"Vision 2025" an SSA Service Delivery Nightmare

By Steve Kofahl, President of AFGE 3937 and a member of PSARA’s Executive Board

On March 10, the National Academy of Public Administration (NAPA) released its draft long-range vision and high-level strategic plan for Social Security Administration (SSA) service delivery over the next 10-15 years. It is being referred to at SSA as “Vision 2025.” SSA had contracted with NAPA, at the request of Congress, to conduct a study and create a report. The seven-member panel of “experts” that led this effort included three former high-ranking SSA officials. I hope SSA didn’t spend too much of our money on the contract, because there wasn’t much of a study done. Based on a briefing AFGE (American Federation of Government Employees) received from SSA, there was no input collected from the public, or from organizations (such as PSARA) that advocate for SSA programs and clients. NAPA interviewed 15 “futurists,”

Save the Date!

In early June, PSARA, Social Security Works Washington, local community groups and labor unions will sponsor two Social Security forums, entitled “Social Security: Preserve It, Strengthen It, Pass It On.”

On June 4, at 7 p.m., at Bethany United Church of Christ, 6230 Beacon Ave S, Seattle, Terry O’Neill, National President of NOW, Rep. Adam Smith, and Economic Opportunity Institute Policy Director, Marilyn Watkins will speak.

On June 5 at 7:30 p.m., President Terry O’Neill, Rep. Rick Larsen and Marilyn Watkins will speak at Whatcom Community College, Syre Center, in Bellingham.

These will be interesting and exciting forums so please mark your calendars. More information will be sent through the PSRA email list.

Pictured are some of the Bellingham members of the local organizing committee for the Social Security forum. Photo: Garet Munger

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June 19, Summer Party &
General Membership Meeting

It is time for one of PSARA’s fun and informative annual traditions. On June 19 at 12:00 noon, we will gather at the Greenwood Community Senior Center, 525 North 85th Street, Seattle. Our featured speaker is new Seattle City Councilmember Kshama Sawant, the first avowed Socialist elected to the Seattle City Council and the leading proponent of the $15 minimum wage for all workers in Seattle.

The event begins at noon with a potluck and socializing. Councilmember Sawant will speak around 12:45 with time for Q & A. Following the presentation, we will hold a brief general membership meeting.

Bring a main dish, salad, fruit, dessert or soft drink to share at the party. Please rsvp by calling 206-448-9646 and let us know the food item you can bring. You can also rsvp by emailing Maureen at adminvp@psara.org.

If you can, please bring items of non-perishable food for the Labor Agency Food Bank.

(There is a flyer in the mid-fold of this newsletter with more details about public transportation and parking.)

Holding Alaska Airlines Accountable

By Jonathan Rosenblum, Working Washington Campaign Director and PSARA member

The last two Alaska Airlines annual shareholder meetings have been challenging for corporate executives. Airport workers and their allies - including PSARA members - have demonstrated, chanted, sung and prayed for justice both inside and outside the meeting hall in Seattle.

So faced with the prospect of another lively meeting this year, Alaska’s executives moved their meeting 1,500 miles away . . . to Anchorage, Alaska!

That's not going to stop airport workers and their allies.

On May 7, we are convening the People’s Shareholders Meeting just north of Sea-Tac Airport. And our meeting, unlike Alaska’s, is open to anyone who cares about good jobs at the airport.

Please join airport workers and allies from SeaTac, Portland and Los Angeles as we hold Alaska Airlines accountable for their continued active opposition to initiatives, such as the Sea-Tac initiative, that provide better wages and working conditions for airport workers:

People’s Shareholders Meeting

Wednesday, May 7
11:00 a.m. - 2:30 p.m.
Riverton Park United Methodist Church
3118 140th St., Tukwila, WA 98168

• We will vote on our own shareholder resolutions, developed by workers and allies, which we will be sending to the company’s meeting in Anchorage.

• We’ll show the world premiere of “Grounded,” a new film featuring airport workers and PSARA members - just submitted to the Seattle International Film Festival. It’s a film that Alaska executives won’t want you to see!

• And then we’ll bus to the airport to see off our delegation of workers and faith leaders who are going to Anchorage.

Lunch will be provided.

RSVP at http://action.workingwa.org/page/s/the-people-s-shareholders-meeting, or call Mike Rodriguez at 206-409-3057.
Remarkable Things

By Robby Stern

Social Security Advance:
Supporters of strengthening Social Security have hit a milestone. More than half of all Democrats in the U.S. House of Representatives are now co-sponsoring H.R. 1318, the Strengthening Social Security Act.

