

# RPEEA

CALIFORNIA'S MAGAZINE FOR RETIRED PUBLIC EMPLOYEES



## ***INSIDE THIS ISSUE...***

*Impact of tariffs on CALSTRS & CALPERS*

*Real ID and how it affects you*

*Warning signs of dementia*

*CalPERS investment staff bonuses out of control*

# Why choose Kaiser Permanente?

Get the high-quality care you deserve. Kaiser Permanente has two Medicare health plan options for CalPERS retirees to choose from: Senior Advantage (HMO) and Summit (HMO).

- Get care from the comfort of home when you schedule a phone appointment with a Kaiser Permanente doctor.<sup>1</sup>
- Choose from great Kaiser Permanente doctors and a wide range of specialists. And all of our available doctors welcome Kaiser Permanente Medicare health plan members.

---

## 2025 benefit highlights



Rides to and from your doctor visits at no cost<sup>2</sup>



A quarterly over-the-counter (OTC) health and wellness benefit



The One Pass<sup>®</sup> fitness program, where you can find a fitness routine that's right for you whether you work out at home or at the gym<sup>3</sup>



To learn more, call us toll-free:  
**1-855-717-9598 (TTY 711)**,  
7 days a week, 7 a.m. to 6 p.m.


1. When appropriate and available. 2. If you have a medical emergency, call 911. 3. One Pass<sup>®</sup> is a registered trademark of Optum, Inc. in the U.S. and other jurisdictions and is a voluntary program. Kaiser Permanente is an HMO plan with a Medicare contract. Enrollment in Kaiser Permanente depends on contract renewal. You must reside in the Kaiser Permanente Medicare health plan service area in which you enroll.



# Table of CONTENTS

## RPEA MAGAZINE

Published 6 times a year by the Retired Public Employees' Association of California

- 
- |    |   |    |  |
|----|---|----|--|
| 01 | President's Message   | 13 | Legislative update:<br>RPEA endorsements for<br>CalPERS board        |
| 02 | 14 voters, 13 states,<br>one message:<br>We need to work together | 14 | Budget shortfall and key<br>adjustments                              |
| 05 | CalPERS subsidizes<br>high-price health plans                     | 15 | RPEA's pet photo contest finalists                                   |
| 07 | CalPERS approves<br>questionable pay & bonuses                    | 20 | What to know about<br>the REAL ID                                    |
| 08 | Ten early warning signs<br>of dementia                            | 21 | News at a glance   |
| 09 | California's big pension funds<br>lost billions                   | 23 | Chapter 031 - Santa Clara County<br>gets schooled in benefit changes |

**Send comments and suggestions to RPEA Headquarters –**  
Dev Berger | Managing Editor | [editor@rpea.com](mailto:editor@rpea.com)

(800) 443-7732 | [www.RPEA.com](http://www.RPEA.com) | [rpeahq@rpea.com](mailto:rpeahq@rpea.com)



**Margaret Brown**  
RPEA State President

**OUR COMMITMENT TO YOU:**

We are dedicated to being lifelong advocates for retirees, providing information that educates, informs, and empowers retirees to improve their lives.

**RPEA BOARD MEMBERS:**

- Margaret Brown - President
- Al Darby - Vice President
- Catherine Jeppson - Secretary Treasurer
- Rosemary Knox - Past President
- JJ Jelincic - Dir. of Health Benefits
- Elena Yuasa - Dir. of Membership
- Tiffany Moran - Dir. of Public Relations
- Randall Cheek - Dir. of Legislation
- Rachel Azimina - Area Director 1
- John Frank - Area Director 2
- Gary Harm - Area Director 3
- Pam Baugher - Area Director 4
- Steven Lacey- Area Director 5
- Nelly Van Lommel- Area Director 6
- Ken Brown - Area Director 7
- Estela Merkosky - Area Director 8

**1 800.443.7732**



# PRESIDENT'S MESSAGE

Dear Members,

As summer sets in and the temperatures rise, I know many of us are thinking about how to stay comfortable without watching our utility bills climb just as high. Living on a fixed income means we are mindful of every dollar, especially when it comes to energy costs.

The good news is there are many simple, affordable ways to beat the heat without overusing your air conditioning. Here are just a few tips our members have shared over the years, and just maybe we have one or two you haven't tried yet:

- **USE FANS WISELY.** A box fan in the window during the early morning or evening can bring in cooler air. Ceiling fans can also make a room feel up to 4 degrees cooler—just remember to turn them off when you leave the room.
- **CLOSE YOUR CURTAINS.** Keeping blinds or curtains shut during the hottest parts of the day can block out heat. Blackout curtains work especially well.
- **UNPLUG THE HEAT-MAKERS.** Electronics and appliances, like ovens, computers, and even some lightbulbs generate heat. Try cooking outside or using a microwave or slow cooker instead of the stove.
- **COOL YOUR BODY, NOT JUST THE ROOM.** A cool cloth on your neck or wrists, lightweight clothing, and staying hydrated can go a long way. Visit public places. Your local library, senior center, or even a mall can offer hours of cool air at no cost to you.
- **CHECK FOR ENERGY ASSISTANCE.** Many utility companies offer discounts or rebate programs for seniors. Call your provider or check its website.

Our health and comfort matter, and there's no shame in asking for help or sharing resources with others. If you have a tip that's worked for you, please send it our way. We would love to hear from you.

Wishing you a safe, cool, and restful summer,

Margaret Brown  
State President



# *14 VOTERS, 13 STATES, ONE MESSAGE: WE NEED TO WORK TOGETHER*

**HARVARD KENNEDY SCHOOL INVITED VOTERS OF ALL POLITICAL LEANINGS FROM ALL OVER AMERICA TO TALK ABOUT WHAT MATTERS TO THEM AND HEAR THEIR HOPES FOR THE COUNTRY.**

**By Susan A, Hughes | May 5, 2025**

The John F. Kennedy Jr. Forum often hosts elected officials from across the country, but last week, it hosted a group even more powerful: the voters who elect those officials. This effort is a part of a new series from the Institute of Politics—Spotlight: Voices Across America—which is gathering people together from across the United States, with differing backgrounds and views, to discuss their experiences, struggles, goals, and hopes.

“It is not uncommon for senators, members of Congress, governors, mayors, and even former presidents to be guests in this space,” said Setti Warren, the IOP’s director. “While those luminaries are important figures to host, what is just as important is to invite the voters that elected them to those offices.”

The IOP was created, in 1966, to honor the legacy of President John F. Kennedy and the new series strives to embody his hope for the country. Warren cited a speech from 1963 where Kennedy said, “We should not be blind to our differences, but to direct attention to our common interests and to the means by which those differences can be resolved.”

For this first discussion, HKS invited 14 voters—Democrats, Independents, and Republicans—to talk about how their individual priorities influenced their voting decisions and whether the political divide the nation faces can ever be bridged.

