



CARA Alert – June 6, 2019

A publication of the California Alliance for Retired Americans

CARA Legislative Update

Many of CARA's priority bills are moving through the legislature and need our help. Additionally, the 2019 budget is being negotiated RIGHT NOW by the budget committee leadership, and the fate of a couple of our budget asks are in their hands. We need your help this week and next to move our issues forward.

Call/Email Legislators and the Governor THIS WEEK!!!!

1-833-403-6034

or email using this link: www.CapitolActionDay.com

This week, the budget committees of both houses of the legislature will continue to meet with the Governor. We must ask them to make our budget asks their TOP PRIORITIES. ***We need you to help:***

1. Call or email your State Assembly member and Senator and remind them to support SB 512 – to create a long term supports and services plan for every California and commit \$1 million to an actuarial study in this years' budget to learn how many people will need these services and how much it will cost. We also need your legislators to support AB 1434 and the \$1 billion to bring those on SSI/SSP to poverty levels after Schwarzenegger cuts in 2008 that have not been restored, and reinstate the annual COLA. **CALL 1-833-403-6034**
2. Once you have called or emailed your own legislators, then we need you to call the Chairs of the Senate and Assembly Budget Committee and urge them to make these asks part of their BUDGET PRIORITIES:
Senate Budget Chair: Senator Holly Mitchell – **916-651-4030**
Assembly Budget Chair: Assemblyman Phil Ting – **916-319-2019**
3. Call Governor Newsom and urge him to add these budget requests to the 2019-2020 budget. He did not include them in his original budget proposal, but it is not too late to do the right thing. Gov. Brown put billions of dollars in a "Rainy Day Fund" and it is time to use some of that money for those who need it the most – and to deal with the rapidly increasing number of Californians in need of long term supports and services. **Call Governor Newsom at 916-445-2841**

Some of the other bills that CARA is working on are moving through the legislature. Here's a quick synopsis of our priority bills and where they stand as of June 3, 2019:

AB 36	Bloom	2-year Bill, resuming in January, 2020.	Reform Costa-Hawkins	Modifies Costa-Hawkins law, allowing jurisdictions to apply rent control to (1) more recently-built apartments, and (2) single-family rentals and condominiums where the landlord has more than 10 units.
SB 329	Mitchell	Passed Senate, awaiting assignment to an Assembly Policy Committee	Housing non-discrimination based on income source	Prevents landlords from refusing to rent to tenants who would pay with Section 8 or other housing vouchers, if they would otherwise qualify.
AB 1481	Bonta	Ready for vote by Assembly – CALL YOUR ASSEMBLYMEMBER TODAY!!!	Statewide Just Cause Eviction	Enumerates a state-wide list of reasons property owners must provide to evict tenants, either For-Cause (non-payment of rent, illegal activity, etc) or No-Fault Cause (owner-move-in etc). Discriminatory, arbitrary, or retaliatory evictions outlawed. Tenant evicted with No-Fault Cause must be compensated for relocation costs.
SB 338	Hueso	In Assembly Aging and Long-Term Care Committee, Hearing Tuesday, June 11, 3 PM, in Rm 127	Elder Abuse Prevention	A CARA-sponsored bill. Strengthens law enforcement response to abuse of elders or adults with disabilities, with training and detailed policy manuals, based on a model San Diego County Elder and Dependent Adult Abuse Blueprint.
SB 512	Pan/Kalra	Passed Senate, in Assembly Aging and Long-Term Care Committee, Hearing Tuesday, June 11, 3 PM, in Rm 127. Make your calls to Budget committee and governor too (see previous article).	Long-Term Support Services	Lays the groundwork to establish subsidies to help middle-income seniors and people with disabilities, who do not qualify for Medi-CAL or IHSS, buy long-term support services, including home care. It establishes a Trust Fund, a Benefits Board, and an Advisory Committee for this program. A companion effort makes \$1 million Budget Request for a study of the benefits and cost of such a program.
AB 1434	Kalra	In Submission in Assembly Appropriations Committee. Budget request was not in Governor's May Revised budget – but looks like they are considering reinstating COLA – not full grant. Make your calls to Budget committee and governor too (see previous article).	Increasing SSI/SSP grants and COLA	Reinstates the SSI/SSP COLA in 2020, bring monthly payments to 100% 2019 poverty level. An incremental step toward full restoration of recession-era cuts to the SSI/SSP program, which awards monthly grants to seniors and other disabled adults who get no or minimal Social Security benefits.

