



Leadership Council
of Aging Organizations

Katie Smith Sloan, Chair

June 8, 2016

Dear Representative:

The Leadership Council of Aging Organizations (LCAO) is a coalition of 72 national nonprofit organizations concerned with the well-being of America's older population and committed to representing their interests in the policy-making arena. We write to express our disapproval of the provisions in H.R. 5278 that fail to protect fully the pensions of Puerto Rico's public employees and retirees in debt negotiations.

Like other United States citizens who have retired after a lifetime of work, Puerto Rico's public retirees rely on their pension benefits for economic security. Puerto Rico's public employees pay a portion of each paycheck into their retirement system. Most workers contribute 10% of their pay into the retirement system, and at the end of a full career, they receive a modest \$1,059 average monthly benefit. For many, their monthly pension is what stands between them and poverty.

We are deeply concerned that individual retirees could see their pensions cut. Furthermore, workers in Puerto Rico have already made numerous sacrifices, which must be taken into consideration. In fact, pension benefits have already been reduced and contributions have gone up, all without promised funding from the employer. Forcing further reductions at this time means slowing-down the local economy when expansion is badly needed.

Equally egregious is that retirees' pensions could be used to pay off the debt Puerto Rico owes its creditors. Puerto Rico's debt should not be paid on the backs of its public retirees. Furthermore, we are extremely troubled that Congress would permit any government to renege on its obligation to pensioners by allowing pension cuts.

Congress should be working to ensure adequate pensions for all workers – public and private – not reducing them. We urge you to ensure that Puerto Rico's public employees and retirees can count on their full pensions.

Sincerely,

AFL-CIO
ALTARUM Institute - Center for Elder Care and Advanced Illness
American Federation of Government Employees (AFGE)

AFSCME Retirees
American Federation of Teachers Program on Retirement and Retirees (AFT)
American Postal Workers Union (APWU)
Alliance for Retired Americans
Asociacion Nacional Pro Personas Mayores (ANPPM)/ National Association for Hispanic Elderly
B'nai B'rith International
Caring Across Generations
Center for Medicare Advocacy, Inc. (CMA)
Community Catalyst
International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW)
Justice in Aging
Medicare Rights Center
National Active and Retired Federal Employees (NARFE)
National Association of Area Agencies on Aging (n4a)
National Association of Social Workers (NASW)
National Caucus and Center on Black Aging, Inc. (NCBA)
National Center for Creative Aging
National Committee to Preserve Social Security and Medicare (NCPSSM)
National Council on Aging (NCOA)
National Hispanic Council on Aging (NHCOA)
OWL, The Voice of Women 40+
Pension Rights Center
Service Employees International Union (SEIU)
Senior Service America, Inc.
Social Security Works
The National Consumer Voice for Quality Long-Term Care
Women's Institute for a Secure Retirement (WISER)