, Associate General Counsel; **Tiffany Ricci**, Associate Director of Communications; and **Brain Klopp**, a labor economist from the Department of Research and Collective Bargaining Services spoke respectively about: *Detroit in Bankruptcy*; *Empowering Pension Messengers*; and *State and Local Pensions, Yesterday and Today*. President Roach emceed the event and made opening and closing [remarks](#). Alliance Executive Director Fiesta gave a presentation on Social Security and Medicare.

Neil Gladstein from IAMAW spoke about defined benefit plans and collective bargaining. CWA covered their experiences with the telecommunications company Avaya and its exit from Chapter 11 bankruptcy in an agreement with senior creditors and the PBGC. In addition, **Mariah Becker**

Director of Research and Education with the National Coordinating Committee for Multiemployer Plans (NCCMP), dedicated to the advocacy and protection of multiemployer plans, their sponsors, participants and beneficiaries, discussed her organization’s work.

European presentations included a video discussion of the pension situation in Ireland with representatives from SIPTU (the Services, Industrial, Professional and Technical Union) and a [video interview](#) addressing problems in the United Kingdom’s steel industry with Tata Steel UK.

Partners of the Calibre CPA Group gave two presentations pertaining to pension plan compliance updates and alternative investments. **Jacque Simon**, Policy Director for AFGE, spoke about attacks on federal pensions, and **Elizabeth Parisian**, Assistant Director for Research and Strategic Initiatives for AFT, gave an overview of the role that hedge funds and private equity play.

“We thank everyone who presented and everyone who attended,” said President Roach. “This event was an important milestone in highlighting the pension crisis in our country. By sharing their views, the participants in this event took important steps in laying out options to address our country’s pension problems.”

Government-Run Health Care Programs Gaining in Polls

For the first time [Americans are evenly split](#) on support for a “Government-Run health system” vs the current health care system based largely on private insurance.

“Americans want affordable, high quality health insurance that will actually provide coverage when they need it,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. “Retirees have experience with Medicare and understand the benefits of a universal system that is cost-effective.”

