



Matters

MASSACHUSETTS RETIREES UNITED
314 MAIN STREET, UNIT 105, WILMINGTON MA 01887

AMERICA FOR ME

This article is dedicated to all who served and are presently serving in the Armed Forces.

But the glory of the Present is to make the Future free,
We love our land for what she is and what she is to be.
Oh, it's home again, home again, America for me!
I want a ship that's westward bound to plough the rolling sea,
To the blessed Land of Room Enough beyond the ocean

In the famous poem by Henry Van Dyke, "**America For Me**," the poet captures the longing of a soldier for home.

Victor Lister of Athens, Maine, is the oldest living World War II Veteran in the MA Teachers' Retirement system. As a member of the First Division of the Army he served in North Africa, Sicily and Europe. Fortunately for him he was able to board "a ship westward bound," but it wasn't to the land of "Room Enough." It was to Omaha Beach on an **LCVP** from which he tirelessly swam just to stay alive after it hit a mine

Victor voluntarily joined the Army in June 1940 just before the Draft, which was initiated in September 1940, the same time Basic Training began. Victor's training, however, was on the job, as it was a continuous preparation by his Outfit. To this very day he is a Big Fan of the military. "Thank God for the Army," were his exact words to me. Not only did they build character, but they prepared him for his next career as a Teacher.

At age 30 with the backing of the GI Bill, Victor entered Boston University where he earned a Bachelor of Arts Degree. A life-long learner, Victor mastered his subject and achieved a MA in History from Northeastern University as well as an MA and CAS from Harvard University. He excelled in every prestigious Institution of learning ending at Boston College where he took many courses some of which helped him navigate the winding road of Collective Bargaining.

Victor put all this knowledge to work as a **TEACHER**, and his career spanned a course of 27 years starting in Stockholm, ME with a salary of \$2,400 per year. As a classroom teacher, a Curriculum Coordinator in North Attleboro, MA, Department Head in Manchester, NH, and an administrator in both Massachusetts and New Hampshire, Victor led education into the 21st Century. In 1972 his students in Manchester richly rewarded him by dedicating their Year Book to him.

The dedication quotes Socrates, "*only he is wise who knows that he does not know.*" "*Although this quote best describes Mr. Lister's opinion of himself, to us, his students, his knowledge is limitless. For he teaches us to question the written, to dream the impossible, but most important, to believe in ourselves.*"



While reviewing his past, Victor also looked to the future. When asked what advice he would give to young people choosing a teaching career today, he quipped, "Be sure not to be eaten alive by the kids." On merit pay he fears that the system can be corrupting and one can be punished if he/she veers from the beaten path. "It is difficult to tell who is the best and who is the worst." "Is the best the quietest and the worst the noisiest?"

As president of the Leominster Teachers' Union, Victor negotiated their first contract. Many a teacher since his tenure thanks him for paving the way toward a fair and equitable contract achieved through Collective Bargaining.

We thank you, Victor, for your Army service to our country and your service to our beloved profession **TEACHING !**

So, it's home again, home again!

LEGISLATIVE REPORT

Here is the list of State House and Senate Bills that have been re-filed in this current session by our request or are friendly to retired teachers and public employees:

SENATE:

S1298 filed by Susan Fargo

An Act relative to granting maternity benefits for teachers retired prior to September 2000.

S1291 filed by Ken Donnelly

An Act relative to Medicare Part B Premium Reimbursement for certain public retirees under the GIC.

S1362 filed by Mike Rodrigues

An Act relative to the increase by \$15,000 of the amount retirees can earn in public service work after retirement.

HOUSE:

H01595 filed by Paul Donato

An Act relative to granting creditable service to Veterans who retired prior to April 1996.

H00701 filed by Jay Kaufman

Cost of Living Adjustment (COLA) Bill heard on May 3, 2011. Call your Representatives and Senators and ask them to urge the members of the Public Service Committee to favorably vote this bill out of committee.

H00166 filed by Todd Smola

An Act preserving retired teachers' certification so they would not need to recertify to work in education after retirement. Bill will be heard on Tuesday, June 21, 2011 in Room A-2 (State House) at 10 a.m. by the Joint Committee on Education.

H00711 filed by David Nangle

An Act relative to retirement security.

