Chapter 25 meeting will be on
Tuesday, October 25, 2016, at 10:30 a.m.
at El Dorado Park Senior Center
2800 Studebaker Road, Long Beach, California.
Coffee and cookies will be available before the meeting at 9:30 a.m.,
and a hot lunch will be served after the meeting.

GUEST SPEAKER: Alan Lowenthal, U.S. CONGRESSMAN

U.S. Congressman Alan Lowenthal serves California’s 47th District. The Congressman is supporting the Equal Treatment of Public Servants Act HR 711, and will talk about its positive points. HR 711 will correct the current Social Security Windfall Elimination Provision (WEP) that damaged millions of American workers and their Social Security.

Congressman Lowenthal has long supported workers. For years he has been seeking a revision of the WEP, and this is the best chance for that to happen.

GUEST SPEAKER: Kenneth Kato

Kenneth Kato has worked in Human Resources for three school districts since 1995. He currently serves as the Executive Officer, Personnel Commission and Classified Employment for the Long Beach Unified School District. Mr. Kato’s prior work was as the Director of Classified Human Resources at the Downey Unified School District from 2011 to 2015 where he performed a wide variety of human resources functions including risk management, worker’s compensation, labor relations and negotiations, and disciplinary actions. From 1995 to 2010, he worked in analyst, supervisory, and managerial roles with the Los Angeles Unified School District in multiple personnel offices, which included the Personnel Commission, Certificated Human Resources, and Staff Relations (classified labor relations and disciplinary actions). He holds a Bachelor of Arts in Sociology from the University of California at Los Angeles and a Masters of Public Administration from the California State University at Long Beach. Mr. Kato also serves on the Board of Directors for the Personnel Commissioners Association of Southern California (PCASC) and is a member of Personnel Testing Council of Southern California (PTC-SC).
RETIRED PUBLIC EMPLOYEES ASSOCIATION
CHAPTER 25 • GENERAL MEETING • JULY 19, 2016

Prior to the opening of the meeting, hot coffee and donuts were provided by Oscar Velasco LBS Financial Credit Union. Thank you, Oscar.

The meeting was called to order at 10:30 a.m. by Chapter President Jim Spaulding, at El Dorado Park Senior Center, located at 2800 Studebaker Road, Long Beach, California 90808.

The Pledge of Allegiance was led by Vice President Bob Tomlin.

Dana Stradling, Stroke Program Manager at UC Irvine, Comprehensive Stroke Center, focusing on stroke treatment, prevention and research.

Anthony Hendrickson from the Association Member Benefits and Insurance Agency (AMBIA) is the exclusively endorsed benefits provider for RPEA.

Meeting was adjourned at 11:20 a.m. and lunch followed.

Next meeting will be at the El Dorado Park Senior Center, located at 2800 Studebaker Road, Long Beach California, 10:30 a.m., on Tuesday, October 25, 2016.

Respectfully submitted,

Jim Spaulding
Chapter 25 President

PLEASE RSVP: Remember to make and keep reservations for attending Chapter meetings. If you make a reservation to attend the Chapter meeting and find you are unable to attend, please contact Jim Spaulding at (562) 598-8405 or e-mail him at rpeachapter25@aol.com to cancel by Monday before our Tuesday meeting. The Chapter pays for all meals ordered whether it is consumed or not. The small courtesy of canceling your reservation if you are unable to attend is a major saving for the Chapter, since our only source of funding are member dues.

Please complete and mail this form to:

Jim Spaulding
8380 Blithedale Street
Long Beach, CA 90808-3301

Phone: (562) 598-8405
E-Mail: rpeachapter25@aol.com

NAME ____________________________

ADDRESS ____________________________

CITY/STATE/ZIP ____________________________

PHONE ____________________________

E-MAIL ____________________________

Number of people that will be coming with you _______
RPEA does not usually get involved with Federal Legislation because of the time and cost associated with following legislation in Washington. Our focus is on what can happen to our members here in the California Legislature and with the activities of CalPERS. Our legislative advocate, Aaron Read and Associates, is headquartered in Sacramento and is recognized as one of the more influential people around the Capital. With our limited budget, we can keep track of California legislation, but not follow the activities (or more likely the non-activities) of the U.S. Congress. However, this year we have been following the Congressional progress of two bills that would have a direct impact on our members.