The JFK Jr. Forum transformed into a theater in the round, placing the guests in a circle at the center of the room with audience members around them. The speakers were identified by first name only and their home state.

Having spent the day in discussions with HKS students, the group was prepared to share their opinions. Diverse in gender, race, and economic status, they represented 13 states: Alabama, California, Indiana, Maryland, Massachusetts, Montana, New Jersey, New York, North Carolina, Rhode Island, South Carolina, Texas, and Wisconsin.

John Della Volpe, the director of polling at the IOP, asked each participant to introduce themselves and describe their best life. For many, there were common themes: being happy, enjoying family, and giving back to their communities. “Having no regrets,” added Alison from Wisconsin. “Traveling,” said Raul from Texas, who spent 21 hours getting from his home in Laredo to Cambridge.

Warren then asked about the challenges they face.

Francesco, one of two voters from Massachusetts, noted rising costs and real estate taxes. "The dollar is not going as far as it did prior to COVID," he said. Everyone in the group agreed. Francesco, a director of an irrigation manufacturing company, whose company had to lay off 11 of their 47 employees in April, is an Independent who leans Republican. "I voted for Trump, but I am going to tell you I regret it," he said. "It's not just because of the tariffs. My family is full of veterans, and while he promised to take care of them, he has cut all these services for them."

Marlon, from Alabama, coaches in his community and has an 11-year-old son who is into sports. "If you haven't priced a baseball bat in recent years, a good bat will probably cost you \$250-\$300 dollars," he said. "It's hard to tell a child no."

Kathy from California shared the worries she has as a senior citizen: "I'm really concerned about Medicare and Medicaid because the most important thing to us at our age is health care."

Mark from Rhode Island said he felt the American dream of owning your own home is at risk, with many, including himself, working "side hustles" to make ends meet. A quick poll of the group indicated half work a second job to bring in extra income.

"I have a daughter who is graduating high school in a few weeks," said Alison from Wisconsin. "She wants to go into physical therapy, but I wonder if she will have a job. And even if she has a job, will she afford rent?"

Khaycee, from New Jersey, shared a concern facing young people. "I'm from the Gen Z generation," he said. "I feel like we're not being heard, and there's not a lot of people like me in government right now." An immigrant to the United States, Khaycee became a citizen two years ago. 2024 was his first election. "I'm proud as a new citizen to put my voice in," he said.

Della Volpe asked if anyone had examples of when the government worked for them. COVID relief

and aid with the California fires were among the answers.

Desi, from South Carolina, mentioned the 2009 Deepwater Horizon oil spill off the coast of Louisiana: "I remember there was a lot of government aid and help for that." Desi, who identifies as an independent, supported Trump in 2024. "Besides that, I can't think of a time I felt they had people's backs."

Robert, from Montana, recalled the 2008 first-time homebuyer's tax credit, referring to the Housing and Economic Recovery Act, signed into law by George W. Bush and enhanced in 2009 by Barack Obama as the American Recovery and Reinvestment Act. "It was one of the reasons we were able to get our first home," he said.

Such political cooperation is missing in today's government, Francesco said. "I feel like there wasn't as much personal bickering between the two parties, and more reaching across the aisles," he said, "especially with John McCain and Harry Reid in office."

Stephanie, from Indiana, agreed and said she felt that the country needs to embrace unity. "I think everyone needs to learn to work together and stop trying to be in it just for yourself," she said. "We need to take everyone into account." Stephanie supported Harris in the last election and felt forced out of her church of 20 years because of her vote. "I believe in God, but I also believe a woman has the right to choose, someone has the right to be gay. God should love all of us," she said.

Rachel, a real estate agent from New York, also felt under attack for her vote. "I voted for President Trump because I think we need to stop the wars. He wanted to work with Russia and China to get out of wars in general," she said. "I am in a democratic state, and people think I am crazy." Gerry, also from Massachusetts, said he thinks a lack of common values are keeping us apart. "It's the parties that have changed, and I don't think they have held true to their core values," he said. "It's a time of transition, and the values that can bring us together are unclear right now."



Gerius, who works in sales at a bank in North Carolina, agreed, saying the path toward unity starts at the top with President Trump, yet he feels Trump is not the right person to achieve this aim. "He does not respect previous presidents; he doesn't respect the senators," he said. "The disrespect is one of the reasons why I didn't vote for him, and it's getting out of control." He feels the president is not going to change, and offered this advice, "If you want to bring this country together, stop being immature."

## STACY, FROM MARYLAND

**"We dont know how to disagree anymore. But I think everyone in the room wants the nation we live in to thrive."**

Desi, the South Carolina voter, said the country lacks empathy. As an independent, she saw attacks on her social media site from both sides. "In this last election, people couldn't understand how someone could be independent." She voted for Trump because she thought he did a good job with the economy in his first term. "I feel like the economy had tanked, and he would do a good job getting it back on track."

A self-identified Christian voter, Stacy from Maryland, feels the missing value is a lack of respect. "If I am being honest, I feel everything has become so sensitive and no one is allowed to have an opinion or speak their truth," she said. "We don't know how to agree to disagree anymore. But I think everyone in the room wants the nation we live in to thrive."

Warren asked the group for one word to describe America right now and despite the grim answers—shambles, crazy, isolation, chaos, divided, undecided, uncertain—he said the fact that a group like this can come together and share their views, peacefully and constructively, is a positive step forward. Della Volpe echoed that: "It takes a lot for someone to share their thoughts in a public setting like this, and I applaud you all."

"I think we fail in isolation," said Robert, the Montana voter. "We need to prop each other up, build partners, build communities and relationships."

The entire discussion is available on the Institute of Politics YouTube channel. The series will continue next academic year.

—

Photos by Mike DeStefano.

*The Harvard Kennedy School gave permission to reprint the article titled "14 voters, 13 states, one message: We need to work together" at no cost to the Retired Public Employees Association of California. Permission to reprint in no way suggests that the licensor endorses RPEA or use of the article. The article first appeared in the May 06, 2025 Harvard Gazette.*



# CALPERS SUBSIDIZES HIGH-PRICE HEALTH PLANS

By JJ Jelincic | Director of Health Benefits

We are in the slow period for CalPERS medical. At least for those of us on the outside. Much is going on internally regarding the health plans - we just don't see it.

The only CalPERS Board meeting in May is the Pension and Health Benefits Committee (PHBC) and it is meeting in a closed session to discuss 2026 rate negotiations. In June, the PHBC will report the preliminary premiums, and if history is any guide, they will be very close to the report's final numbers. Final rates will be adopted by the Board at the July offsite in Monterey. I have no real insight but I am sure the rates are going up. Based on general industry discussion, my guess is it will be by a range of 6-8% increases.

CalPERS will continue its practice of "risk adjustment" for the basic plans. It should be noted that Medicare plans are not currently being impacted. However, many of our members are not eligible for Medicare and are therefore in the basic plans. Additionally, anything that raised medical costs will eventually impact Medicare costs.