(see ***Time to Take Action*** article)

H00689 filed by James Dwyer

An Act relative to certain Option B and Option C retirees

H00676 filed by William Brownsberger

An Act relative to certain Option B and Option C retirees

H02955 filed by Tom Golden

An Act relative to certain Option B and Option C retirees

The last three bills will make the Option B Penalty and the Option C Penalty uniform for all, changing to the one implemented in July 2004. (see ***Time to Take Action*** article)

Factcheck.org

Gets a Social Security Fact Wrong

From the Alliance for Retired Americans

A recent article published by Factcheck.org incorrectly reported that Social Security will face a \$45 billion deficit this year. Additionally, the article reported that the program is "in the red." This, however, is simply not true. According to the Congressional Budget Office, the program will bring in \$45 billion less in payroll taxes than it did last year. The Social Security Trust Fund, however, which currently contains \$2.6 trillion, will earn \$118 billion in interest this year. Therefore, overall, Social Security will not be running a deficit in 2011. The program will pay 100 percent of expected benefits this year and every year until 2037, without contributing to the national debt. "We hope that seniors will remain skeptical of people who try to convince them that Social Security is not financially solvent," said Ruben Burks, Secretary-Treasurer of the Alliance. "The program is financially solvent and will remain that way well into the future."

Update on the Repeal of the WEP/GPO

On April 1, 2011 Congressman Howard Buck McKeon (R-CA) filed **H.R.1332**, the ***Social Security Fairness Act of 2011***, the bill to repeal the Government Pension Offset and the Windfall Elimination Provision. At this writing there are 78 Congressmen who have signed on to this repeal. Massachusetts' Congressmen Neal, McGovern, Markey and Capuano have not signed on to this bill, but a few phone calls should get them aboard,

Presently, we are working with a retirement group based in California, and with the National Active Retired Federal Employees (NARFE) to get the Senate version filed soon.

Visit the Massachusetts Retirees United website at <http://www.retireesunited.org/> to see who is supporting this action. Click on ***Federal Legislation***, scroll down to ***How Can You Help*** and click on ***Tally***. See the report of the Congressmen and it will give you the updated number and people who have signed on to this bill. Those who reside out-of-state can see their Congressman's position. <http://www.contactingthecongress.org>.

Call, write, email your Congressman and ask that they sign on to co-sponsor **H.R.1332**. It is that simple. If you do not use email you can also find your Congressman's phone number listed in your phone book under **Government Agencies**.

TIME TO TAKE ACTION
CALL YOUR STATE REPRESENTATIVE OR SENATOR
NOW!

These are the bills we are filing for you! This information also appeared in the last issue of the MRU but now we have the specific bill numbers.

(1) Did you retire before January 1990? We have a bill that would allow those retired prior to that time to take the number of years they worked and multiply it by the number of years retired multiplied by two and add this amount to their pension. So if you worked 30 years and are retired 35 years then $30 \times 35 = \$1050 \times 2 = \2100 . Your yearly pension amount would be increased by \$2100. Your pension has been decreased because there were six years in the 1990's when you did not receive a COLA. Also there were five creditable service bills passed that you could not use.

HO0711 will have a hearing in Rm B-1 at the State House on Tuesday May 17, 2011 from 1P.M. to 4 P.M. All are welcome to attend. Call your Rep. and Senator and ask them to call the Members of Public Service to favorably vote this bill out of Committee.

(2) If you are classified as a veteran and retired prior to April 1996, you would have the opportunity of adding up to four years to the creditable service you had at the time you retired. Depending on your age at retirement this could mean increasing your pension by one to ten percent, as long as your final percentage is not over 80%. To serve one's country is not only a patriotic act but also a financial sacrifice. Those retired prior to 1996 continue to pay for that service throughout their retirement as they were and continue to be forgotten.

H01595, filed by Rep Donato, has not yet been assigned a hearing date. You will be notified via email if it occurs prior to our next newsletter

(3) If you had a child prior to January 1975 and retired prior to September 2000, you would have the opportunity of adding up to four years to the creditable service you had at the time you retired. Depending on your age at retirement this could mean increasing your pension by one to ten percent, as long as your final percentage is not over 80.

S1298, filed by Senator Susan Fargo, has not yet been assigned a hearing date. You will be notified via email if it occurs prior to our next newsletter.

