

AFSCME Retirees Subchapter 161 November 2019 Members' Meeting
(So this won't take too long, I put in **boldface** what I will read here)

The January 15 meeting was called to order at 11:30 a.m. Pat presided over the meeting. We recited the Pledge of Allegiance. All officers were present and accounted for, except for Charlie, who was excused.

Pat introduced Ralph Martire, who spoke on the FAIR tax.

Ralph said, "I'm the Executive Director of the Office of Tax and Budget Accountability. We're a bipartisan organization. Since 2000, we've worked for a graduated tax structure in Illinois. We've had underfunded pensions, high property taxes. The graph shows the structural deficit, the difference between revenues and expenses. \$40 billion in revenues is projected for the year. It's divided into hard costs and discretionary expenses. \$13 billion is spent; nobody votes on that. That's the maximum possible expenditure. 97% of every dollar goes to education, social services, public safety and healthcare. Less than three percent of the budget goes to other things. (People say to cut waste, fraud and abuse; it's a small part of the budget. Using it to stop tax reform is counterproductive.) First we have to pay the accumulated deficit from last year. (The deficit is unpaid bills.) 28% of education, social services, public safety and healthcare is deficit spending.

"If you want to cut deficits, you cut services, right? Let's see where we are. In 2009, 27.5% was spent on services (education, social services, safety and healthcare is deficit spending.) There was a raise in K-12 spending, which was required. There was an 81% raise in early childhood education, and less went to higher education. Blagojevich cut higher education in 2013. Spending isn't the driving cause of deficits; revenue is the problem.

"When the state has a structural deficit, there are a couple of options: Raise taxes, or push down to the local level what the state pays for now. Nationally, 47% of public education costs are paid by

property tax. In Illinois, 67% of public education costs are paid by property tax. This means two things:

“One, students in wealthy communities get a good education; students in poor communities don’t. Two, It’s a lousy way to tax people.

“No tax cares about your ability to pay but the income tax. With sales tax, the same amount is charged for a tube of toothpaste to someone who’s poor and someone with a billion dollars. The income tax is the only one that can be used for income fairness in the tax system. The FAIR tax will push the property tax down.

“What has grown in Illinois? Pension payments, really debt service payments, have grown. Paying back what was borrowed, IOUs written to the pension system, is driving the deficit. Every year you wait, it gets more expensive. With a structural deficit, you have to raise taxes. When you have to raise taxes, you have to raise from people and areas of wealth to give to people and areas of need.

“Income Inequality in America:

“From 1947 to 1979, 34% of income went to the wealthy and 66% to others; from 1979 to 2015, 108% of [growth of] income went to the wealthy, and over 90% earned less. You need a tax that can respond to how income growth is distributed, the income tax. The wealthiest 10% have over ½ of America’s wealth.

“With our current regressive income tax, we focus the tax on low and middle income and don’t charge as much to the upper income.

The bottom 90% are earning less they used to earn in 1979.

“Proposals:

1. The constitutional amendment which would permit the graduated income tax (the FAIR tax) which would have a lower rate on the first \$10,000 of income, and a lower rate, again, on the first \$90,000 of income.
2. If you are single, and you have \$750,000 in income, your tax rate goes up.

97% would pay less, although it would not be a large tax cut, but it raises \$36 billion in revenue. The top tax rate is 7.99%.

Illinois FAIR tax rate is comparable to other states. Tax increases won't kill the economy. Kansas cut taxes for the rich; they took in lower revenue, and the tax cuts were taken back. Minnesota raised taxes on the wealthy; it helped the economy.

"No one enjoys paying taxes; I don't enjoy paying my mortgage; but I like sleeping indoors.

"Raising taxes on the wealthy won't destroy the economy.

"Forty-one states have income taxes; nine states don't; but they have resources. The nine states with the highest taxes outperform the nine no-tax states.

Jesse asked how the student body in Illinois will change.

Ralph said it has stayed constant in most of Illinois, but is down in Chicago. Costs of education are going up. We need to raise taxes.

Mary commented that rich corporations aren't creating jobs; they're buying back stocks.

Ralph added that businesses will hire if there is more demand for their products.

Len said, "The lottery was sold as supporting education."

Ralph replied that it always has, that almost every dollar goes to education. He also said that no one will tax retirement income. He also said, "There is no statistically meaningful correlation between the tax rate and migration."

MacArthur asked, "What is the correlation between union decline, privatization and taxation [tax cuts]."