CalPERS used to adjust the payments to the insurance companies based on the health characteristics of the insured. Plans with sicker populations got additional money. Plans with healthier populations had their payments reduced.

It should not surprise anyone that the insurance companies complained that their risks were being understated relative to their competitors. One company threatened to sue and CalPERS stopped risk adjusting.

After several years of uneven premium increases, the staff convinced the Board to return to "risk adjustment." However, in the new scheme, health characteristics were ignored. "Risk" would now be defined as the amount a company paid out. The insured with higher cost, less efficient plans, by definition, were considered healthier.

The other change was that companies would be paid whatever they negotiated, however, the amount CalPERS collected from the employers and the employees would be adjusted. (How the cost was split varies by employer.)

If the employee enrolled in a low-cost plan, then the employee would be hit with a surcharge in addition to the negotiated premium. If the employee picked a high-cost plan, then the employee would be charged less than the full premium. The subsidy would be paid from the surcharges collected from enrollees in low-cost plans. In short, insurance companies were to be protected not from unhealthy lives, but poor network negotiations.

# HIGHER HEALTH PLAN PREMIUMS EXPECTED

Think back to when you were raising children. You received more of the behavior that you rewarded, and less of the behavior that you punished. If CalPERS insists on this path of rewarding high-cost insurers and penalizing low-cost plans, it will get more high-cost plans. We saw that in a March report on the movement between plans. Membership in a plan is “sticky” because a change in plans can require a change in medical providers.

Remember, all the CalPERS HMOs and EPOs have the same benefit structure. The only difference is the medical network. The biggest loser in this CalPERS off-kilter game of rewarding high-cost plans versus more efficient, lower-cost plans was Kaiser, and the biggest winner was BlueShield Access+.

*As the chart below shows, you will see that while Kaiser had the lower insurance cost, Access+ had the lower final cost. That explains the gains and losses for the two plans you see in the chart.*

Here’s the million-dollar question: Why should people accepting the narrower Kaiser network subsidize those choosing the wider Access+ network?

## Members deserve an answer.

Open enrollment for 2026 will be in September. RPEA will publish the new rates after their adoption.

## VACCINES

We are at the tail-end of the flu season. COVID and flu are still out there and will be for years. The U.S. is experiencing its largest outbreak of measles in decades, and whooping cough is also making a comeback. The first two – COVID and flu - can be minimized by vaccination. The latter two – measles and whooping cough - are preventable with vaccination. Please talk to your doctor about whether and when you should be vaccinated.

In the meantime, stay healthy. Enjoy the summer.

PLAN	PREMIUM	CalPERS ADJUSTMENT	FINAL COST	ENROLLMENT GAINS/LOSES
BS Access +	\$1,124.64	(\$158.78)	\$965.86	6,262
Kaiser	\$935.24	\$109.96	\$1,045.20	(6,292)

**\*WHAT THE INSURANCE COMPANY GETS**

**\*WHAT CALPERS COLLECTS FROM EMPLOYEES**



# CALPERS APPROVES QUESTIONABLE PAY & BONUSES

By Al Darby | Vice President

The April 14 CalPERS Committee meetings and the April 15 Board meetings, were both designed to serve CalPERS staff interests, and not the pension system's beneficiaries. Here's what happened.

The Performance and Compensation Committee's focus was incentive pay for the CalPERS investment unit personal, using the proposed Total Portfolio Approach, which would replace the current system of individual, asset-allocation performance. The detailed, biased report creates a formula allowing for higher staff compensation, because the formula uses private insurance and banking compensation ranges. Bonus formulas were similarly escalated to allow more generous payouts based on questionable criteria.

Public comments from RPEA Health Benefits Director JJ Jelincic highlighted the vastly questionable inclusion of private-industry pay practices for a public pension system. Compensation ranges in public pension funds are stricter and lower because there is no profit-motive component.

CalPERS members should be alarmed and question the Board on this.

At the CalPERS Finance and Administration Committee, a comprehensive report was presented for a new, management software system for the investment unit, requiring a seven-year contract with three, annual renewals thereafter. The committee approved the contract with the inclusion of the three-year extension, for a system that is neither fully developed nor proven to achieve its intended purpose. JJ Jelincic told the Board that the contract was based on an unsound

approach and its excessive term length might not be legal.

The CalPERS Board meeting addressed Diversity, Equity and Inclusion (DEI). This comes at a time when the CalPERS pension system is funded at a 75% level, and decreasing under the Trump-induced stock market decline, caused by volatile tariffs on the world economy. DEI may be a noble endeavor, but the real CalPERS priority should be achieving a 100% funded pension system.

*The CalPERS' bonus system is in dire need of repair*



# 10 EARLY WARNING SIGNS OF DEMENTIA

By Dev Berger | Managing Editor

## June is Alzheimer's & Brain Awareness Month

Nearly half of respondents of a National Poll on Healthy Aging, ages 50 to 64, worried about developing dementia. However, dementia is not inevitable. Data from Centers for Disease Control and Prevention shows 1 in 9 people develop it. Knowing its warning signs allows for prompt and timely evaluation. Here are ten early warning signs:



JUNE IS  
**ALZHEIMER'S &  
BRAIN** AWARENESS MONTH

- 1** FORGETTING THINGS YOU JUST LEARNED.
- 2** PROBLEMS MANAGING MONEY.
- 3** GETTING LOST IN FAMILIAR PLACES.
- 4** CONFUSION ABOUT TIME AND DAY.
- 5** DIFFICULTIES WITH VISUAL PERCEPTION.
- 6** FORGETTING COMMON WORDS.
- 7** CONSTANTLY LOSING THINGS.
- 8** A LACK OF INTEREST IN READING.
- 9** SKIPPING SOCIAL GATHERINGS.
- 10** CHANGES IN PERSONALITY.



# CALIFORNIA'S BIG PENSION FUNDS LOST BILLIONS IN STOCK SELLOFF - CAN THEY RECOVER IN TIME?

By Adam Ashton

**THIS STORY WAS ORIGINALLY PUBLISHED ON APRIL 8, 2025, BY CALMATTERS, A NONPROFIT NEWS ORGANIZATION COVERING CALIFORNIA STATE POLITICS AND POLICIES.**

The investment chief who's responsible for the retirement plans of 1 million California educators saw foreboding signs when he spoke to the state's teachers' pension board last month.

Scott Chan pointed to the torrent of executive orders and policy changes coming out of the new Trump administration and noted they "caused a tremendous amount of uncertainty in the marketplace." He warned of a recession, and a potential drop in stock markets of 20% or more.

"I would say that potential risks here are unprecedented. They are world changing," said Chan, the chief investment officer at the California State Teachers' Retirement System.

Two weeks later, President Donald Trump announced new tariffs against nearly every country, triggering a global financial shock that included the steepest stock market declines since the early days of the COVID-19 pandemic and wiped away trillions of dollars from investors' portfolios.