(4) Did you retire prior to July 2004 and take an Option B or an Option C, or are you the beneficiary of someone who took an Option C? You are paying double or triple the penalty that those who retired after

that date are paying. Here is an example to show how unfair this is:

Example:

PENSION AFTER JULY 2004

The teacher is 60 years of age at retirement and the beneficiary (for Option C purpose only) is 52 years of age.

Option A - \$40,000

Option B - \$39,600

Option C - \$35,452

Beneficiary - \$23,635

PENSION PRIOR TO JULY 2004

The same teacher and beneficiary

Option A - \$40,000

Option B - \$38,800 - \$800 less yearly - \$66 less monthly

Option C - \$30,164 - \$5,288 less yearly - \$440 less monthly

Beneficiary - \$20,109 - \$3,526 less yearly - \$294 less monthly

H02955, filed by Rep. Tom Golden, has not yet been assigned a hearing date. You will be notified via email if it occurs prior to our next newsletter.

We need your help to get these bills to the Governor's desk. This is the first step - informing you. The second step is to make you aware when public hearings occur and ask you to request that your Rep and Senator help us get these bills favorably voted out of Public Service, otherwise the bill dies there. The State House switchboard is 617-722-2000 and the email addresses are at <http://www.malegislature.gov/>

DON'T WAIT-ACT NOW!

In Memory

The Leadership and Membership of MRU offer condolences to the family, friends and former colleagues of six of our members who died.

Paul Higgins - Salem Public Schools

Harold Xavier - Rockport Public Schools

Dorothea Connolly - Chelmsford Public Schools

David Francheschi - Medford Public Schools

Marjorie L. Wilkinson - Salem Public Schools

Barbara Hubbard - Wareham Public Schools

COST OF LIVING ADJUSTMENT

ANOTHER BILL THAT WILL HELP RETIREES

H00701 would increase the COLA Base to \$16,000 in 2012 and then every four years would continue to raise the COLA Base on a percentage of what the maximum Social Security allowance is at the time.

In addition, the Public Service Committee recommended that COLAs be based on the Consumer Price Index changes as determined by the Social Security Administration or 3%, whichever is greater. This is a very good clause. This bill was filed by Rep. Jay Kaufman.

The Maximum Social Security for **2011** is \$28,392. This figure can be used to determine the following COLA bases. Obviously, Social Security will increase and so will the COLA base in the year specified.

In **2012** the bill will raise the COLA Base to \$16,000 immediately.

In **2016** the first - four year cycle Cola Base would be 65% of the Maximum Social Security Benefit or \$18,450.

In **2020** the second - four year cycle Cola Base would be 75% of the Maximum Social Security Benefit or \$21,290.

In **2024** the third - four year cycle Cola Base would be 85% of the Maximum Social Security Benefit or \$24,133.

In **2028** the last four year cycle Cola Base would be 95% of the Maximum Social Security Benefit or \$26,972

In **2032** at the end of this last cycle the Cola Base would be 100% of Maximum Social Security Benefit or \$28,392 and would increase in future cycles based on the maximum Social Security benefit of the time.

Social Security

If you were born before 1938 you reach your full retirement age (FRA) under Social Security at age 65. If you were born before 1939 you reach your FRA at 65 and 4 months; 1940 at 65 and 6 months; 1941 at 65 and 8 months; 1942 at 65 and 10 months; 1943-1954 at age 66; 1955 at 66 and 2 months; 1956 at 66 and 4 months; 1957 at 66 and 6 months; 1958 at 66 and 8 months; 1959 at 66 and 10 months 1960 and after age 67. Regardless the year you were born all are eligible for Medicare at 65. Also, you may begin collecting Social Security the month you turn 62

What is the best age for you to begin collecting Social Security? Forty percent of retirees choose to begin benefits at age 62. Your check will be 25% less than

it would be had you waited your full retirement age. Another factor to consider is whether you intend to continue working under a Social Security job after age 62.

If you intend to keep working you are limited by the amount you can earn while collecting. If you are under FRA throughout 2011, you can earn \$14,160. If your earnings exceed this, then \$1 of benefits is withheld from Social Security for every \$2 you earn above \$14,160.

If you reach your FRA in 2011, you can earn \$37,680 in the period before the month in which you attain your FRA with no reduction in benefits. If you exceed this amount in the months before then \$1 will be withheld for every \$3 you earn above \$37,680. Once you reach your FRA you may make unlimited earnings without penalty.

