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MEMBERSHIP RENEWAL: Annual membership renewal for June 1995 - May 1996 is due. Just use the remittance slip inside. We have relocated this slip for those who want to retain the masthead for mailing addresses, officers and board members. A raid on your pension fund is threatened and requires your close attention and action. Your officers and board will need your help.

PENSION JUSTICE UPDATE

In our lead article in our last Nov/Dec 1994 Newsletter, we began with the phrase, "Where to begin?" Again, we can't seem to find a better way in this next edition than to pick-up where we last left off.

In that edition, which was intentionally withheld until late December, we were still "in-limbo" as we went to press. We had been waiting for developments under the new Governor Pataki administration which initially had all the earmarks of success for Pension Justice based on pre-election campaign promises. Regrettably, there has been a complete "about face" since that time and we are now in a state of anger and frustration after all the efforts of PARA and the Alliance of Public Retiree Organizations.

Chronologically, then, what follows is the sequence of events since we last reported. PARA received a letter from Governor Pataki dated Dec. 27, 1994 acknowledging our correspondence and stating he would take our comments regarding pension supplementation for public retirees into consideration as he put his new administration into place. We had also written every member of the Senate and Assembly congratulating them on election or re-election and to "Keep the Promise" regarding Pension Justice. Despite pre-election rhetoric, the Governor and the Senate Republican majority did not return to session as agreed by years' end and our pension supplementation bill died a natural death on December 31.

At the January 3 meeting of the Alliance in Albany, we learned that Governor Pataki had requested State Comptroller H. Carl McCall to investigate a way to obtain the 330 million dollars that had been earmarked in 1970 legislation for retirees supplemental pension increases! The Comptroller responded by informing the Governor that the fund was constitutionally protected and could not be used for any other purpose.

With that as a back-drop, things started to look promising when lo and behold a slightly revised edition of our 1994

Pension Supplementation Bill was introduced in both houses of the Legislature in mid January. The revisions to our 1994 bill are not noteworthy here since they were only minor and technical in nature. Again, all Legislators were written to "Keep the Promise" and they did! The revised bills A-929 and S-604 passed by 145 to 5 in the Assembly and by 52-1 in the Senate.

An emergency meeting of the Alliance was held on January 31 to plan strategy and organize activity to encourage Governor Pataki to now sign this revised pension supplementation bill into law and keep his pre-election day promise to public retirees. PARA and all the Alliance member organizations wrote the Governor and also placed a barrage of telephone calls to his office imploring him to sign the bill. A strategy was also developed in case of a veto to contact Legislators to participate in an override vote, if necessary.

The rest is history. On the deadline date, February 8, when it would have automatically become law, Governor Pataki vetoed our bill! In his statement released after vetoing the bill, the Governor indicated that, "were it not for the unconscionable and illegal raid on the Common Retirement System in 1990, I would likely be approving this legislation today instead of vetoing it... Nonetheless, the issue of supplementing public employee pensions must be addressed comprehensively to assure it can be done affordably and wisely...". The Governor then went on to say he would issue an Executive Order creating a Temporary Task Force on Pension Supplementation to study the issue and recommend prudent solutions.

The machinery which was prepared in our emergency meeting in case of a Governor veto was immediately put into action with visits, letters and telephone calls to key Legislators. Optimism ran high owing to the wide margins by which the Supplementation Bill previously passed in both Houses. Monday, February 13, was "over-ride" day. Each legislator was provided with a letter early in the day via a

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PENSION JUSTICE UPDATE (continued)

ZAP Courier service encouraging a veto over-ride. However, it was not to be and all our efforts were in vain. In the Assembly, the Republicans supported their Governor and voted as a political block against the over-ride. One hundred votes were needed for an over-ride and the vote count was 92 Democratic members of the Assembly voted yes for the over-ride; 53 Republicans voted no. Since 2/3rds were required, the vote for an over-ride fell short by 8 votes! The over-ride defeat in the Assembly thwarted a possible embarrassment in the Senate where the leadership had previously supported our cause but in party loyalty to the Governor would undoubtedly have had to vote against it.