According to the national Social Security Works Coalition in Washington D.C., for years the supposed “serious people” in D.C. were promoting cuts to Social Security. President Obama proposed cuts to Social Security including the nefarious chained CPI. The “Cat Food Commission,” led by corporate Democrat Erskine Bowles and notorious Republican right winger Alan Simpson, were promoting cuts to Social Security as a way to eliminate the deficit despite Social Security having no relation to the deficit.

But as Sen. Tom Harkin, original co-sponsor of the Strengthening Social Security Act in the Senate, said: “the serious people are seriously out of touch.”

The Strengthening Social Security Act was introduced in the Senate by Senator Harkin and in the House by Rep. Linda Sanchez. S.B. 567 and H.R. 3118 would modestly increase Social Security benefits; apply a different cost of living formula, the CPI-E (i.e. the Consumer Price Index for the Elderly) and allow the formula, the CPI-E (i.e. the Consumer Price Index for the Elderly) and allow the program to pay the enhanced benefits by gradually scrapping the cap on Social Security taxes. The cap unfairly favors the top 5% of income earners who are above the cap and therefore do not pay their fair share into the Social Security system.

Now more than half the Democrats in the House, including Washington Representatives Jim McDermott, Adam Smith and Rick Larsen, have signed as co-sponsors of H.R. 3118, indicating they support these changes in our Social Security system. The number of supporters has grown, and we will work to make the numbers continue to increase. The 2014 election is an opportunity to seek the support of Representatives DelBene, Kilmer and Heck and our two U.S. Senators. We also do not plan to ignore the Republican representatives even though they just voted, again, for Rep. Ryan’s budget that would cut both Social Security and Medicare while protecting and expanding tax cuts for corporations and wealthy individuals.

We know that strengthening Social Security by increasing benefits and scrapping the cap is good policy and smart politics in any district in the country. It is time for the rest of our congressional delegation to co-sponsor and support strengthening Social Security, requiring those earning over the cap to pay the same percentage of income that all the rest of the working population pays into our Social Security program.

Health Care Advance:
PSARA supports a single payer health care system. The Affordable Care Act (ACA) provides that states can apply for federal waivers in 2017 to establish state-based universal coverage systems. PSARA has joined with a number of other organizations in Washington State to help build a political movement that embraces health care as a human right and puts Washington in a position to apply for the waivers. Washington Community Action Network will be the lead organization in helping to organize this statewide movement.

Meanwhile, let’s acknowledge some of the rather remarkable positive outcomes of the Affordable Care Act. The Congressional Budget Office estimates that 12 million people who previously lacked insurance will obtain coverage this year. By 2017, an additional 14 million uninsured will manage to get coverage. The number of uninsured will be halved by the time President Obama leaves office.

No longer can people be denied coverage because of preexisting conditions, and those of us on Medicare have seen genuine improvements in the program including coverage of yearly physicals and reductions in the cost of prescription drugs. Parents can keep their kids under their health care coverage for additional years and premiums on the exchanges are lower than anticipated.

The numbers would be even better but for the nullification acts on the part of Republican governors and legislators in more than half the states. They shamefully refused to expand Medicaid to people up to 133% of the federal poverty level despite the cost being borne by the federal government. The poorest and sickest in those states are being forced to suffer and in some cases die as a result of this political pestilence.

It is also not acceptable that the ACA excluded from coverage undocumented workers and their families and created a five-year waiting period for immigrants who are documented. Additionally, there are too many people who are not Medicaid eligible and cannot afford coverage through the exchanges despite the subsidies.

The Washington State legislature seriously failed working families in our state when they did not pass legislation that would allow Washington to be part of the Federal Basic Health Option, a program that was inserted in the ACA by Sen. Cantwell. The insurers and health care provider associations who expressed “concerns” (read opposition) with the Federal Basic Health Option have damaged low-income workers who are unable to afford the cost of the private insurance plans in the Washington State exchange.

We can and we will do better over the next several years as we organize to win recognition of health care as a human right and insist on universal coverage. But it is remarkable what has been accomplished in broadening health care coverage through the provisions of the Affordable Care Act. It was and is a hard-won victory!

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Social Security and the National Debt

By Marty Wolfson

Shortly after the ceiling on federal debt was raised on October 17, 2013, the conservative Heritage Foundation notified its readers that the outstanding debt of the United States had “rocketed past $17 trillion,” and that “entitlement spending—the key driver of spending and debt—remains unaddressed.” The three assumptions in that statement—that the true measure of our debt is $17 trillion, that the cause of the buildup of debt is entitlement spending, and that therefore the appropriate policy to “address” this problem is to cut Social Security benefits and other “entitlements”—are endorsed by many politicians and policy pundits in Washington. But they’re all wrong as economic analysis and disastrous as policy recommendations.