Many of our members are subject to deductions from their Social Security checks due to two provisions of the Social Security law. These are the Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP). The GPO was inserted in the Social Security Law in 1977, and signed by President Carter. It was included in provisions to extend the life of Social Security by limiting the checks for spouses or beneficiaries of public employee pensioners. The WEP was approved in 1983, and signed by President Reagan. Both of these provisions had bipartisan support and under separate administrations. Both were intended to extend the life of Social Security, and the immediate impact was not apparent, because there were few people old enough to be impacted by these limitations. Legislation has been introduced in the House and Senate almost every year since the 1990’s to repeal these laws and halt the impact on older people. However, because of the costs to correct this problem are so high, none of these bills have been able to progress through the Congress.

In 2016 legislation has been again introduced to repeal the GPO and the WEP by Congressman Davis (HR 973) and in the Senate by Senator Brown (S 1651). Neither bill has moved from the initial committee assignment. However, this year a bill has been introduced in the House by Congressman Brady (HR 711) which would only affect the WEP by re-calculating the amount of benefits, and changing the impact. It is claimed to be “revenue neutral” by not costing more from the budget. However, although some would find relief, it is likely some would find an adverse impact. RPEA has sent letters to the author and to the co-sponsors in the California Congressional Delegation expressing our support for HR 711, as well as the other bills in the House and Senate.

As in the past the repeal legislation has not moved, and will likely die at the end of the Congressional Year. However, HR 711 has been the subject of at least a hearing. This is because Congressman Brady (it is his bill) became the Chair of the Ways and Means Committee upon the elevation of Congressman Ryan to the Speakership. We have been informed about discussions about the cost analysis with the staff of the Ways and Means Committee and the Social Security Administration. There is even the possibility of amendments to HR 711 which would include reforms to the GPO. The House needs to schedule action on this bill before Congress takes a recess in August. In addition, there is no corresponding bill in the Senate which might present further delay.

If the bill does not move soon, it is unlikely that there will be time to move this bill through the Congress in this election year. However, because of the continuing concerns that have been raised by the GPO and the WEP, the RPEA Legislative Committee has proposed a plan to the Board of Directors to promote a bill next year in 2017-2018 Congress. Our early thinking will be to form a sub-committee of the RPEA Legislative Committee. We need to find people to serve on the sub-committee who could approach our California elected representatives who might be interested in sponsoring a bill to achieve relief from these provisions. The additional costs of this work will be discussed with the RPEA Budget Committee for next year.

STAY TUNED FOR FUTHER DETAILS.
For over 50 years (1963-2013) the Retired Public Employees’ Association has protected and preserved the retirement benefits of public employees.

The following is a synopsis of just some of the accomplishments RPEA had as the result of its lobbying efforts using the influence of its large number of retiree members to persuade legislators on their behalf.

- Legislation was enacted requiring that an elected “Retiree” member be added to the PERS Board of Administration. This measure was a result of many years of effort by RPEA.
- RPEA was primarily responsible for getting AB 1545 (Perino) passed in spite of Proposition 13.
- A base raise for State and Classified School Retirees was gained after RPEA formed a coalition.
- State retirees obtained a one-time increase and the lump sum death benefit was increased for everyone. A cost of living bill was passed giving all retirees a cost of living increase.
- In 1978 RPEA hired Aaron Reed & Associates, a professional legislative advocate and experienced lobbyist with an understanding of RPEA and its mission.
- RPEA worked since the mid 1970’s to devise a method of securing funds for retiree cost-of-living increases. The Boatwright bill (AB 2674) made this proposal a reality. RPEA fought hard for this program, including transporting many busloads of retirees from chapters throughout the state to converge on the State Capitol.
- SB 46 extended the Boatwright bill for two additional years and established the Investment Dividend Disbursement Account (IDDA). This legislation was written by RPEA’s legislative advocate, Aaron Read. The IDDA benefited over 130,000 annuitants.
- The Legislative Defense Organization (LDO) was established as a political arm of RPEA. As a non-profit organization, RPEA is politically active on issues supporting or opposing legislation. To be most effective, RPEA must be able to pursue its goals through both legislation and by supporting political candidates friendly to RPEA. The LDO became active in 1987 and raised its first voluntary funds. The Governor wanted to take $440 million from the PERS reserve fund instead of the billion dollar State budget reserve to adequately finance health care, education, and several other social programs. To accomplish this raid legally he needed legislation. RPEA, recognizing that such action by the Governor would damage the IDDA program and set an intolerable precedent, launched an all-out campaign with several legislative alerts to chapters. Thousands of our members went into action contacting their State legislators and the Governor. Over 15,000 letters were recorded and received at the State Capitol.