Comptroller H. Carl McCall was our invited guest speaker at the February 14 Alliance meeting which was called to decide next steps. Governor Pataki had now eyed our Pension Reserve Fund in his New York State Budget proposal as a means for paying the first years payment due the Fund as a result of the famous P.U.C. decision in 1993. (As a refresher, the P.U.C. decision was a lawsuit filed against New York State wherein the State Court of Appeals declared unconstitutional a law enacted by the then Governor Cuomo in 1990 that changed the funding method for our retirement system. The unconstitutional law essentially postponed payments due our retirement system from the State and local governments to the tune of over 4 billion dollars up until last year! This money must now be repaid to our retirement system over the next 17 years). It is ironic that the Governor proposed to raid our pension fund which type raid had already been declared unconstitutional! Comptroller McCall opposes the Governor's proposal because the Fund was designated by the Legislature for the sole purpose of providing supplemental raises for public retirees and to be used for no other purpose. Funds provided the pension system and its use should be determined by the Comptroller and not the Governor. The Comptroller stated he is prepared to go to court to oppose the Governor's raid and PARA as well as all other Alliance members have pledged their support as co-plaintiffs.

Should the Supplemental Pension Fund ever disappear, the likelihood of every attaining a pension supplement would be non-existent. PARA and the Alliance are lobbying the Legislature intensively to oppose the pension fund raid. In addition, several Pension Justice rallies have been held throughout N.Y. State with Comptroller McCall as guest speaker to generate support for this opposition. One rally was held in Rochester on March 14 and another on March 16 in Deer Park, Long Island. Both were heavily attended and another is scheduled on May 19 in Poughkeepsie again with Comptroller McCall as guest speaker (As we go to press, every attempt will be made to have as many PARA members as possible attend to show our support. Unfortunately, the timing of this Newsletter is such that we may miss some of you but our concentration will be on local N.Y. State resident retirees).

By now, every pensioner should have received a letter

from Comptroller McCall concerning this issue and his stance opposing any raid on our pension system. He suggested pensioners write the Governor and the State Legislators if they have an opinion on this issue and hopefully you did. Apparently the Governor has heeded the Comptroller's initial warning that the money in our Supplemental Pension Fund could not be used as he originally proposed it, to pay the first year cost of the P.U.C. mandated pay back money. Instead, as we go to press, he has amended his earlier bills to now use the subterfuge that the pension system raid will be used for supplementation as intended in the 1970 legislation. The catch is that the funds' monies would not be used for present or future retirees...but rather to repay the State and municipalities for past supplementation back to 1978! Why 1978? Coincidentally, this is precisely the amount sought by the Governor to repay this years P.U.C. obligations.

In his veto message as reported earlier, Governor Pataki concluded stating he would by Executive Order establish a Task Force to study pension supplementation and make recommendations. PARA, as well as all other Alliance member organizations, have written the Governor to request that Ed Curran, President of the Alliance, be included in that task force. Ed is serving in his 4th year as President and in this position has met with retirees throughout N.Y. State listening to their needs and discussing their concerns. Ed is a retired First Deputy Commissioner of Police from Nassau County Police Dept. after 34 years of service and we can think of no better representative for retirees on the Governor's Task Force.

As this Newsletter goes to the printers, the N.Y. State Budget issue is still in heated debate in the Legislature and the Executive Office. As in years past, the April 1 deadline was missed and we don't know how the behind the scenes negotiations will affect our pensions. What we do know is that we will continue to press along with other Alliance of Public Retiree Organization members to assure public retirees will be provided with a fair and equitable pension increase you rightfully deserve. Together with Comptroller McCall, we will find a way!

Meanwhile, the current, inadequate pension supplemental payments for those who retired prior to 1983 run out on Aug. 31, this year. Given the current climate, there is no guarantee that the legislation will be renewed. Consequently, we need everyone's help to start the ball rolling that legislation will be enacted to insure the old supplement will be continued. Start writing your local newspapers, the Governor, your State Senator and member of the Assembly and tell your story. Recruit your children, friends and relatives to write letters and make telephone calls. With a total effort, the pressure will be on the Legislators and the Governor to not let the current pension supplement run out in August. It is not too early to start now!