The tariffs and the market plunge represent a new challenge for California's underfunded pension plans, including Chan's CalSTRS and the larger

California Public Employees' Retirement System. Combined, the two funds with headquarters on opposite banks of the Sacramento River hold more than \$800 billion in assets and serve millions of beneficiaries.

CalPERS lost about \$15 billion on Thursday and Friday, the first two days after Trump's announcement. It held \$516.5 billion on Monday morning. CalSTRS releases updates on its portfolio on a monthly basis. It likely recorded losses on a similar scale to CalPERS.

California's retired teachers, cops, firefighters and other civil servants can count on their checks to keep coming. The threat of pension losses centers on government employers, such as cities and school districts, that would have to pay more money into the funds to make up for losses.

"It's something we're all bracing for and hoping there can be some course correction federally to allow us to steer the ship and recapture some of these losses," said Dane Hutchings, whose firm, the California Public Policy Group, writes grants for and lobbies on behalf of California cities.

Terry Brennand, who watches CalPERS closely on behalf of the unions that represent public employees, likened the drop to the market crashes that followed the tech bubble of the 1990s and the housing downturn of the Great Recession.

“This one is not scam marketing or a bad market,” said Brennand of Service Employees International Union California, describing the economic conditions that preceded the downturns in 2000 and 2007. “We just turned the gun on ourselves and fired it.”

Trump has characterized the turmoil associated with the tariffs as a short-term pain that will ultimately make Americans wealthier by inducing companies to invest in domestic manufacturing. Members of his administration also have said the tariffs could prompt nations to seek new trading deals that would be more beneficial to the U.S.

“I don’t want anything to go down, but sometimes you have to take medicine to fix something,” Trump said to reporters on Sunday. “What’s going to happen to the markets, I can’t tell you. But our country is much stronger.”

## WHAT CALPERS AND CALSTRS HAVE TO EARN

But the tariffs carry the potential for a debilitating trade war, one of the risks that Chan highlighted to the CalSTRS board last month.

“It’s not so easy to say, ‘We’re going to assess tariffs on everybody else, but no one is going to assess tariffs on us,’” said California State Treasurer Fiona Ma, a Democrat. “We’re going to see a lot of anxiety and disruption, and we’re seeing that in the markets.”

Ma has a close look at the recent volatility from her seat on the boards overseeing CalPERS and CalSTRS. Her office also manages a mix of other public investments including bonds, college savings accounts and a kind of bank for local governments.

She said the stock market shock has not yet jeopardized other state and local finances. For instance, last week the state successfully sold creditors \$2.6 billion in bonds — voter-approved loans that the state will pay down over time. And, local governments have not asked to pull money from their pooled investment fund.

Both big California public pension funds emphasize that they are long-term investors with diverse

portfolios that do not rely solely on the stock market, but both are also under pressure to meet annual investment targets — 7% at CalSTRS and 6.8% at CalPERS. Their deadline to hit that sum comes every June 30.

Government agencies have to pay more to fund pensions when the funds miss those targets.

## LOOKING FOR OPPORTUNITIES IN MARKET DECLINE

Coming up short also can have long-term consequences. Both CalPERS and CalSTRS are considered underfunded because their portfolios are worth less than what they owe cumulatively to their beneficiaries. That’s partly because state lawmakers boosted retirement benefits for public employees during the dot-com bubble. Both funds have plans to become fully funded, and government workers hired after 2013 receive less generous benefits than the employees who preceded them.

So far, the market crash that followed the COVID-19 pandemic cost CalPERS and CalSTRS more money, at least at first, than the current downturn. Each fund recorded historically high returns the following year, softening the blow.

Stephen Gilmore, chief investment officer at CalPERS, in a written statement said the fund is “well-positioned to weather unsettled times.” He pointed to potential opportunities that could emerge in the shakeup:

“There’s still a lot to learn about the nature of the governmental actions that have taken place, especially when it comes to the imposition of new tariffs and their impact on GDP and inflation. On the upside, market volatility can present opportunities to buy assets that may be oversold relative to their real value. Those purchases can boost our portfolio in the years to come.”

*Correction: CalSTRS releases updates on the value of its portfolio on a monthly basis. An earlier version of this story included incorrect information about those updates.*

# SUPPORT RPEA'S SMALL CONTRIBUTOR COMMITTEE

By Margaret Brown | President

Americans are fed up with the influence of big money in politics. It is an inescapable fact that campaigns require money to get their messages to voters. If that money comes principally from wealthy individuals and special interests, then those individuals and interests create a sense of obligation from elected officials. That is the current reality in America.

The good news is that you can do something to have your voice heard. Increase your voice in state elections by supporting the RPEA Small Contributor Committee (SCC), which helps elect state candidates supporting issues important to RPEA members.

## DONATION LIMITS EXIST FOR STATE CANDIDATES

Election law limits the size of a donation from a single source to candidates running for office. The contribution limits depend on the office, the committee and the contributor.

## RPEA'S CURRENT CAP PER CANDIDATE

RPEA's PAC (Political Action Committee) has a \$5,900 contribution cap per candidate/per election cycle.

## 2025 SCC ALLOWS RPEA TO INCREASE ITS CONTRIBUTION PER CANDIDATE

RPEA's Small Contributor Committee may contribute up to \$11,800 per candidate/per election cycle, which helps to elect state candidates supporting issues protecting your pension, benefits and other important issues.

Three options exist for donating to the RPEA SCC:

- **OPTION 1:** Set up a monthly donation (up to \$16.66) from your CalPERS pension warrant.
- **OPTION 2:** Donate by credit card – there is a \$200 annual limit.
- **OPTION 3:** Send a one-time donation by check – there is a \$200 limit.

The RPEA SCC donation gives you a voice in government. It's how you make a difference.

Use the attached remit envelope to support the Small Contributor Committee, or go the website at: [www.rpea.com](http://www.rpea.com), click on "Advocacy," and select "Donate."

Your donation to the RPEA SCC strengthens your voice in government and helps make a difference.



FPPC ID No. 1469712 - Contributions to the Small Contributor Committee are not tax deductible.



# Safeguard Your Pension

## JOIN RPEA NOW!

Join the Retired Public Employees' Association of California (RPEA) and enjoy the peace of mind that comes from being a part of an organization dedicated to preserving your hard-earned pension, social security, healthcare, and medicare benefits. As a member of RPEA, you'll also gain access to exclusive discounts on benefit programs and supplemental group insurance plans.

