



FRIDAY ALERT



Alliance for Retired Americans

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Administration Considers a Bad Social Security Payday Lending Scheme

The **Trump** administration is seriously considering a plan to ask Americans to cut their future Social Security benefits for some cash today, according to a [report](#) by *The Washington Post*. This scheme is essentially a bad payday lending that asks workers to cut their future Social Security benefits to get by during the pandemic.

“Asking working Americans to give up even one dime of their future Social Security benefits to survive today’s economic crisis is a harebrained idea that would hurt families for decades to come,” said Alliance Executive Director **Richard Fiesta**. “Whether it’s eliminating Social Security’s dedicated funding stream by [cutting the payroll tax](#) or asking people to ‘voluntarily’ forgo the retirement benefits they have earned over decades, the ideas coming from this Administration would mean less retirement security for all.”

Executive Director Fiesta noted that this idea would force working people to decide whether they prefer food on the table now or later when they retire. Meanwhile, wealthy corporations and individuals continue to reap billions from the 2017 tax breaks and even billions more in bailouts and tax cuts from the recent pandemic stimulus legislation.

“The government should be helping everyone weather this crisis, not just the rich and well connected,” he added. “This administration has repeatedly shown it is bound and determined to use the pandemic as an excuse to slash Social Security benefits and gut the system.”

Texas Alliance, Minnesota Alliance Educational Fund Sue to Ensure Safe and Fair Voting During Pandemic

This week the [Texas Alliance](#), the [Minnesota Alliance Educational Fund](#) and several individual Alliance members filed two separate lawsuits asking District Courts in their respective states to protect the rights of older voters during the COVID-19 pandemic. They are challenging several provisions of each states’ absentee voting laws to ensure that those who vote absentee by mail are able to cast ballots that will actually be counted.

The suits allege that the states have failed to prepare for the upcoming elections, forcing voters to choose between their civic duty and their health. In Texas, for instance, an absentee ballot can be thrown out because a signature does not match what is on file in the

opinion of a local election board worker. Minnesota requires absentee voters to secure a witness signature on their ballot, but certain eligible voters who live alone or without an adult U.S. citizen in the household will be unable to cast their vote if they are practicing self-isolation and social distancing to protect their health.



“The Alliance is committed to ensuring that all older Americans nationwide can exercise their right to vote, especially at this unprecedented time, without having to stand in long lines,” said Executive Director **Fiesta**.

“The right to vote is sacred and older Texans take our civic responsibility seriously,” agreed **Tony Padilla**, President of the Texas Alliance. “The court must act now to protect that right.”

This year the Alliance, working with its state chapters, has also filed lawsuits to protect vote by mail and absentee voters in Florida, Pennsylvania and Wisconsin.

House Democrats Pass New Coronavirus Relief Package, the HEROES Act

House Democrats passed [the next coronavirus relief package](#) on Friday. H.R. 6800, the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act, provides a second round of \$1,200 stimulus checks to cushion the economic blow of the coronavirus crisis and includes help for single and multi-employer pension plans to avoid funding shortfalls and protect retirement security. The vote was 208-199.

The legislation also provides federal funds for televisitations, testing for workers and residents, more personal protective equipment (PPE), and strike teams to assist nursing homes that have COVID-19 cases. The vote follows [comments on Wednesday from Federal Reserve Chairman Jerome Powell](#) urging Congress to consider another ambitious fiscal rescue package to help with the economic recovery.

The bill bolsters Medicare and Medicaid, mandating an increase in Medicaid, which will be important as unemployment increases the number of uninsured, and assists state and local governments. It also includes hazard pay for health care workers and pandemic premium pay for essential workers. The bill ensures worker safety by requiring the Occupational Safety and Health Administration (OSHA) to mandate workplace infection control plans.

The [multi-employer pension provisions](#) expand the Pension Benefit Guaranty Corporation's (PBGC) authority to partition troubled multiemployer pension plans and increase the number of eligible plans while simplifying the application process through 2024. A qualifying plan could receive enough financial assistance to keep it solvent and well-funded for 30 years with no benefit cuts. The PBGC would receive additional funding for the program. The legislation also calls for doubling the PBGC guarantee for multiemployer plans, including those that have already been receiving PBGC assistance since December 2014. The current maximum guarantee is \$12,870 for participants with 30 years of service.

In addition, in a big win for tax fairness, the HEROES Act [closes the \\$135 billion tax loophole](#) for the wealthiest Americans that was in the CARES Act.

“This bill fills in the gaps from the previous bill and is vital in helping people through this economic and health crisis,” said **Robert Roach, Jr.**, President of the Alliance. “The pension component and the nursing home protections are critical.”

President Roach added, “We still need further debate on the GROW Act, which authorizes composite multiemployer retirement plans, since there is not a consensus on that within the labor movement. However, the HEROES Act is an important step in the right direction toward economic recovery.”

Gender Pay Gap Persists Into Retirement

A new study from the National Institute on Retirement Security, [*Still Shortchanged: An Update on Women's Retirement Preparedness*](#), finds that the median household income for women aged 65 and older in 2016 was \$47,244, or 83 percent of the median household income for men, which was \$57,144. Overall, older women receive about 80% of the retirement income older men receive.



Most Americans are struggling to save for retirement, but women face even higher hurdles. This is largely due to the gender pay gap, which eventually becomes a retirement wealth gap. The research provided a reminder that caregiving, especially spousal caregiving, has a more detrimental economic impact on women. Divorce also makes retirement more difficult for women.

“The report factors in the reality that women generally live longer than men,” said **Joseph Peters, Jr.**, Alliance Secretary-Treasurer. “Expanding Social Security and increasing benefits would go a long way in ensuring that women have the retirement security they have earned.”

Tyler Bond, NIRS research manager; **Dr. Joelle Saad-Lessler**, Stevens Institute of Technology associate professor; and **Dr. Christian Weller**, University of Massachusetts Boston professor, wrote the report.