Seventeen trillion dollars certainly sounds like a big, scary number, especially when national debt clocks tell us that this translates into more than $53,000 for every person in the United States. But we shouldn’t be focusing on that number.

The $17 trillion figure is a measure of “gross debt,” which means that it includes debt owed by the U.S. Treasury to more than 230 other U.S. government agencies and trust funds. On the consolidated financial statements of the federal government, this intragovernmental debt is, in effect, canceled out. Basically, this is money the government owes itself. What is left is termed “debt held by the public.” It is this measure of debt that is relevant to a possible increase in interest rates due to competition for funding between the private and public sectors. It is also the category of government debt used by the Congressional Budget Office and other analysts. (Of course, the full economic significance of any debt measure needs to be considered in context, in relationship to the income available to service the debt.) The total debt held by the public is $12 trillion.

The Social Security Trust Fund owns $2.7 trillion of the $5 trillion of Treasury securities held in intragovernmental accounts. In fact, Social Security is the largest single owner of Treasury securities in the world, surpassing even China’s significant holdings of $1.3 trillion.

Social Security accumulated all these Treasury securities because of the way that its finances are organized. Social Security benefits to retirees (and to the disabled) are paid for by a payroll tax of 12.4% on workers’ wages (with 6.2% paid by the worker and 6.2% paid by the employer), up to a limit, currently $117,700. If, in any year, Social Security revenue is greater than what is needed to pay current retiree benefits, the

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On March 31, the Washington State Labor Council (WSLC) and El Centro de La Raza kicked off a week of activity by a number of different organizations at the Northwest Detention Center in Tacoma. We are calling for an end to deportations and the forced separation of families. Nationally, every hour, 177 undocumented immigrants are deported from the U.S., causing endless misery and hardship to many poor and struggling families. In the first three hours of the vigil, 531 undocumented immigrants were deported from our country. PSARA members Lynne Dodson, Secretary-Treasurer of the WSLC, Lori Province, WSLC Mobilization Director, and Dina Burstein joined with people across the northwest and across the country in demanding an end to the inhumane treatment of people who are just trying to create a better life for themselves and their families. (Photo: Garet Munger)
The New Face of Hunger, Part II: Who Eats and Who Doesn’t?

By Mike Andrew

“Food Prices Surge as Drought Exacts a High Toll on Crops,” reads a headline in the March 8 Wall Street Journal. “Federal forecasters estimate retail food prices will rise as much as 3.5% this year, the biggest annual increase in three years, as drought in parts of the U.S. and other producing regions drives up prices for many agricultural goods,” the story continues.

The Commodity Research Bureau (CRB) estimates a 19% jump in spot food prices between the previous low in December 2013 and March of this year.

The spike in food prices corresponds with an all-time high in demand for SNAP (Supplemental Nutrition Assistance Program, or “food stamps”) benefits.

Not that SNAP alone can solve the problem of food insecurity, especially in a time of rising prices. According to the Center for Budget Priorities, the average amount of SNAP benefits for a family of four is only $668, while the USDA puts the cost of feeding a family of four as high as $1,271.

We saw in the March issue of the Advocate, in Part I of this story, that having a high school education and a full-time job is no longer a guarantee against hunger as it once was. In fact, the majority of SNAP recipients are now people of working age with a high school, or better, education.

This, in part, is a result of the “Great Recession,” but even more it reflects the decades-long stagnation of real wages which have failed to keep up with rising food prices.

Sadly, the spike in food prices also corresponds with a new Farm Bill that cuts SNAP benefits for some 850,000 households, 230,000 of them here in Washington State according to the Washington Children’s Alliance.

The harsh impact of these long-term economic trends and shorter-term austerity policies do not impact all sections of the American people equally however. People of color and women tend to be at far greater risk of food insecurity than white men, and consequently depend on SNAP benefits to a much greater extent.

A Pew Research Center survey conducted last year found that 18% of U.S. adults have received SNAP benefits at some time in their lives. Of those, 31% were African American, 22% were Hispanic, 18% were other people of color, and 15% were white.

Women of any race are twice as likely to use food stamps as men, the Pew study found.

According to a new study by the Institute for Women’s Policy Research (IWPR), “Women earn less than men in almost all of the 112 occupations for which the U.S. Bureau of Labor Statistics publishes weekly full-time earnings data for both women and men,” so it’s no wonder that women and households headed by women have a harder time securing their food needs.