**Membership is just \$5.00 per month - only \$60 a year!**

### SIGN UP TODAY TO ENJOY RPEA BENEFITS

Scan the QR code with your Smart Phone to Join Online

or Call RPEA Headquarters (800) 443-7732 to Join by Phone

or Mail application to: RPEA Membership | 300 T Street | Sacramento, CA 95811



\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
First Name                      Middle Initial                      Last Name                      Date of Birth

\_\_\_\_\_  
Street Address                      City                      State                      Zip Code

\_\_\_\_\_  
Phone                      Email

\_\_\_\_\_  
Agency You Retired From (or your Benefactor's agency)                      Year Retired

*I apply for membership in the Retired Public Employees' Association of California (RPEA) and authorize the payment of dues by selecting one option of the following options below:*

- Select One Membership Type
- Retiree (CalPERS Annuitant)
  - Beneficiary of a CalPERS Retiree
  - Affiliate (working for a Public Agency)
  - Associate (Supports RPEA)

I authorize RPEA to withhold dues in the amount of \$5 per month from my monthly CalPERS retirement allowance. I understand that dues will be withheld from my retirement allowance until revoked by me in writing.

\_\_\_\_\_  
Social Security Number                      Signature                      Date

CREDIT CARD AUTHORIZATION: As payment for the first year's dues, I authorize a \$60.00 charge on my credit card for Retiree, Beneficiary, or RPEA Supporter membership. I authorize a \$30.00 charge for Affiliate membership. I agree to be billed annually for subsequent renewals.

\_\_\_\_\_  
Credit Card Number                      Exp. Date                      CW/CVC

\_\_\_\_\_  
Signature                      Date                       Do Not Auto Renew

Enclosed is my check in the amount of \$60 for membership in RPEA. (Membership is \$30 for Affiliate members.)

# LEGISLATIVE UPDATE & ENDORSEMENTS FOR CALPERS BOARD ELECTION

By Randall Cheek | Director of Legislation

## AB 83 UPDATE

The legislative session is in full swing and RPEA is watching and supporting numerous bills. We are co-sponsoring AB 83 (Pacheco) - known as the "California Elder Financial Abuse Prevention Act" - a bill that aims to protect seniors from financial exploitation by scammers. It empowers depository institutions to take proactive measures, such as stopping suspicious transactions and alerting trusted contacts, when financial fraud is suspected. The bill also exempts those disclosures from state privacy laws,

At the request of the Assembly Speaker, the bill has been made into a two-year bill to allow the combination of other financial, elderly, issues bills into one bill. This bill is on hold until next year.

## RPEA CALPERS BOARD ENDORSEMENTS

Over the past several months, the RPEA legislative committee met and interviewed a number of candidates for the two, statewide, member-at-large positions on the 13-member CalPERS Board.

For the position A on the board - currently held by

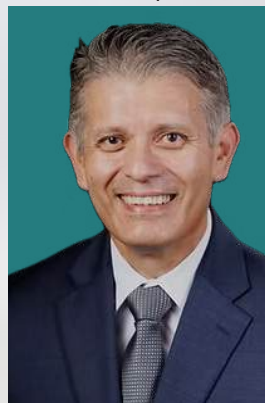
David Miller - the committee agreed that the best person to fill the seat is firefighter *Dominick Bei* of Santa Monica. Bei was born and raised in California and graduated Sonoma State University Magna Cum Laude. A 16-year veteran of the Santa Monica Fire Department, where he is currently Fire Captain and past president of the Santa Monica



DOMINICK BEI

Firefighters Union, Bei is one of the heroes who saved lives and homes during the Palisades fire

earlier this year. He has both pension and financial experience, particularly with bitcoin. He is the founder of Proof of Workforce, a nonprofit which aims to empower unions, workers, and organizations



JOSE LUIS PACHECO

to discover ways that Bitcoin can enhance their mission and well-being. In addition to Bei and Miller, Steve Mermell of Pasadena is running in position A.

Position B on the board is currently held by Jose Luis Pacheco - he has done a good job protecting our private information from being given

to outside groups, who requested the information from the CalPERS Board. Based on this and other actions, RPEA believes Pacheco will continue to fight for retirees. The son of farmworkers, Pacheco grew up in Watsonville's Pajaro Valley. His two bachelor's degrees are in economics (Santa Clara University) and biological sciences (California State University East Bay) and a certificate in alternative investments from the Harvard School of Business. His opponents are Sam Hasan Akkad and Troy Johnson.

It is critical that you participate in Board elections. RPEA believes Bei and Pacheco will provide effective and ethical leadership. As elected trustees, they will act in the best interest of CalPERS, its members, and beneficiaries. So when you get your ballot, please vote for Dominick Bei (A) and Jose Luis Pacheco (B).

Ballots will be mailed August 29 and must be received by September 29 to be counted. All active and retired CalPERS members can vote.



# BUDGET SHORTFALL & KEY ADJUSTMENTS

By Pat Moran, RPEA Lobbyist, Aaron Reed & Associates

Governor Gavin Newsom unveiled his revised 2025–26 California state budget based on a projected \$12 billion deficit, on May 14, 2025. This projected downturn contrasts sharply with the modest surplus anticipated in January.

## CAUSES OF THE BUDGET SHORTFALL

Governor Newsom attributes the deficit to several factors:

- **Federal Trade Policies:** Tariffs and trade disruptions led to a \$16 billion revenue loss through June 2026, impacting key industries and reducing tax revenues;
- **Healthcare Expenditures:** The Medi-Cal program experienced a \$6 billion cost overrun this year, partly due to expanded coverage for undocumented immigrants;
- **Tax Revenue Volatility:** Delays in tax filings - especially in wildfire-affected areas - created uncertainties in revenue projections.

## KEY BUDGET ADJUSTMENTS

To address the deficit, the revised \$321.9 billion budget includes these adjustments:

- **Medi-Cal Reforms:** Freezing new enrollments for undocumented adults starting January 2026, and introducing a \$100 monthly premium for existing enrollees, aiming to save \$5.4 billion by 2029;
- **Healthcare Service Reductions:** Eliminating coverage for certain weight-loss drugs and capping overtime for in-home caregivers;

- **Public Safety Adjustments:** Proposing the closure of another state prison by 2026, potentially saving \$150 million annually;
- **State Employee Compensation:** Suspending planned salary increases for state employees, resulting in \$766.7 million in savings.

## CONTINUED INVESTMENTS

Despite fiscal constraints, the budget maintains investments in the following:

- **Education:** Fully funding universal transitional kindergarten, providing free school meals, and allocating \$545 million for literacy programs;
- **Water Infrastructure:** Fast-tracking the Delta Conveyance Project to modernize the State Water Project, ensuring water reliability for 27 million Californians;
- **Technology Sector:** Allocating \$85 million for AI and IT upgrades and maintaining a \$25 million commitment for a microchip design center.

## NEXT STEPS

The Legislature faces a June 15 deadline to pass a balanced budget. Negotiations will focus on reconciling proposed cuts with legislative priorities, ensuring fiscal responsibility while maintaining essential services. Concerns about the budget should be shared with your legislators.



# PET PHOTO CONTEST FINALISTS

WHO WILL BE CROWNED THE CUTEST COMPANION?