This is something you should consider before opting for the younger age to start collecting benefits. If you continue working after you start collecting then your Social Security will be readjusted on a yearly basis but remain at the reduced amount if you started collecting before your FRA. If you do not see this adjustment reflected in your Social Security check, contact Social Security and this will jog their memory to make the adjustment.

This past December there was a change made. Social Security shut down the "borrow now re-pay later" scheme some advocated. This involved applying for Social Security benefits as soon as possible, investing the proceeds and then re-paying all of the money you received. This enabled you to re-file and claim a higher benefit at, say, age 66 or 70. The goal was to essentially use the interest-free "loan" you got from the government to reap a tidy profit in the financial markets. The new rule gives you just 12 months to change your mind once you pull the trigger to start benefits. And it's limited to one time per person.

In a future edition of our newsletter, "Matters," we will discuss the penalty associated with Social Security for those who are collecting a pension in a non-contributory state such as Massachusetts.

The following people contributed articles
for this Newsletter:

Jim Lucia, Marie Ardito, Patricia Delaney, and
Victor Lister.

Declaration of Homestead

New laws just went into effect regarding the **Declaration of Homestead** for Massachusetts home owners. Beginning on March 16, 2011, if you live in Massachusetts you now have \$125,000 worth of protection on your property if there is that much equity in your home, without having to do anything.

If you file the Homestead Declaration with the Registry of Deeds you will have up to \$500,000 protection if under 62 years of age. There is a million dollars in protection if each party on the deed is over 62 years of age. Money owed to the Dept. of Revenue, IRS, alimony and child support payments, as well as nursing home costs are still not covered.

Now Massachusetts allows trustees to sign and record the Declaration of Homestead. Previously you were denied the right to put this on your home because it was in a Trust. This is changed. The trustee is the one who must file and you will probably be required to send a copy of your trust to the Registry of Deeds as well. No longer will refinancing prevent you from keeping the Homestead on your property.

Also new are that certain types of debts can prevent the home from being seized or it increases the amount of protection against seizure.

You can still obtain the form on-line by going to the website of the Registry of Deeds where your deed is filed. There are only a few questions for you to answer. You can obtain information about the page and deed number for your property from your last tax bill. Bring the form to your local bank and the notary will witness your signature and certify the form. As of this writing it is still \$35 to register, so enclose the check with the form and mail to the Registry of Deeds where your deed is filed.

If you already have the Homestead on your property prior to March 2011, it stays in place and you do not have to do anything. Prior homestead would allow only one of the owners to sign the form, but now both must sign.

Be aware of the fact that the Homestead Act only protects what happens after it is filed. Debts incurred or liens placed against the property prior to the filing of the Declaration are not covered. This is one reason not to procrastinate about applying for and attaching this protection to your deed.

Members of the Public Service Committee

Below are the members of the Public Service Committee, their State House phone numbers and email addresses. All our bills have been assigned to this Committee. The bills can die there if this Committee

does not favorably vote them out of the Committee after the Public Hearing.

If any of the Reps/Senators below are yours, it is imperative that you educate them on the bills that are important to you, that you let them know they are important, and that you would appreciate their support.

All of us should be calling/emailing our representatives and senators about the importance of all legislation that affects you and others, and we should do this on a monthly basis. One member suggested that each month as you rip off the page in the calendar of the month that just passed, let this be a reminder to call the people on Beacon Hill who are so vital toward the passage of our legislation.

Senator Katherine Clark, Chairperson-617-7221206
Katherine.Clark@masenate.gov

Senator Jennifer Flanagan, Vice Chair-617-722-1130
Jennifer.Flanagan@masenate.gov

Rep. John Scibak, Chairperson-617-722-2215
John.Scibak@mahouse.gov

Rep. Dennis Rose, Vice-Chair-617-722-2060
Dennis.Rosa@mahouse.gov

Senator Thomas Kennedy -617-722-1116
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Senator Richard Moore -617-722-1944
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Senator Daniel Wolf -617-722-1570
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Senator Michael Knapik-617-722-1415
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Rep James Miceli-617-722-2460
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Rep. Thomas Petrolati-617-722-2709
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Rep. Kevin Aguiar -617-722-2339
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Rep. Paul Brodeur -617-722-2400
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Rep. Rhonda Nyman-617-722-2210
Rhonda.Nyman@MAhouse.gov

Rep. Ryan Fattman -617-722-2460
ryan.fattman@mahouse.gov

Rep. Todd Smola -617-722-2240
Todd.Smola@mahouse.gov

How Massachusetts State Pension is treated by Other States

The information for this article was taken from the MA Department of Revenue Website. The DOR compiled the data from various sources and it has been updated to reflect amounts in place for 2010. It is suggested that you verify, before moving, with the state to which you are planning to move. Contact the State Treasurer or the Department of Revenue of that State.