Ralph answered, "They've happened at the same time."

Marlene asked what the wording on the ballot for the FAIR tax was.

Ralph said the language in the constitution is simple.

Walt said that the IPI [Illinois Policy Institute] puts out propaganda.

Shannon said that the property tax is a bigger burden to retirees than income tax and asked how the FAIR tax will impact property taxes.

Ralph said that over time, it will.

We broke for lunch at 12:45, and resumed at 1:15.

Pat circulated the sign-up sheet for the Legislative Convention in Springfield, January 31 and February 1. Jesse said that if transportation is by train, train fare and cab fare to and from Union Station or, if you drive, we'll pay. We'll also provide \$35 per person per diem. Two to a room.

Tony read the December 2019 minutes. The minutes were applauded. Pat thanked Tony.

Jesse gave the treasurer's report. He said, "The beginning balance for January 1 was \$31,860.71. Four checks were paid out for a total of \$645.49. Subchapter 161 received a rebate of \$707.52 from Council 31. The ending balance was \$31,922.64."

There was applause, and Pat thanked Jesse.

Pat said that we would now address new business. There would be four speakers, and they should limit their speech to five minutes.

Diane spoke about topics of future meetings. She said that at the next meeting, there will be a workshop on cellphones. The next topic will be about speaking on the FAIR tax, with a talk about whether our pensions are really breaking the budget. We will hold off on a discussion about voter suppression until later.

Dave said that when we suggest we go to an event, we should have a good sense of how we present a proposal, when and where it is, what we'll do there and when we come back, tell what we did and what response we got. He also brought up wearing a scarf to identify ourselves. He'd seen a yellow paisley scarf without "161" on it for \$1.44 a piece, \$45.00 for 30.

John said, "One of our primary purposes is to identify us a Retirees 161."

Ron said, "I'll look into how much it'll cost to add 'retirees.'" The discussion was tabled.

Mary said, "I've been a member of the Jane Addams Senior Caucus; we put together yearly objectives. A high priority is campaigning for the FAIR tax. I'll attend board meetings and find out when the next meeting will occur, and let John Metz know [so he can post it on the website.]"

John said, "I'm passing out material on Indivisible Evanston with dates and times."

There was a discussion on table arrangements.

Pat said, "The next meeting will be February 19."

A motion was passed that up to \$1500 be approved for the trip to Springfield.

Dave made a motion that we should reach out to other locals, and talk about the FAIR tax. The motion carried.

There was a discussion about what our time of arrival and the time we should call the meeting to order should be. Pat recommended we arrive at 11:00 and call the meeting to order at 11:30. There were no objections.

Diane passed out a flyer on working for the census, and said the Alliance for Community Service would hold a town hall meeting February 11 at a city college on Western Avenue.

Chaya said that the Women's March would be Saturday, January 18. Clean Count Cook County says to vote on Election Day, March 17 and to ask for a paper ballot. The state Senate has SB 1853 for vote by mail. We don't want it. People are needed for audits.

Pat asked for a report on Charlie's health.

Mary said, "Charlie's with his car and a mechanic."

Dave said, "Charlie was at the communications committee meeting."

Mary added, "Charlie is going to cardiac rehab three times a week."

Ron said, “March 3, there will be a coalition lobby for lower cost prescription drugs in Springfield. Marie asked for the results of the September election. Charlie Hogan was elected president, Mary Bennet, vice-president, Jesse Wilson, secretary-treasurer, Tony Zappia, recording secretary, MacArthur Diggs, Ron Smolin, and John Metz, Executive board, and Dave Rolston, Nancy Kullpi, and Walt Esler, Trustees. Marie said that each member who is still listed in a Chicago subchapter must email Marie themselves. Her email address is mbritton-sipe@afscme31.org.”

Pat asked that everyone bring their smartphones to the next meeting and have the phones charged so that everyone can be trained in using them.

John announced that the next communications committee meeting will be Wednesday January 22, at the Austin-Irving Park library at 6100 W. Irving Park Rd.

Chaya gave kudos to Mary for getting on the Thom Hartman radio show to speak on why we need single payer [healthcare.]

Jesse asked, “Does anybody have legal experience? Sean Hannity threatened to give out the telephone numbers of senators who called for witnesses at the impeachment hearing. Is that witness tampering?”

**MacArthur said, “Our pre-apprenticeship program got a grant.”
The meeting was adjourned at 2:33 p.m.**