**VOTE NOW IN RPEA'S 2025 PET PHOTO CONTEST!**



## The RPEA Pet Photo Contest Finalists Are In!

After pawing through dozens of heart-melting entries, the Retired Public Employees' Association of California is thrilled to announce the finalists in our first ever 2025 Pet Photo Contest!

From cuddly canines to charming cats and every lovable creature in between, we received an overwhelming response from members eager to showcase their beloved companions.

This year's competition has been a true celebration of the pets who bring us joy, comfort, and laughter every day. Whether they're curled up on the couch, striking a regal pose, or in the backyard, our furry (and not-so-furry) friends never fail to brighten our lives.

### **Drumroll, please... Here are your finalists in three paw-sitively delightful categories:**

**Top Dog** — Featuring four pups with personality, charm, and tails that never stop wagging.

**Cutest Cat** — For those feline friends who rule the roost with a purr and a swish of the tail.

**Adorable Other** — We have two that deserve their moment in the spotlight! Now it's your turn to help crown the winners! Whether you're drawn to a goofy grin, an elegant pose, or the tiniest set of paws, your vote helps decide who takes home the top honors (and some

serious bragging rights).

### **HOW TO VOTE:**

Review the finalists featured on the following pages. **Select one favorite in each category.**

Submit your votes no later than **July 10** to make sure they count!

### **WINNERS WILL BE ANNOUNCED. . .**

All will be revealed in the August issue of the RPEA Magazine, where we'll showcase the winning pets — and maybe even a few honorable mentions who stole our hearts.

Whether you're team dog, team cat, or cheering on an "Adorable Other," we can't wait to see who captures your heart (and your vote).

Let the cuteness competition begin — may your favorite pet win!

### **HOW TO VOTE:**

Select one favorite in each category and submit your votes no later than **JULY 10**. Voting is easy:

**EMAIL RPEAHQ@RPEA.COM**

OR MAIL YOUR VOTE TO:

**RPEA, 300 T ST, SACRAMENTO, CA 95811**

# TOP DOGS



Joe



Lola



Thorton

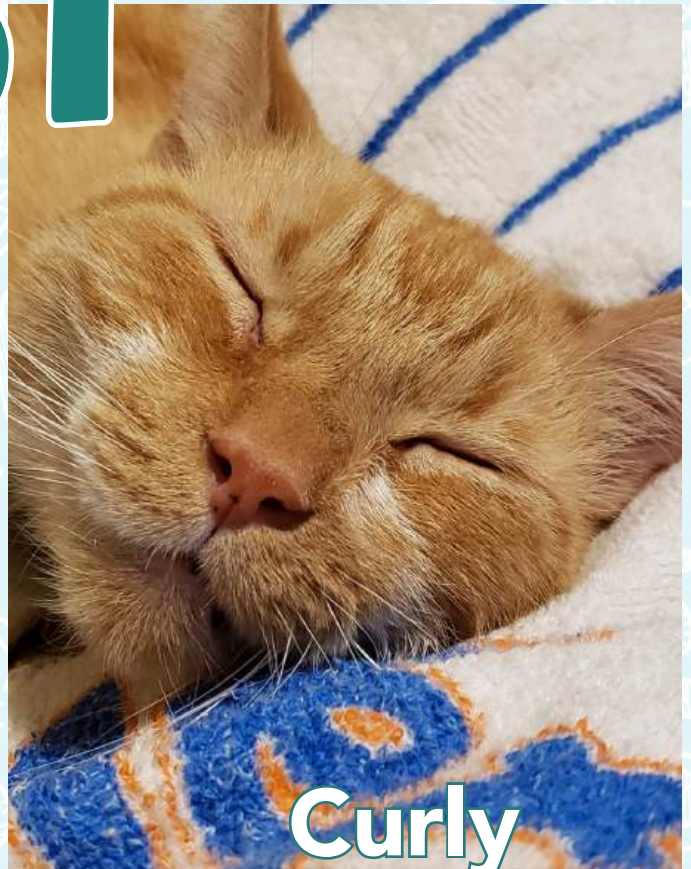


Covey

# CUTEST



Lucky



Curly

# CATS



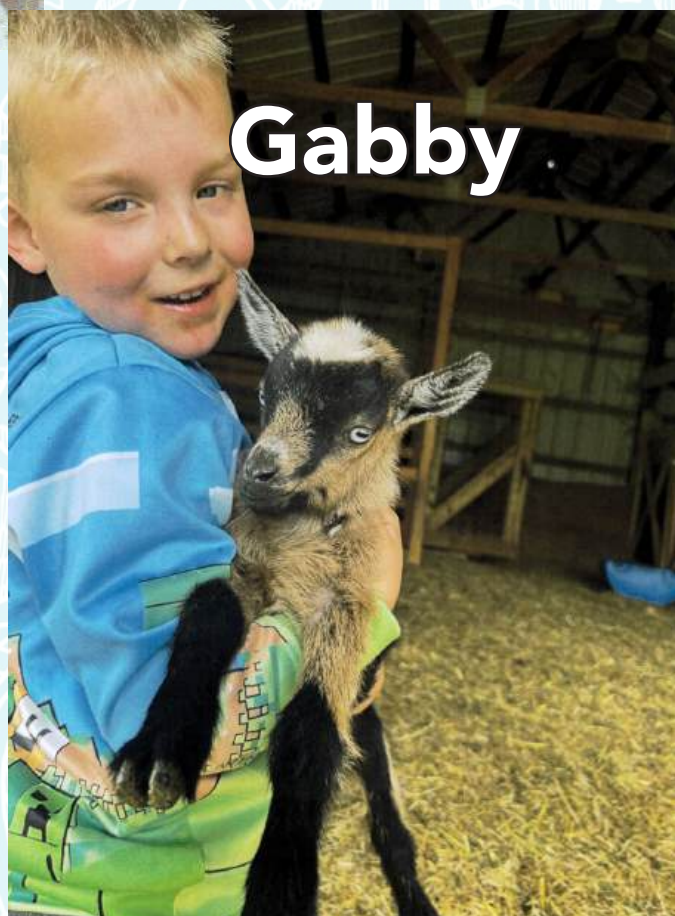
Lilo

# ADORABLE

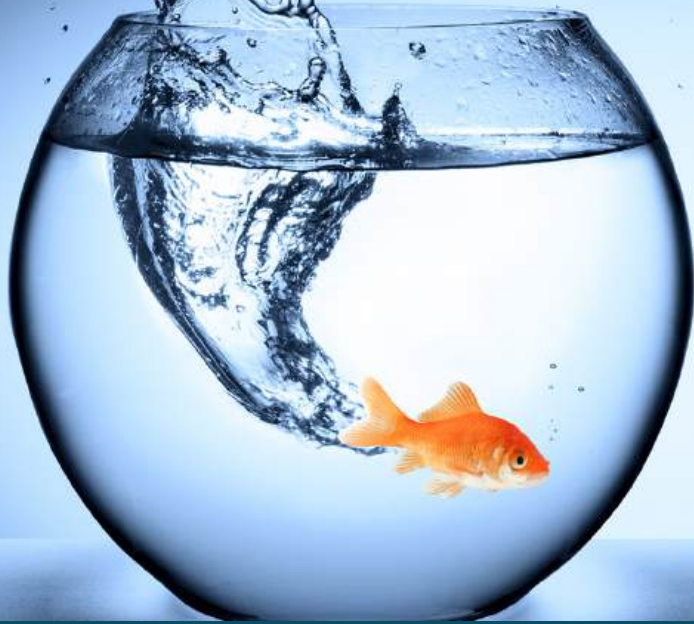


**Spice**

# OTHERS



**Gabby**



# OUTGROWN YOUR BENEFITS?

## TIME TO EXPAND YOUR COVERAGE.

You can, with these benefits and discounts from RPEA & AMBA:

- Dental & Vision Plans
- Long-Term Care
- Emergency Ground and Air Transportation Coverage
- Cancer, Heart, and Stroke Insurance
- Medicare Solutions
- Final Expenses Whole Life & Guaranteed Acceptance Life Insurance
- Tax-Deferred Asset Protection
- Hearing Benefits
- Discounts on Travel, Dining & more

1.877.556.4582

[myambabenefits.info/rpeaca](http://myambabenefits.info/rpeaca)

Retired Public Employees' Association of  
California





# WHAT TO KNOW ABOUT THE REAL ID

By Dev Berger | Managing Editor

Many people are confused about REAL ID requirements made worse by a May 7 application deadline. Issues causing the confusion were the long history related to the REAL ID Act, the varied implementations by states, and the shift in emphasis from counterterrorism to immigration control for having the REAL ID. Some people are also unclear if they already have a REAL ID, or if they need to obtain a new one, especially if they have recently renewed their driver's license.

Here's a summary of information about the Real ID in California taken from the Department of Homeland Security (DHS) website, that you can always access for more information.

## WHAT IS IT AND ITS PURPOSE?

In California, a REAL ID is a state-issued driver's license or ID card meeting federal security standards, allowing you to board domestic flights and enter federal facilities.

## HOW OBTAINED?

Obtaining the REAL ID, involved visiting a DMV office in person, providing proof of identity, California residency, your Social Security number, and completing an online application. Incidentally, although you could start the application online, you had to complete it in person at a DMV office.

<b>WHAT IT LOOKS LIKE</b>	The REAL ID in California has a golden bear and a star on the card.
<b>OPTIONAL (REQUIRED IN SOME CASES)</b>	While a REAL ID is optional, it is needed to board domestic flights and access certain federal facilities after May 7, 2025.
<b>ALTERNATIVE IDs</b>	You can use a valid passport or certain other accepted forms of identification as an alternative to a REAL ID for domestic flights and federal facilities.

If you missed the California May 7, 2025, REAL ID deadline, you're able to fly with alternative forms of identification, but it might require additional screening. Acceptable alternatives include a valid U.S. passport, a Green Card, or other forms of identification issued by DHS. You can find a comprehensive list of accepted alternatives on the TSA website,

Remember, you have the option to apply for a REAL ID when you renew your California driver's license.

*Source for article: Department of Homeland Security*



# NEWS AT A GLANCE

By Dev Berger | Managing Editor

## THE WORLD WELCOMES FIRST AMERICAN POPE.

The world recently welcomed the first American pope in the history of the Roman Catholic Church.

Pope Leo XIV, born Robert Provost in Chicago, has dual citizen of the U.S. and Peru. Pope Leo spent years as a missionary in Peru and most recently served as the head of the Vatican's Dicastery for Bishops. In his first public speech, the new pope outlined a vision for the Catholic Church that emphasizes building bridges and engaging in conversation. He called for a "missionary church" that builds dialogue and shows charity. He also spoke of seeking peace and justice. Pope Leo's choice of the

papal name "Leo" is significant, since it is a name used by previous popes known for their commitment to social issues and the poor. His vision for the church also aligns with the emphasis on inclusivity and welcoming all people within the church, which was a key focus of Pope Francis.

World leaders have congratulated Pope Leo and expressed eagerness to work with him on global issues. The new pope is expected to build upon Pope Francis's reforms, particularly in addressing issues like the sexual abuse crisis and promoting unity within the church. He will soon face challenges related to Vatican finances, the agreement with China, and issues related to women and lay people.

## MEXICO SUES GOOGLE OVER GULF OF AMERICA NAME CHANGE

After Google ignored repeated requests not to rename the Gulf of Mexico the Gulf of America for United States users on its maps service, Mexico is suing Google. The U.S. House of Representatives voted to officially rename the Gulf for federal agencies. On his first day in office in January, President Trump signed an executive order to rename the body of water and justified this by stating the U.S. "do (sic) most of the work there, and it's ours."

Mexico's President Sheinbaum contends that Trump's order applies only to the U.S. portion of the continental shelf, and Sheinbaum stated: "All we want is for the decree issued by the U.S. government to be complied with," asserting that the US lacks the authority to rename the entire gulf. The Associated Press (AP) news agency's refusal to use the Gulf of America name led to a months-long conflict with the White House, which restricted AP's access to certain events. A federal judge ordered the White House in April to stop sidelining the outlet.

## WHISTLEBLOWER COMPLAINT: DOGE SIPHONING SENSITIVE NLRB DATA

Daniel J. Berulis, a 38-year-old security architect with the National Labor Relations Board (NLRB), has blown the whistle on the Department of Government Efficiency (DOGE) over recent activity resulting in a significant cybersecurity breach. The NLRB is a small, independent federal agency tasked with enforcing labor laws and settling labor-related complaints lodged by workers against their employers. NLRB stores reams of potentially sensitive data ranging from confidential information about employees who want to form unions to proprietary business information.

Berulis' complaint documents a one-month period starting March 3, 2025, on how DOGE officials reportedly demanded the creation of the all-powerful "tenant admin" accounts in NLRB systems, and these accounts were exempted from network logging activity, which means they weren't subject to a detailed record of all actions taken by those accounts.

These new DOGE accounts have unrestricted permission to read, copy, and alter information contained in NLRB databases. The new accounts can also restrict log visibility, delay retention, route logs elsewhere, or even remove them entirely — top-tier user privileges that neither Berulis nor his boss have.

Among the very disturbing actions Berulis and his colleagues witnessed were the nearly two dozen login attempts from a Russian Internet address that presented valid login credentials for a DOGE employee account — one that had been created just minutes earlier. Berulis said those attempts were all blocked thanks to rules in place prohibiting logins from non-U.S. locations. Berulis wrote, "There were more than 20 such attempts, and what is particularly concerning is that many of these login attempts occurred within 15 minutes of the accounts being created by DOGE engineers."

Last month, CNN reported that NLRB was effectively hobbled when President Trump fired three board members, leaving the agency without the quorum it needs to function.