Women of color in particular are far more likely to depend on SNAP for their basic nutrition. Some 39% of African American women have gotten help from the program, compared with 21% of African American men. The gender-race participation gap is also wide among Hispanics, with 31% of Hispanic women having gotten assistance, but only 14% of Hispanic men.

Among whites, the gender gap is smaller. Still, white women are about twice as likely as white men to receive food stamp assistance, 19% as opposed to 11%.

While the Pew study did not specifically address the special problems of immigrant families, they will be hard-hit by provisions in the new Farm Bill that exclude immigrants who are unable to prove their legal status.

According to a new study by the Williams Institute at UCLA Law School, LGBT Americans also depend heavily on SNAP benefits for their food needs.

About 21% of the LGBT respondents in their survey said they received benefits from SNAP. Twenty-nine percent said that at least once in their lives they lacked the money to buy food, compared to only 15% of straight respondents.

Thirteen percent of same-sex couples and 26% of same-sex couples with children under 18 said they received SNAP benefits last year. A whopping 43% of LGBT single parents said they relied on SNAP for their food requirements.

As in Pew’s survey, race made a significant difference in food security for the LGBT population. Thirty-seven percent of LGBT African American adults, 55% of LGBT Native Americans, and 78% of LGBT Native Hawaiians rely on SNAP assistance for their food needs.

Again, these figures relate to economic pressures generated by the recession, but even more so to systemic problems -- institutionalized discrimination against some communities and the stagnation of real wages for all sections of the working class.
Learning the Power of Our Personal Stories from Our LGBT Brothers and Sisters

By Mark McDermott, Chair of PSARA’s Education Committee

Growing up in a very conservative religious household in the 1960s, I “learned” that homosexuals were sinning against God and male homosexuals were child molesters. I was truly ignorant. Today I am an advocate for equal rights for our lesbian, gay, bisexual and transgender brothers and sisters.

How did my views change? Many things led me out of my ignorance, but one incident has remained with me for almost 40 years. In trade school I became a study buddy with a lesbian. We began talking from our hearts about the pain and challenges we had faced: my growing up poor and her facing endless discrimination and fear. One day she shared how much she loved her partner and her fear of being assaulted by homophobic bigots while walking down the street holding hands with her partner.

Do we dare to dream big like the founders of PFLAG in 1972?

Obviously the oppression of our LGBT brothers and sisters is different from the oppression of workers. However their courage to stand up can inspire us.

I was stunned as I felt what it would be like to be fearful of being attacked for holding hands with my girlfriend in public. She was also afraid of being fired for being a lesbian. Her fear and pain filled me with anger and sadness. I thought about what I should do to stand with her and other gays and lesbians in their demands for equality. In my youth, I was naïve and ignorant, but more importantly my heart was open to being touched by the injustices and pain put upon gays and lesbians. Her courage and willingness to share her personal story changed my life forever.

In 1972, PFLAG (Parents and Friends of Lesbians and Gays) National was founded, bringing together parents, families and friends of lesbian, gays, bisexuals and transgender persons to stand up for justice. Part of their strategy was to encourage members and allies to speak out about the human pain and suffering caused by the injustices to LGBT people. A few years ago my wife and I saw a movie which showed an 80+ year old man denied the flag from the coffin at a military funeral of his deceased partner of 50+ years. We were deeply moved and pushed to stand stronger for justice.

In 2007, PFLAG founded Straight for Equality, “a national outreach and education project to empower straight allies. Their personal stories of how and why they came to support equality for LGBT people are a significant advantage that straight allies possess, and we’d love to help you learn how to share that story.” Bottom line: Our personal stories of the heart will change people. Is it working?

In 1973, 75% of the American people thought sex between same-sex partners was always or almost always wrong; 11% said it was not wrong at all. By 2010, these numbers were 48% to 41%. On gay marriage, in 1988, only 11% strongly agreed or agreed; 68% strongly disagreed or disagreed. By 2010, it was 46% to 40%. In 2013, 52% of Americans said they would vote for a federal law to make same-sex marriage legal in all 50 states; only 43% were opposed. Many factors contributed to these major changes, but do not underestimate the power of tens and hundreds of thousands of people telling stories from their hearts to move other people toward justice year after year.

Does this story of courage and strategy have relevance for organized labor? Between 1965 and 2012, the percentage of Americans who approved of unions declined from 71% to 54%. Relentless attacks in corporate media are central to this decline. Organized labor, working people and our allies don’t own huge media outlets. But we do own our stories of the heart and our voices.

