

FRIDAY ALERT



Alliance for Retired Americans

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President Obama's Budget Proposal Does Not Include Social Security Cuts

On Monday, President **Obama** released his much-anticipated budget proposal for the 2012 fiscal year. While Republican leaders are calling for lower Social Security payments for seniors and an increase in the retirement age, the President upheld his commitment to retirees by leaving out cuts to Social Security. There are no proposed changes in the budget that would raise the retirement age; cut benefits or the Cost of Living Adjustment (COLA); or raise the earnings cap subject to Social Security payroll taxes. The President's budget proposes a one time \$250 payment to Social Security beneficiaries and other retirees in lieu of the COLA, like last year's budget submission, but this provision was not enacted last time.

The President also proposed \$2.57 billion for the Low Income Home Energy Assistance Program – a cut by half from previous levels. The administration feels that a decrease in funding is warranted because of a decrease in energy prices. “We as a nation cannot afford to balance the budget and reduce the deficit by leaving our most vulnerable citizens, those who live in low-income households and are on fixed incomes, out in the cold,” said **Ruben Burks**, Secretary-Treasurer of the Alliance.

The budget proposal would postpone for two years a scheduled 25% cut in the Medicare physician payment formula, known as the Sustainable Growth Rate, that is set to go into effect at the end of the year. The \$62 billion “doc fix” would be paid for in part by changes that cut other sources of federal health spending. “We hope that our President will continue to be a strong champion of Social Security and Medicare, and that he will continue to stand up to the Republicans who want to cut these programs that help millions of seniors,” said **Barbara J. Easterling**, President of the Alliance.

Coyle Urges Senate to Reject Cold-Hearted House Spending Bill

The House of Representatives is scheduled to vote later today or tomorrow on the Continuing Resolution to fund the Federal Government for the rest of the 2011 fiscal year, and House Republicans are trying to use their majority status to fulfill a campaign promise to cut the budget by \$100 billion. It is unlikely that these budget recommendations would pass in the Senate, and President Obama has promised to veto any legislation that “...undermines critical priorities or national security through funding levels or restrictions.” In spite of this, the House voted 239-187 in favor of an amendment offered by Rep. **Denny Rehberg** (R-MT) to block Congressional funding for implementation of the health care reform law. A tally of the vote on the Rehberg Amendment will be available in next week's *Friday Alert*.

In response to major cuts to the Social Security Administration proposed by House Republicans, **Edward F. Coyle**, Executive Director of the Alliance, said, “We are outraged by the cold-hearted ways in which House Republicans are trying to lower the budget deficit on the backs of seniors, persons with disabilities, and young survivors.” He continued, “Their plan would create massive

furloughs – shutting down the entire agency for 20 working days. This would be devastating for the people in our country who are most in need. Phones and offices would be shut down, leaving current recipients who have questions or concerns unable to get the help they need.” To see Mr. Coyle’s full statement, go to <http://bit.ly/fPkhxB>. Next week, during the President’s Day congressional recess, Alliance members will be meeting with their elected officials to remind them of the pressing needs of retirees in their local communities.

Wisc. Retirees Stand Up for Public Employee Rights, Reject Gov. Walker’s Proposal

The Wisconsin Alliance, which represents over 100,000 retirees, joined tens of thousands of workers, students and Wisconsin residents in protests, sit-ins, and rallies - both at the Madison capitol and statewide - to protect their rights, benefits and working conditions this week. Under Governor **Scott Walker’s** (R) plan, state employees’ share of pension and health care costs would go up by an average of 8% (*Appleton Post Crescent*). Among those speaking out to protect their collective bargaining rights were retired teachers and public employees, who are well-aware that Walker’s budget bill would remove what they have earned over several decades. Wisconsin Alliance President **Leon Burzynski** said in a statement Wednesday, “Since the 1930’s, Wisconsin has had a great tradition of allowing public sector workers a voice on the job. Now, the Governor wants to take away that right abruptly...some politicians, including the Governor, are using their political power to take away workers’ rights and force cuts that will devastate Wisconsin’s weakened economy.”

The Wisconsin State Senate was scheduled to vote on the unpopular measure on Thursday. However, the vote could not take place, because the Democrats of the Senate were not present. In a move to show that they stand united with the thousands of protestors who have gathered at the State Capitol, the Democratic members of the Senate left the state capitol before the vote. In the Senate, a quorum can only be reached if there are 20 Senators present, and there are only 19 Republicans.

The Wisconsin Alliance made 30,000 phone calls expressing concern that the budget proposal jeopardizes vital services for families and retirees in the state. Photos of the Wisconsin Alliance in action on Tuesday in Madison are available at <http://bit.ly/e0ISP3>.

Retirees and working families in Ohio have been rallying this week against similar legislation from Gov. **John Kasich** (R). “Our members rely on the services that these state workers provide. But our members also care about younger people and today’s workers. From their own experiences, Alliance members know how a union voice helped them build the middle class in their local communities,” said Ms. **Easterling**.

Valentine’s Day Events: New Hampshire, Nevada

For Valentine’s Day, New Hampshire Alliance members addressed post cards to Members of Congress, with the message that “they care” - about protecting Social Security and Medicare! Nevada Alliance members took part in a Valentine’s Day state workers press conference in Carson City, urging that Nevada ensure critical services to the most vulnerable populations.