By this united effort of RPEA’s members and other retiree groups, the legislation was blocked leaving the PERS funds intact.

- Proposition 162, a grassroots initiative, was organized and financed by RPEA and other retiree groups and did pass by a small margin. The proposition did the following:
  (a) Stated the Trust nature of public pension funds
  (b) Moved the Actuary back to PERS
  (c) Protected the composition of all state pension boards. (The Governor had asked the Legislature for authority to appoint the PERS Board of Administration in order to control it.)

Since 2000 several bills were introduced and reintroduced and passed into law by the... Continued on page 5
RPEA Advocacy & Legislative Accomplishments
Rosemary Knox, Director of Membership

Continued from page 4 . . .

Governor. AB 1009—(PPPA) Purchasing Power Protection Allowance, for Local Public Agencies. AB 50 increased the Death Benefit for Classified School members. AB 1937 permits Local Public Agency employers to provide an ad hoc COLA increase for retirees.

RPEA is currently initiating legislation to protect the privacy of CalPERS members, and we need your help. The continual attacks against the retirement benefits of public employees are frightening.

Once again politicians at every level of government are trying to break the retirement promises made to public employees after a lifetime of public service. This week the newspapers wrote about a Texas billionaire running an initiative in California that will significantly reduce our retirement and healthcare benefits.

RPEA has a half-century history of protecting the interests of our retirees. For more than fifty years we have fought at every level of government to expand retiree rights and protect retiree benefits. We are retirees working for all retirees.

You can make a difference. You can help us fight back. There is strength when we all stand together. Get on our team and work with us to do everything possible to protect and improve the quality of the lives of California retirees.

With the State’s financial situation and the country’s economic crisis there has been an active attack against all California public employee pension plans and retiree benefits. RPEA members paid into the pension system for decades and retired on that promise.

August 1, 2016

CalPERS Ambassador Program Newsflash
CalPERS Responds to Negative Media Attention Surrounding Investment Returns

Rob Feckner’s Response

Within the last couple weeks, there have been some news stories, columns and editorials regarding our investment performance and assumed rate of return. CalPERS believes it is important to reiterate to our members, employers and the public about what we have done to reduce cost and volatility, as well as mitigate risk to ensure the long-term sustainability of the System. Read our Board President Rob Feckner’s op-ed in the Sacramento Bee to see our full response. Also, to provide perspective on our investment returns, we launched videos featuring both Rob Feckner and our Chief Operating Investment Officer Wylie Tollette.

Please read, view and share this information!
Landscapers, school secretaries and custodians, police officers and firefighters, scientists, engineers, nurses and doctors — nearly 2 million public employees make the California Public Employees’ Retirement System stronger.

Recent news reports and opinions would have you believe that these are dark days for a pension fund with assets of more than $301 billion. Nothing could be further from the truth. Let me tell you why.

We recently reported our investment returns for the fiscal year July 1, 2015 to June 30, 2016. They were just shy of 1 percent, a small but significant achievement in a year of extraordinarily turbulent and volatile global markets. Through it all, we continued to pay promised retirement benefits.

Clearly, these are challenging economic times. But we’ve been preparing for quite some time.

Last year, we put a policy in place to incrementally lower our discount rate, currently at 7.5 percent, in years of good investment returns. The new policy — carefully developed over many months of research and consultation with financial experts and stakeholders — takes effect when our investment earnings hit a certain level. Essentially, it means that our funding level will go up and the risk to our system will go down.

We know that changing the discount rate affects the pension contributions of the state of California and local agencies that belong to CalPERS. But we designed the policy to minimize any increases and recognize the financial difficulties that many local governments are still facing.

The plan unfolds over time because we pay pensions over time — just like you do your mortgage. That’s why we don’t overreact when our investment returns soar to 18 percent, as they did just two years ago, or when they fall, as they did this year. We invest for decades, not one year, not even 10.