The following states will not tax your pension because they have no personal (state) income tax:

Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Washington and Wyoming.

The following states fully tax-exempt all out-of-state government pensions Hawaii, Illinois, Mississippi, Pennsylvania as long as 59 ½ or older, Alabama tax exempts defined benefit plans which is the type plan Massachusetts has.

Michigan has reciprocity with Massachusetts and therefore our pen-

sions are not taxed in Michigan.

The following states will fully tax your pension: Arizona, California, Connecticut, District of Columbia, Idaho, Indiana, Kansas, Nebraska, North Dakota, Rhode Island, Vermont, and Wisconsin.

Ohio, Oregon, and Utah do not allow any exclusion but pensions can be applied toward a retirement tax credit.

STATE	QUALIFICATION	EXEMPTION
Arkansas	65 or older Non qualifiers receive a \$20 tax credit	\$6,000
Colorado	55-64 65 or older	\$20,000 \$24,000
Delaware	60 or older 61 or older	\$2,000 \$12,500
Georgia	62 or older Beginning in 2012 - those 65 or older	\$35,000 \$65,000
Iowa	55 and older	\$6,000 (single) \$12,000 (married)
Kentucky	If retired prior to January 1, 1998 If retired after January 1, 1998 there is a formula based on service rendered prior to January 1, 1998 compared to full service.	Full Exemption \$41,000 maximum
Louisiana	65 and older	\$6,000
Maine	Exemption is reduced by taxable and non-taxable Social Security	\$6,000
Maryland	65 or older Exemption is reduced by taxable and non-taxable Social Security	\$26,100 maximum
Minnesota		\$9,600 (single) AGI less than \$33,700 \$12,000 (married) AGI less than \$12,000

Missouri		\$6,000 or 65% of retirement benefits to the extent included in federal adjusted income. Deduction amount for married couples with adjusted Missouri gross income of less than \$100,000 or \$85,000 if single.
Montana		\$3,640 – reduced by \$2 for every \$1 if AGI exceeds \$30,320 When income reaches \$32,140 (single) or \$33,960 (married) exemption phased out.
New York	59.5 or older	\$20,000
New Jersey		\$15,000 (single) \$20,000 (married) If NJ gross income is over \$100,000, exemptions are eliminated. Taxpayer may be eligible for a special exclusion up to \$6,000
New Mexico	65 or older	\$8,000 Income must be less than \$28,500 (single); \$51,000 (married)
North Carolina		\$4,000
Oklahoma		\$10,000 (single-AGI \$100,000 or less) (married-AGI is \$200,000 or less)
South Carolina	Under 65 65 or older	\$3,000 \$10,000
Virginia	65 or older 62-64	\$12,000 \$12,000 subject to federal AGI Deduction is reduced by \$1 for every dollar that exceeds \$50,000 (single); \$75,000 (married)
West Virginia	65 or older	\$8,000

Save the Date

Last May at our Annual State Meeting, those in attendance voted to change the month of our Annual State meeting from May to September. It was agreed that the 2011 Annual State Meeting will be held on September 22, 2011 at the Hillview Country Club in North Reading. The July Newsletter will contain more complete information about the venue, choice of menu and the guest speaker.

Like last year we invite any member who wishes to reserve a table (no charge) to display a piece of art, craft, photography or hobby to contact the Editor of the Newsletter or other members of the Board. See information in the box to the right.

All items displayed by members will be for display or sale.

Thank you in advance for saving the date.

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This will be your last edition of the Newsletter if your membership has expired.

Renewal Form Only if membership expired January 2011. (See above your name on the address label)

RENEWAL APPLICATION

Name _____

Address _____

City, State, Zip _____

Phone Number _____ Email _____

Place Check on the line. _____ 1 year _____ 2 years

Please enclose a check for \$20 for one year or \$35 for two years payable to:

Massachusetts Retirees United, PO Box 4015, Chelmsford, MA 01824-0615

PLEASE DO NOT SEND CASH