"Despite its limitations, the agency had become a thorn in the side of some of the richest and most powerful people in the nation — notably Elon Musk, Trump's key supporter both financially and arguably politically," CNN wrote.

In a federal appeals court, attorneys for Jeff Bezo's Amazon company and attorneys for billionaire Elon Musk's SpaceX, argued that the NLRB structure is unconstitutional. A ruling in their favor could greatly diminish or paralyze the nearly century-old agency. It's possible that the issue could eventually reach the U.S. Supreme Court, where the conservative majority has issued rulings curbing the power of governmental agencies.

*Source: Krebs on Security, April 21, 2025, Whistleblower: Dodge Siphoned NLRB Case Data*

## PHARMACY GIANT RITE AID PLANS GUTTING HUNDREDS OF ITS CALIFORNIA STORES

After filing for bankruptcy a second time, pharmacy conglomerate Rite Aid plans to shutter all of its locations and distribution centers nationwide. Rite Aid spans 15 states and has 347 California locations, which could face closure.

"For more than 60 years, Rite Aid has been a proud provider of pharmacy services and products to our loyal customers," stated Rite Aid's chief executive officer Matt Schroeder. "While we have continued to face financial challenges, intensified by the rapidly evolving retail and healthcare landscapes in which we operate, we are encouraged by meaningful interest from a number of potential national and regional strategic acquirors."

Schroeder said that the company's "key priorities are ensuring uninterrupted pharmacy services for our customers and preserving jobs for as many associates as possible" as they transfer prescriptions over to other pharmacies. The company stopped issuing Rite Aid Rewards points for customer purchases and will no longer honor gift cards or accept returns or exchanges by June 5, 2025.

# RPEA CHAPTER 031 SANTA CLARA COUNTY GETS SCHOOLED IN BENEFIT CHANGES

By **Marianne Damon | Historian**  
**Mary Mitchell | Newsletter Editor**  
**Chapter 031 - Santa Clara County**

Rhonda Schmidt, Santa Clara County's Benefits Director, made her annual presentation about changes in benefits to RPEA's San Jose chapter. Although members receive this information by mail, her talk is always anticipated and well attended as evidenced by the 59 people who were at the April 30, 2025, meeting in Santa Clara.



**Guest Speaker: Rhonda Schmidt**

President Rosemary Knox introduced Ms. Schmidt and those present received her slide presentation and a sheet of the Retiree Medicare B Premium Reimbursement Rates, July 1, 2025, through December 31, 2025. These handouts will be posted on the chapter's website along with its next newsletter. There are several big changes this year. The first is a change to a calendar-year plan.

Mid-plan year rate changes by Kaiser and Valley Health Plan (VHP) mean that some people may want to consider changing plans, so the County is holding a special enrollment opportunity from May 1 to 31 for Kaiser and VHP enrollees. Also, the VHP Classic Medicare Plan has been removed from eligible plans. Health Net PPO Medicare COB Plan was added to eligible plans. On the positive side, several more representatives were added to Benefits to work with the growing number of retirees.

Due to the change to a calendar year, the chapter has invited Rhonda Schmidt back to inform members of changes and open enrollment towards the end of the year. Since this will happen after the chapter's October meeting, a Zoom meeting is anticipated for this.

Following Rhonda Schmidt's presentation, the chapter held its quarterly membership meeting and approved its annual budget and revised bylaws. Current membership stands at 1,834. The large scroll-type banner and a tabletop sign for the chapter was provided by headquarters to use at future meetings, the annual June picnic, and the holiday luncheon. Thank you for this, headquarters, and thank everyone who attended the Chapter 31 meeting.



# Stay active, live healthy



As you get older, exercise becomes more important.

Exercising regularly improves heart health, flexibility, and prevents disease.

See all of the ways Blue Shield Medicare (PPO) can help you on your fitness journey:



SilverSneakers program allows access to fitness locations nationwide



24/7 access to phone or video consultations with physicians



\$0 deductible



See any doctor that accepts Medicare



Nationwide coverage



Worldwide coverage for emergency services and urgent care

To learn more about Blue Shield Medicare (PPO), visit [blueshieldca.com/calpers-retirees](https://blueshieldca.com/calpers-retirees) or call (888) 802-4599 (TTY: 711), 7 a.m. to 8 p.m., seven days a week.

SilverSneakers is a registered trademark of Tivity Health, Inc. © 2024 Tivity Health, Inc. All rights reserved.

Blue Shield of California is a PPO plan with a Medicare contract. Enrollment in Blue Shield of California depends on contract renewal.

Blue Shield of California offers individual and employer group retiree plans to Medicare beneficiaries who have Part A and Part B. Individual plans are open to all Medicare beneficiaries who reside within a plan's specific service area. Employer group retiree plans are open only to Medicare beneficiaries who are eligible group retirees and who reside within a plan's specific service area. Individual and employer group retiree plans have different service areas, benefits and provider networks.

Out-of-network/non-contracted providers are under no obligation to treat Plan members, except in emergency situations. Please call our Customer Service number or see your Evidence of Coverage for more information, including the cost-sharing that applies to out-of-network services.

The company complies with applicable state laws and federal civil rights laws and does not discriminate, exclude people, or treat them differently on the basis of race, color, national origin, ethnic group identification, medical condition, genetic information, ancestry, religion, sex, marital status, gender, gender identity, sexual orientation, age, mental disability, or physical disability.

La compañía cumple con las leyes de derechos civiles federales y estatales aplicables, y no discrimina, ni excluye ni trata de manera diferente a las personas por su raza, color, país de origen, identificación con determinado grupo étnico, condición médica, información genética, ascendencia, religión, sexo, estado civil, género, identidad de género, orientación sexual, edad, ni discapacidad física ni mental. 本公司遵守適用的州法律和聯邦民權法律，並且不會以種族、膚色、原國籍、族群認同、醫療狀況、遺傳資訊、血統、宗教、性別、婚姻狀況、性別認同、性取向、年齡、精神殘疾或身體殘疾而進行歧視、排斥或區別對待他人。

Blue Shield of California is an independent member of the Blue Shield Association  
H4937\_24\_574A\_M 09032024

A53468CLP\_0824



**RETIRED PUBLIC EMPLOYEES' ASSOCIATION OF CALIFORNIA**  
300 T Street  
Sacramento, CA 95811

NONPROFIT ORG  
US POSTAGE  
PAID  
SACRAMENTO CA  
PERMIT NO. 496

**RPEA HEADQUARTERS**

Website: [www.RPEA.com](http://www.RPEA.com)

Email: [rpeahq@rpea.com](mailto:rpeahq@rpea.com)

Phone: (916) 441-7732

Toll Free: (800) 443-7732

Office Hours: M-F 7:30AM - 4:30PM

You dedicated your career to public service -  
**now let RPEA help protect the benefits you earned!**



Not A Member?

*Join Today!*



scan me

Your pension is your future.  
**RPEA is your protector!**  
Call Today: (800) 443-7732