"Stay young at heart, even if you are slightly older in other places."

MEMBERSHIP DRIVE

As with any other organization of its type these days, PARA has also experienced increased expenses resulting from the ever increasing costs of postage, telephone, stationary, correspondence of this type, etc. You have also experienced some of these too as well as others noted in our "Why We Fight" item. We are looking at ways to increase our revenues to offset these higher costs. Although we probably have the lowest annual dues for an organization of this type we are reluctant to suggest an increase which could be a hardship to many who have been retired for a longer period of time.

Instead, we have been concentrating on increasing our membership base. You may have noticed in the last two issues of the Diary, that a list of Recent Retirees is now being published. This was the result of PARA's efforts together with the cooperation of the Human Resources Dept. Using this list, PARA now prepares a stamped, addressed envelope (Name Only) containing a letter congratulating each new retiree and outlining what we are about together with a copy of our most recent Newsletter. This package is then forwarded to Human Resources Dept which has graciously consented to complete the address portion and forward to the retiree. (Owing to privacy considerations no employee, past or present, addresses can be furnished to PARA and that is entirely up to the individual). Should the retiree wish to join, it is merely only necessary to complete the application form in the Newsletter and forward it together with the \$5.00 annual dues payment.

Another approach has been to furnish Human Resource Dept with copies of our membership application blanks for distribution at exit interviews, retirement seminars, etc. Human Resources Dept has been most cooperative in this effort.

We have also been periodically invited to address the Port Service Club on our activities and we take that opportunity to distribute our Newsletter and application blank in our quest for new membership. We propose, with the appropriate permission, to distribute copies of this Newsletter and application blanks at the annual Port Service Club Luncheon in November.

It is too early to evaluate the success of these PARA recruitment programs but we are hopeful they will increase membership. On a more personal note, we request any retiree who may know of another retiree or active employee who is not a member that you encourage them to join. Our current membership fluctuates between 1800-1900 members and your assistance to increase this number would be most helpful. Active employees particularly should be targeted as they are essentially "Retirees in Training."

If any of our readers have any innovative ideas as to how we might better increase our membership, please let us know when you submit your dues application for 1995-1996 enclosed with this Newsletter.

"It is in our self-interest to help one another. The important thing is to give of yourself."

WATCHING WASHINGTON

It has always been the policy of your Newsletter in reporting on this item to remain neutral insofar as any political party is concerned. Our mission is to report the facts based on our research. Sometimes this could be misconstrued as endorsing or criticizing a particular political party but that is not our intent. However, in the changing world of politics, sometimes our reporting can be misconstrued. So it is with this item.

What's new with Washington? We are not sure any single being really knows what truly is going on in that arena. We have heard many promises, threats and catch phrases since last we reported. These, together with the "Contract with America" are being used in an attempt to bring about a Balanced Budget Amendment; reduce and eventually eliminate the deficit; radically revise the welfare system; cut taxes, etc. All of these, like motherhood and apple pie, almost everyone can support.

But, what lies behind these slogans, concepts and buzz words? For example, the Balanced Budget Amendment. It is such a hot item yet Congress can balance the budget whenever it feels that it is proper, necessary or they have a mind to do so. Some pundits believe that they would like the Amendment "on the books" to pave the way to do things such as reduce Social Security, eliminate Cost of Living Allowances and further dissect Medicare and Medicaid to

balance the budget. Incidentally, during the last session of Congress, this Amendment passed the House comfortably but failed in the Senate by one vote. You may wish to follow-up the actions of your elected representatives and let them know how you feel concerning this issue.

Reduction and elimination of the deficit are truly laudable goals. However, there needs to be concern when Medicare benefits are squarely in the middle of the deficit reduction proposals. Unreasonable changes in the Medicare program would undermine seniors retirement and health security. Some experts have warned that cuts in Medicare and Medicaid would have to total 400 billion dollars over the next five to seven years. If these programs are to become the primary targets of deficit reduction, the results could be devastating.

