



## **AT&T Ameritech /SBC Retirees – We are AASBCR®**

*Proudly working on behalf of the Bell System and successor companies of the New AT&T, located throughout the World*

### **Legislative Ledger**

**January 9, 2012**

#### **GET INVOLVED CONTACT YOUR CONGRESSMAN**

If you hadn't noticed, companies, including AT&T, have slowly but surely been shifting retiree plan costs to retirees and/or the government. And, given what is not happening in Congress (protection of pension and healthcare benefits), it is likely to continue to get worse. In fact, it has. Just recently, the government indicated that the Retiree Healthcare Reinsurance Fund was out of money to support employer sponsored drug coverage. As a result, it was expected that companies would attempt to shift those prescription drug costs (promised retiree benefits) to either the retiree or the government, or both. In fact, some companies have already put some retirees on notice that they will be pushed to a Medicare D prescription plan. Likewise, we've seen many companies say that they can no longer afford to fund traditional pensions and have terminated the plans and have pushed the responsibility and liability onto the underfunded PBGC, a government funded entity.

In many cases, pensions taken over by the PBGC result in substantially less income for retirees because, according to the Ellen Shultz book, Retirement Heist, companies have either purposely underfunded plans or misused the plan assets for other than stated purposes - all allowable under current pension laws. Many companies are just one poor decision away from failure, be it failed mergers or other bad business choices causing funds to be shifted away from retiree promised benefits.

You can help change this in the future and minimize our risks as retirees. How? You can contact your Representative and Senators in Congress and ask them to support the NRLN Legislative Agenda. That agenda proposes changes in the retiree healthcare and pension laws that require companies to do the right thing and meet improved guidelines. Specifically, one item in the agenda proposes a retiree healthcare maintenance of cost payment proposal for retirees. It requires companies **who can afford it** to provide retirees with the amount of healthcare funding that they received when they retired when and if they eliminate the healthcare benefit. The agenda also proposes changes to the PBGC and bankruptcy rules making pensions safer should a company go into bankruptcy or be purchased by a foreign entity.



## **AT&T Ameritech /SBC Retirees – We are AASBCR®**

*Proudly working on behalf of the Bell System and successor companies of the New AT&T, located throughout the World*

But, Congress has to act. And, they will act, just as Verizon acted when their customers took action after it proposed a \$2.00 fee for paying a bill on line. Congress will act if retirees tell their Representative and Senators that they have had enough of their doing nothing on Capitol Hill. Congress will act if retirees are mobilized and respond to being **charged** more for their earned benefits and getting less in return. Congress will act when Representative and senators realize that by doing nothing, they are creating more of a government deficit as companies take advantage of poorly constructed laws on the books today. Profitable companies are being allowed to push retirees onto government provided Medicare D and the government's liability for PBGC funding is increasing to make up pension shortfalls as some companies continue to underfund their plans and go bankrupt (e.g. AMR? KODAK?)

Some members of AASBCR® will be attending the upcoming NRLN meeting in Washington between January 30 and February 1, 2012. AASBCR® requests that you take the action of either writing or calling your Representative/Senators in Congress to tell them you are unhappy with the way companies are shortchanging the government and retirees. Tell your Representative/Senators that you want to send them a copy of the NRLN Agenda (proposals) and supporting White Papers. Go to the AASBCR® website at <http://www.aasbcr.org/> Click on the NRLN link and follow the prompts at the bottom of the page to send an email. Let AASBCR® know which Representative/Senator you wrote to or spoke with, their e-mail address or telephone number and that they want a copy of the NRLN Agenda. AASBCR® will take care of the rest.

Again, only you as the **voter** can make Congress take action with your voice and your vote. This year will be pivotal for retirees. Congress will be looking to cut the budget. Let's tell them "not on the backs of retirees!" Do it now, before there are no retiree benefits left to fight for.