Between 2000 and 2009, the National Labor Relations Board found that 246,000 workers were fired or denied employment illegally for exercising their rights to organize unions, and the employers were required to pay back pay. How many more had their rights violated? Every year hundreds of thousands of workers are illegally denied their legally owed wages. We have our own stories and the stories of many others who are victimized by corporate injustice and greed.

Today organized labor has 16 million members. If one percent decided to use the PFLAG approach of “tell your heart story to move people” and talk to two people a month, we would reach four million people in one year. Let’s think big, 3% talking to three people per month would reach 17 million in one year. In five years, 85 million.

Do we dare to dream big like the founders of PFLAG in 1972? Obviously the oppression of our LGBT brothers and sisters is different from the oppression of workers. However, their courage to stand up can inspire us. Let’s learn from them, share our stories of the heart, and move our families, friends, community members and co-workers by the millions toward greater justice for working people and their families.

Mark McDermott can be contacted at the following:

www.markmmcdermott.com
Facebook: www.facebook.com/markmcdermottworkshops
PSARA Summer Party & Membership Meeting
Thursday, June 19 – 12:00 noon to 3:00 p.m.

Our featured speaker is new Seattle City Councilmember Kshama Sawant, the first avowed Socialist elected to the Seattle City Council and the leading proponent of the $15 minimum wage for all workers in Seattle.

12:00 noon Potluck lunch and socializing: Please bring a main dish, salad, fruit, dessert or soft drink to share at the party. RSVP – Phone and let us know the food item you can bring: 206-448-9646, OR – email Maureen at adminvp@psara.org.

12:45 p.m. Presentation and discussion with Seattle City Councilmember Kshama Sawant

1:30 p.m. Membership meeting

2:15 p.m. Enjoy the food and socializing with other PSARA members who make PSARA a fast-growing, vital and respected organization.

Location: Greenwood Community Senior Center, 525 North 85th Street, Seattle. On BUS Line #48. PARKING at the Center and in nearby neighborhood. If you cannot drive or take public transit and need a ride, or if you can offer a ride to a member who cannot drive, please email Maureen Bo at adminvp@psara.org or leave a message on the office phone, 206-448-9646.

Also, if you can, please bring items of non-perishable food for the Labor Agency Food Bank. Plan to collect your utensils and dishes after the meeting OR bring compostable ones. The Senior Center cannot have non-compostable garbage in their bins.
Seattle is at the forefront of a national effort to address the historic level of inequality in the US. Strikes of fast food and Walmart workers thrust the issue of a $15/hour minimum wage into the spotlight in 2013. This culminated in the victory for Proposition 1 in SeaTac last year, and my election to Seattle’s City Council on a platform calling for a $15/hour minimum wage.

Since then, a poll showed that nearly 70% of Seattle’s likely voters support a strong $15/hour measure. More than 100,000 members of our community, and their families, will be lifted out of poverty if a strong $15/hour minimum wage measure passes in 2014. The demand for 15 has made it to the top of Seattle’s political agenda, with the Mayor launching the Income Inequality Advisory Committee to recommend a minimum wage proposal. These successes demonstrate the power of grassroots mobilizing.

The Advisory Committee is scheduled to deliver its recommendation at the end of April, after which it passes into the hands of the City Council members, who can decide whether workers get a full 15 or not. The Advisory Committee has some worker advocates, including myself and labor representatives, but is weighted heavily toward big business. While corporations cannot publicly fight against 15, they are working behind closed doors to get as many loopholes as possible.

And while big business may not be a visible presence in the debate, their long shadow looms large over the Advisory Committee’s outcome. They are ready to use everything they can to protect their profits and oppose a real $15/hour. The Washington Restaurant Association and other business groups with ties to corporations like McDonald’s, Yum! Brands, and big grocery chains recently launched an astroturf organization (grassroots in appearance, but funded and directed by big business) called OneSeattle. They are prepared to divide Seattle workers and to rob them of a real $15/hour through the inclusion of “total compensation” and a “tip credit” which would allow employers to deduct benefits and tips from the minimum wage.

We need a strong and determined grassroots campaign, involving thousands of activists and the whole of the labor movement, to reject these loopholes, defeat big business, and win a historic victory this year for workers. This would not only bring relief to tens of thousands of struggling families, but would show how further victories for working people can be won.