Revision of the Welfare System is high on the agenda. Any system or concept that is over 60 years old should be reviewed with an eye towards modernization or rehabilitation. The question remains, what efforts are being made to bring the system into the 21st century? Some proposals such as taking away school lunches, meals on wheels and temporary shelters are tough medicine. Cut taxes—for whom and with what consequences? Much more needs to be known about the plan before comments can be made. Which income

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WATCHING WASHINGTON (continue from page 3)

groups are the cuts meant to benefit? What is the priority—reduce the deficit or reduce taxes? If the former and we cut taxes, does that mean that entitlements must be cut or eliminated?

Another plank that the Contract with America contains is a Senior Citizens Fairness Act. The plan would raise the Social Security earnings limit, repeal the 1993 Tax hikes on Social Security benefits and provide tax incentives for private long term care insurance to allow older Americans to keep more of what they have set aside for their retirement years. Certainly, that appears to be a step in the right direction.

In any event, the first 100 days of the Contract with America is history and the Congress takes up the task of drafting a Federal budget for 1996 and a plan to eliminate the deficit by the year 2002. Much depends on the actions and reactions of three key committee chairmen; Mark Hatfield, Chair of the Appropriations Committee; Peter Comenici,

head of the Budget Committee and Bob Packwood, Chair of the Finance Committee.

It could be useful to recall the Health Care issue of 1993-94. A significant amount of time was spent studying and making recommendations on how to handle the health care crisis and when all was said and done, nothing happened. Now, Congress is again dealing with the issue from a Budget standpoint arguing that the current program is too expensive to maintain and are considering ways to alter how Medicare recipients get their medical care delivered. They are looking to managed care as a solution to escalating costs. This approach would take seniors with their long standing habits, doctors and health care patterns and push them into the H.M.O. arena.

All of the aforementioned issues in Washington bear watching and we urge you to follow the trends in the weeks and months ahead.

Straight From the Shoulder

NOTE: We are aware this item is printed upside down but we wanted to attract your attention to this important item!

Divisions, Human Resources Dept, 1 World Trade Center, 61 East, NY, NY 10048. All changed addresses, names, etc., should be reported to PARA and PA of NY-NJ, Compensation and Benefits. Were it not for our persistence, they would never have known about these important benefits. Accordingly, then, PARA members that they were unaware of the Health Benefits and Life Insurance packages to which retirees are entitled. Particularly noteworthy, after our "hunt", we have received letters from family of increased our costs significantly. With the recent postage increase, trying to find our "lost" membership to contact you have increased our mailing costs. PARA returned mail count is up on undeliverable returns and our efforts Authority Compensation and Benefits Division. PARA emphasized enough the importance of keeping your name and address current with PARA and the Port.

1. We cannot emphasize enough the importance of keeping your name and address current with PARA and the Port.
2. The Alliance of Public Retiree Organization met 6 times since our last Newsletter and conducted 2 rallies regarding Pension Justice around the State. PARA was represented on all occasions, save one. The Alliance has added 3 more retiree organizations bringing the total to 37 with well over 510,000 public retirees represented. Our "clout" is being increasingly recognized in Albany and we have achieved the status as a force to be reckoned with. Your participation in the various rallies is appreciated and we hope you continue to show your support—both by letters and phone calls to your Legislators. Out of Staters should continue to call upon family and friends back home to represent them on issues that affect all retirees.
3. PARA Board Members and Officers are always open to suggestions as to how we might improve your organization to better serve you. Keep in mind they are your "voice" for many important issues that affect you and they serve "PRO BONO" (without compensation). As retirees themselves, there is also a limit on their resources so help them to help you. It's the only game in town!

4. Sources of Help:	P.A. Benefits	*800-269-4280
	Retirements System	518-474-7736
	Prudential Insurance	800-772-4683
	Social Security	800-772-1213

**Port Authority benefits number - still a free call - has been recently changed and a recorded voice "prompts" information from caller to facilitate routing. It's a common innovation in today's business world and may require some adjustment.*

"Don't complain about what you didn't get; be thankful you didn't get all you deserved!"

ANON