In addition to our policy, we also have a disciplined process to review the changing demographics of our members, the state of our economy and what we can expect from financial markets. We will conduct these reviews over the next year to determine if our discount rate should be changed sooner rather than later.

Every family in California deserves retirement security. Defined benefit plans such as CalPERS are a cornerstone to a secure financial future. For employees, they’re a solid path to a predictable income and peace of mind. For employers, they are a critical and cost-effective tool to recruit and retain highly skilled workers.

They are also a powerful financial engine. In California, CalPERS benefit payments generate nearly $27 billion in economic activity every year, stimulating business growth, generating tax receipts and supporting more than 360,000 jobs in our local communities.

Let’s put some perspective around public pensions and the importance of financial security for all. The choices CalPERS makes are never easy, but we make them with a long term view. With so much at stake, we strive to keep our fund thriving for generations, to strengthen our commitment to our members and our communities and to deliver the pension benefits promised to public servants who work for all of us in California.

Rob Feckner is president of the CalPERS board of administration. He can be contacted at Rob.Feckner@calpers.ca.gov.
Retired Public Employees Association of California Chapter 25

For Immediate Release: September 13, 2016

Governor’s Signature Protects Retirees
Retired Public Employees Association of California (RPEA) Sponsored AB 241

Contact: Kelly Boyles, 916-448-3444

SACRAMENTO – AB 241 (Gordon), sponsored by RPEA, was signed by Governor Brown on September 9, 2016. AB 241 requires, under certain conditions, a local public entity to provide the name and mailing address of each retired employee to an organization that is incorporated and qualified under specific state and federal laws for the purpose of representing retired public employees during a bankruptcy proceeding.

When the City of Stockton filed for bankruptcy, retirees from the city organized as a group in order to become a party to the bankruptcy. This group received approval as a labor organization under the Internal Revenue Service’s Code 501(c)(5). Upon approval, they were able to obtain donations and hire legal counsel to represent them in bankruptcy court.

The group then requested from the city the names and addresses of the city’s retirees so they could notify them of their intent to seek representation before the bankruptcy court. The city refused. As a result, notifying retirees of the organization’s attempt to hire an attorney was made exponentially more difficult.

Normally, the names and addresses of public employees are exempted from the California Public Records Act (Government Code Section 6250 et seq.); however, there is at least one exception contained in Section 6253.2(b) that allows the names, addresses, and telephone numbers of in-home health care workers to be provided to labor organizations for the purpose of organizing and representing these workers.

“This is a big win for retirees,” said RPEA President George Linn. “Organizing retirees to be represented in a bankruptcy proceeding by their former employer is an important exception that needed to be made.”

Since the beginning, RPEA has been actively involved in enhancing the lives of retirees. RPEA was founded in 1958 and has more than 24,000 members with 85 active chapters in California, Arizona, Nevada, New Mexico and Oregon. We are the only statewide association representing all PERS retirees. RPEA takes an active and involved role in CalPERS, serving on their Advisory Committee and meeting regularly with CalPERS executives and board members. RPEA works tirelessly to safeguard and promote the retiree benefits of California’s public employees.

Equal Treatment of Public Servants Act HR 711

RPEA is working to permanently repeal the current Social Security Windfall Elimination Provision (WEP) and replace it with a new formula that treats public servants like the rest of American workers. HR 711 guarantees public servants will receive Social Security benefits that reflect their actual work history. This bill provides RELIEF to CURRENT RETIREES already affected by the WEP.

Current retirees, that are presently being penalize by the WEP, please understand that YOU will be covered. In California, there are hundreds of retirees other than police, firefighter or teachers that have been damaged by the WEP.

Chapter 25 is presently meeting with active and retired employees to pass HR 711.

Public servants who earn both a Social Security benefit and a pension from a Social Security substitute will finally receive treatment equal to other workers.
RPEA at the Long Beach Unified School District
Classified Employees Celebration

Left to Right: Anthony Hendrickson (AMBIA District Manager),
Bob Tomlin (Chapter 25 Vice President), Vivian Malauula (Chapter 25 Editor),
Jim Spaulding (Chapter 25 President), Kathleen Collins (RPEA Area 8 Director)