Our movement must keep up the pressure on the City Council when they begin debating and discussing the issue in May and June. Workers and young people across the city are getting ready to collect 50,000 signatures for a charter amendment that would raise Seattle’s minimum wage to $15/hour. The mass signature-gathering campaign for the charter amendment is the best way to keep up the pressure on the City Council and amplify our demand for a full 15. It will also serve as a backup plan should the City Council side with corporate interests against workers.

With the help of allies like PSARA, we launched 15 Now in January to organize the Fight for 15 in Seattle and build a broader movement in which all working people could be involved. Since the launch in January we have signed up over 1,500 people who support $15 for all workers. We now have 11 action groups spread out in every Seattle district, including 2 college campus groups.

PSARA members can help build this movement by reaching out to low-wage workers and explaining the dangers of total compensation and tip credit, and the need for worker solidarity. We also need help building more action groups in each of our city’s new districts.

This campaign can help revitalize the traditions of grassroots organizing in Seattle and help prepare working people for bigger battles to come. The successful defense of funding for transit and social services will require the same community involvement and solidarity that is being built in the struggle for $15/hour.

Our future in this capitalist economy is insecure. The Fight for 15 in Seattle gives us an historic opportunity to revive the traditions of past radical movements and win better wages, benefits and living standards for all.
In the 2014 legislative session, lawmakers looked at how to help workers save and plan for retirement when they don’t have savings plans provided at work. Senator Mark Mullet (Issaquah) and Representative Larry Springer (Kirkland) proposed a new program called START (Save Toward a Retirement Today) to make it much easier for small business owners to offer retirement plans to their employees.

Senator Mullet and Representative Springer are both small business owners who know first-hand the problem of finding a good retirement plan. Both legislators worked hard to generate support for the idea with help from a broad coalition including the Small Business Majority, AARP, the Area Agencies on Aging, the Economic Opportunity Institute, and numerous labor organizations.

There’s a massive retirement savings problem in Washington State. While it’s not new, it’s getting worse. Currently, more than half of Washingtonians rely primarily on Social Security for their retirement income. The average Social Security benefit in Washington is $1300 a month. Social Security is very important and must be preserved and strengthened, but it is not enough for a secure retirement. Three out of five middle-class Washingtonians can be expected to outlive their retirement funds.

People accumulate the vast majority of their retirement savings through plans offered at their workplace. For workers in large corporations and in government, retirement plans are the accepted standard. However, a large percentage of workers, 77.4%, employed by a small business do not have a pension or retirement plan – and it’s worse for employees at the smallest businesses, where 85.7% in a business with fewer than 10 workers lack access to a savings plan.

Workers at small businesses and those business owners are desperate for better options. But the retirement plans dominating today’s financial services market don’t fit the needs of most small businesses or their workers. The most common plan, the 401k, is designed primarily for large businesses. It is complex – even cumbersome – to administer, and requires more time and resources than most small business owners and managers can commit.

While there are retirement plans specifically designed for businesses with fewer than 100 employees that have streamlined reporting requirements, very few brokers or financial institutions are actively marketing and selling these products. Only 8% of workers in firms with less than 100 employees participated in a SIMPLE IRA and only 2% of workers participated in a SEP IRA retirement plan in 2005.

START takes advantage of retirement products made available to public sector workers by the Washington State Investment Board as part of the deferred compensation program – a defined contribution program, with no promised return. That means the state would never be responsible for using tax dollars to contribute to an underfunded retirement plan.

The typical worker doesn’t have a sophisticated knowledge of stock funds and has a moderate amount of money to save each month. They should have a retirement plan and investments suited to their needs. START would provide a simple set of retirement products that are easy to understand. There would be no complex choices like those that are inherent with the on-line investing options. Fees could be kept low because of the economies of scale achieved by participating in a large program, which means workers’ earnings won’t be eaten away.

There are a couple of other important features of START. Participation would be voluntary for business owners and their workers’ and participants’ accounts would be portable when they change jobs.

In the legislature, START received support from Governor Inslee and many legislators. The House of Representatives passed START with bipartisan support. The Governor included funding for START in his proposed budget as did the House. Unfortunately, the Senate was not willing to include funding and START didn’t make it into the final budget this year, but the START coalition is already at work building support for the 2015 legislative session.