Beware Trump's Sneak Attack on Social Security

by Nancy Altman, Social Security Works

Donald Trump's recent budget proposal included billions of dollars in Social Security cuts. The proposed cuts were a huge betrayal of his campaign promise to protect our Social Security system. Fortunately for Social Security's current and future beneficiaries, he has little chance of getting these cuts past the House of Representatives, which is controlled by Democrats. So Trump and his budget director/chief of staff Mick Mulvaney, who has long been hostile to Social Security, are trying another tactic to cut our earned benefits. They are pursuing a long game to reach their goal.

Last week, the Trump administration revealed that it is planning to employ the so-called chained Consumer Price Index (CPI) in a way that does not need congressional approval. "Chained CPI" might sound technical and boring, but anyone who has closely followed the Social Security debate knows better. It has long been proposed as a deceptive, hard-to-understand way to cut our earned Social Security benefits.

Trump plans to switch to the chained CPI to index the federal definition of poverty. If he succeeds, the impact will be that over time, fewer people will meet the government's definition of poverty—even though in reality, they will not be any less poor. The definition is crucial to qualify for a variety of federal benefits, including Medicaid, as well as food and housing assistance. The announcement was written blandly about considering a variety of different measures, but anyone who knows the issue well can easily read the writing on the wall.

So, what does this have to do with Social Security? Like the poverty level, Social Security's modest benefits are automatically adjusted to keep pace with inflation. If not adjusted, those benefits will erode, slowly but inexorably losing their purchasing power over time. These annual adjustments are already too low, but they are better than no adjustment at all. The chained CPI would make these adjustments even less adequate.

Proponents of the chained CPI say that it is better at measuring "substitution," but don't be fooled. The current inadequate measure already takes into account substitution of similar items. This is the idea that if the price of beef goes up, you can substitute chicken. In contrast, the chained CPI involves what are called substitutions across categories. If your planned vacation abroad goes up, you can stay home and buy a flat screen television and concert tickets instead.

Of course, neither form of substitution is much help to seniors and people with disabilities whose health care costs are skyrocketing. There's no substitution for hospital stays and doctor visits. Those who propose the chained CPI are apparently fine with letting seniors who can't afford even chicken substitute cat food.

The idea of substitution within or across categories makes no sense for people with no discretionary income. If all of your money goes for medicine, food and rent, how does substitution make sense? If you are so poor that your children go to bed hungry, how do you substitute?

Back in 2012, President Barack Obama proposed a so-called Grand Bargain to cut Social Security using the chained CPI, in return for Republicans agreeing to increase taxes on the wealthy. The goal of this Grand Bargain was ostensibly to reduce the deficit, despite the fact that Social Security does not add a single penny to the deficit.

Grassroots activists around the country fought back, and Obama ultimately realized his error. He removed the chained CPI from his budget proposals and endorsed expanding, rather than cutting, Social Security's modest benefits. Yet Republicans have still continued to push Social Security cuts, including the chained CPI. Back in December 2017, they passed a massive tax cut for corporations and the super-wealthy. Afterwards, they used the predictable deficits their tax cuts caused as an excuse to call for cutting Social Security. Senate Majority Leader Mitch McConnell and other Republicans made well-publicized statements about the so-called "need" to cut Social Security. What was much more secret was a provision in the tax bill which replaced the measure used to index the tax brackets with the chained CPI.

Now, Trump wants to apply the chained CPI to the calculation of poverty rates. This will directly hurt many seniors and people with disabilities by making it more difficult to qualify for Medicaid and other programs many of them rely on, including food and housing assistance. It is also a long-term threat to Social Security itself. The strategy is clear: Trump and his Republican supporters in Congress plan to apply chained CPI everywhere else, and then say that it is only common sense and indeed fair that we apply it to Social Security as well. We should be consistent, right? Trump thinks that he can get away with executing this long-game attack on Social Security quietly, while the media and public are focused on his tweets, name calling, and scandals. But we must not be distracted. If we do not stop this attack in its tracks, our earned benefits will be next.

If you want to forestall another fight over cutting Social Security through the chained CPI, call your members of Congress, write to your local paper, and tell your friends: No chained CPI! No chained CPI for our earned benefits! No chained CPI for the most vulnerable among us!

Call your Congressman at the Capitol Switchboard: 1-844-872-0234

Register for CARA's 16th Annual Convention
Oct. 22nd and 23rd in Sacramento



You don't want to miss this event. Space is limited. [Register today- click here!](#)

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