The prospects for making it easier for workers to save for retirement look bright. With the milestones achieved in 2014, there is a strong foundation in place for moving START forward next year.
Social Security and the National Debt

Continued from Page 4

surplus must, by law, be invested in Treasury securities (most of which are “special obligation bonds” issued only to the Social Security Trust Fund). Since 1983, workers have been paying more in Social Security taxes than what was needed to pay retiree benefits. A special commission, appointed by President Reagan and chaired by future Federal Reserve Chair Alan Greenspan, recommended several changes to increase the revenue received by the Social Security Trust Fund. Most prominent among these changes was an increase in the payroll tax rate to its current level of 12.4 percent, although the Commission also recommended reductions in benefits, including a gradual increase in the retirement age from 65 to 67. The effect of the changes would be to create significant surpluses in the Social Security Trust Fund. The thinking was that, if in the future payroll taxes fell below benefits, the Trust Fund could draw upon the accumulated surpluses to pay benefits.

Therefore the $2.7 trillion of Treasury securities held by the Trust Fund came about not because entitlements are out of control and the government has been forced to borrow to meet retiree benefits, but rather because future retirees have paid more taxes than necessary to meet benefit obligations. Workers have essentially been prepaying into the Trust Fund in order to provide for their future benefits.

So it makes no sense to try to solve the supposed problem of too much government debt by cutting benefits for current and future Social Security recipients. These workers were asked to help keep Social Security solvent by paying increased payroll taxes. As a result, the gross federal debt increased. It would be totally unfair and irrational to cut benefits now because these workers had sacrificed in the past. That would be hitting them with a double burden, the second burden of benefits cuts incurred because there was the first burden of overpaying payroll taxes into the Trust Fund.

What’s more, the strategy the Heritage Foundation advocates would make the alleged problem they are claiming to address even worse. That’s because cutting benefits would mean that payroll taxes would more easily meet retiree benefits, and so the surplus accumulating in the Social Security Trust Fund would be greater. Since the Trust Fund is required by law to invest its surpluses in Treasury securities, a greater surplus translates into more bonds being accumulated by the Trust Fund, and therefore a higher gross federal debt (assuming that Treasury borrowing from other sources remains the same). So cutting Social Security benefits in order to reduce a $17 trillion debt would produce the contradictory result that that debt would be even higher than it would have been without the benefit cuts.

Despite the 1983 changes to Social Security, the Trustees, the board that oversees Social Security, stated in their 1995 annual report that the 75-year projection of Social Security finances was no longer in “close actuarial balance” and that the long-range deficits should be “addressed.” In 2002, they began to be more specific: “Bringing Social Security into actuarial balance over the next 75 years could be achieved by either a permanent 13 percent reduction in benefits or a 15 percent increase in payroll tax income, or some combination of the two.”

Of course, the assumptions used by the Trustees, their policy approach, and the need for benefit cuts are all a matter of dispute. However, had benefits been cut by 13 percent beginning in 1996, total reductions would have totaled $1.2 trillion by 2012. So the Trust Fund would have accumulated that much more in Treasury securities, and the gross debt would actually have increased to $18.2 trillion.

In reality, the bonds in the Social Security Trust Fund are primarily a political accounting device to remind us that we as a society have promised a certain level of benefits to Social Security retirees. It is true that at some point the Trust Fund will most likely need to redeem the bonds in order to pay full benefits to retirees. And it is true that the government will need to raise the funds to do this, either by borrowing from the public (selling Treasury bonds) or through increased tax revenue. But this is the case because we promised benefits to these retirees, not because there is a certain level of bonds in the Trust Fund. The benefits would be due retirees whether or not there are bonds in the Trust Fund.

So the real issue is whether or not society will keep its commitment to retirees. The agenda of those who say we have to cut benefits is really that they don’t want to meet this commitment. We should recognize that this is their agenda, and not let them hide behind the smokescreen of supposedly out-of-control federal debt.

Marty Wolfson teaches economics and is the director of the Higgins Labor Studies Program at the University of Notre Dame.
“Vision 2025” an SSA Service Delivery Nightmare

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but visited just one SSA field office.

Some of the more troubling portions of this vision are quoted below:

• Use online, self-service delivery as our primary service channel.
• Provide direct service options (e.g., in-person, phone, online chat, video conference) in very limited circumstances, such as for complex transactions and to meet the needs of vulnerable populations.
• Build an adaptive and open culture promoting new collaborative arrangements, including those with external partners (e.g., other agencies and advocacy groups).
• Adopt communication and business processes that enable a dispersed workforce no longer working in centralized, traditional offices.

What it boils down to is that workers and their families, and their survivors, would fend for themselves in almost all cases. Non-profit and for-profit organizations and agencies who are willing to help, or interested in making a profit, would try to fill the service-delivery gap in our communities. The Social Security equivalent of H & R Block would probably open storefronts in many communities, charging for services that workers have already paid for with their F.I.C.A. taxes.

To make matters worse, it appears that SSA has already embraced this vision. In her Agency Strategic Plan for 2014-2018, released at the same time as the draft report, Acting Commissioner Carolyn Colvin has this to say:

Even as we move forward with the strategies we outline here, we have begun critical work to create a long-range strategic vision and plan that supports our mission and goal of world-class customer experience well into the future – our “Vision 2025.”

The Acting Commissioner and her subordinate managers like to say that this is what the public wants and demands, but we know that’s not true. SSA field offices served a record 43 million visitors last year, and call volume to the 800 number created unprecedented delays in getting through to an agent.

The idea that this twisted vision would support a world-class service goal is ludicrous. SSA field office employees receive 17 weeks of intensive training, followed by a year of mentoring, and typically become fully proficient 3-4 years later in understanding and administering the complex programs run by SSA. Those programs include Social Security, Supplemental Security Income for the low-income aged and disabled, and Medicare. How can an applicant for one of these vital programs be expected to learn all that is needed in just a few minutes at a computer? It can’t be done, and the sad thing is that the decision-makers just don’t care anymore whether SSA pays the right amounts to the right people.

We don’t have to accept this vision, and we can stop it from becoming our reality. Contact your elected representatives, and make it clear to them that personal service is something that you have paid for and expect, and that SSA’s Vision 2025 must not become reality.

Our Power and Theirs

By Mike Andrew

On April 2, the U.S. Supreme Court ruled in McCutcheon v. Federal Election Commission that political donors should be able to give maximum donations of $2,600 to as many candidates as they want.

Together with their previous ruling in the Citizens United case, this puts the Supreme Court squarely on the side of the 1%.

I don’t know about you, but I rarely have so much money to spend that I can donate $2,600 to even one candidate, much less have to decide whether to fund 50 candidates or 100.

Money is the power of the 1%. We can’t compete with that. They know it, we know it, and the Supreme Court knows it.

Working people have our own source of power. It’s no secret. There are a lot more of us than there are of them.

Out job is to harness our power by bringing together like-minded people and getting ourselves organized.

That’s why PSARA’s membership campaign is so important. We can build a real alternative to the power of the 1%.

It will take some work to do it, but we’ll give you all the support you need. Use the coupon below to renew your membership, or give a membership to a neighbor or friend.

To subscribe or renew visit

http://psara.org/become-a-memberof-psara
Meetings and Events

May Day March: 3 p.m., Thursday, May 1, Judkins Park, (Behind St. Mary’s Church), 2150 S. Norman St., Seattle. Join PSARA members as we march for an End to Deportations, Keeping Immigrant Families Together, Universal Healthcare for All, and an increase of the Minimum Wage to $15 per hour. Look for the PSARA banner!

PSARA Education Committee: 10 a.m. – 11:30 a.m., Wednesday, May 7, Seattle Labor Temple, Room 226, 2800 First AV, Seattle. All members welcome as we finalize our plans for our upcoming educational workshops.

PSARA Government Relations Committee: 1 p.m. – 2:30 p.m., Wednesday, May 7, Seattle Labor Temple, Room 226, 2800 First AV, Seattle. All members welcome as we discuss PSARA’s participation in a variety of local, state and national issues.

PSARA Diversity Committee: 11 a.m. – 12:30 p.m., Thursday, May 8, Seattle Labor Temple, 2800 First AV, Room 226, Seattle. The Committee is planning a program for PSARA members to tour the Civil Disobedience exhibit at the Wing Luke Museum. This event will include viewing the exhibit and other exhibits at the museum, a discussion and a no-host lunch in the International District.

PSARA Environmental Committee: 2 p.m.- 3:30 p.m., Thursday, May 8, Seattle Labor Temple, 2800 First AV, Room 226, Seattle. All members welcome as we continue to discuss how we can harmonize the fight for environmental sustainability with the struggle to create good family wage jobs.

PSARA Executive Board Meeting: 12:30 p.m. – 3 p.m., Thursday, May 15, Central Area Senior Center, 500 30th Avenue S., Seattle. All PSARA members are welcome.

Green Lake Discussion Group: Noon to 1:00 p.m., Thursday, May 22, Green Lake Library, 7354 East Green Lake Drive N., Seattle. Brown bag lunch and discussion. Topic: "How the Library Works for You." Co-sponsored by PSARA and the Northwest Center for Creative Aging.

PSARA General Membership Meeting: Thursday, June 19, Greenwood Community Senior Center. Special speaker – Seattle City Councilmember Kshama Sawant. See flier in centerfold.