

RPEEA

OCTOBER 2025

CALIFORNIA'S MAGAZINE FOR RETIRED PUBLIC EMPLOYEES

Where Do We Draw the Lines?



INSIDE THIS ISSUE...

*We Need To Hear From You!
October Is Outreach Month*

CalPERS Board Election Results

What Does Prop 50 Do?

\$6,000 SSA Tax Credit



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The views and opinions in the articles published in the RPEA Magazine are those of the individual authors and do not necessarily reflect the official policy or position of the Retired Public Employees' Association of California.

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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:

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- Jeff Baker - Area Director 9

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PRESIDENT'S MESSAGE

Marcie Frost's Salary Increase And Bonus Are Wrong!

Dear Members,

On September 17, 2025, at the CalPERS Board meeting, I and RPEA Board members J.J. Jelincic and Al Darby testified against CEO Marcie Frost receiving a salary increase and a bonus. This is my testimony before the Board:

"The CEO of CalPERS, Marcie Frost, is walking away with an enormous salary and bonus ... And for what? She is not the one making investment decisions. She is not taking the so-called "bets" in the market. She is simply an administrator — running a staff, signing off on policies, and presiding over a fund that today is still less than 80% funded.

"Think about that. Less than 80%. That means promises made to hardworking public servants — firefighters, nurses, clerks maintenance workers— remain underfunded. And instead of fixing that, instead of building confidence that pensions will be secure, CalPERS rewards its top administrator with a Wall Street-sized payout.

"This is the kind of sycophantic behavior we expect from Donald Trump's Cabinet, Elon Musk's Tesla Board and corporate hedge funds, not from a public agency that is supposed to safeguard retirement security. While retirees must "tighten their belts," because of inflation and out of control health care costs, the CEO gets a fat check.

"Let's be clear: bonuses are meant to reward extraordinary results. But most of those results are not realized. CalPERS is still chasing risky private equity deals, still spinning glossy narratives, and still ignoring the fact that its members and employers are paying the price for chronic underfunding.

"So I ask: how can you justify this? How can you defend paying outrageous bonuses to a State administrator?"

"It's time to stop treating CalPERS like a corporate playground and start treating it like what it is: a public trust. The money does not belong to Marcie Frost. It belongs to the members. It belongs to the retirees. And every dollar that goes into oversized bonuses is a dollar not strengthening the fund for the future.

"This bonus is wrong. It's excessive. And it must end. I urge you to vote NO!"

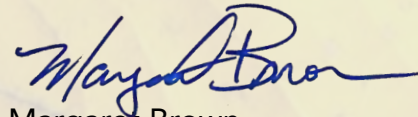
Unfortunately, the majority of the CalPERS Board chose to ignore the voices of active employees, retirees, and members of the public, who spoke out against granting CEO Marcie Frost a significant bonus and salary increase. No public comment supported the bonus and pay.

The deliberations on the CEO's performance and pay package were held behind closed doors, leaving members without the transparency and accountability they deserve. Active employees and retirees are right to demand answers. There is, however, a small measure of hope. One-third of the CalPERS Board did not support the CEO's pay package:

- **Malia Cohen**, Ex-Officio Controller — Abstained
- **Michael Detroy**, Governor Appointee (Local Government) — Abstained
- **Jose Luis Pacheco**, All Member Representative — Abstained

- **Mulissa Willette**, Public Agency Representative — Voted NO
- **Fiona Ma**, State Treasurer — Absent

This vote reveals a growing divide on the Board about accountability, transparency, and whether lavish executive compensation is appropriate when the pension fund remains under 80% funded. Members should take note of who stood against this package and who ignored the retirees and employees they are sworn to serve.



Margaret Brown
State President



WIN A \$50 GIFT CARD! UPDATE YOUR CONTACT INFORMATION

October is outreach month for RPEA. Many of our members have missing or outdated contact information and we need your help to fix that. To make it fun, we're running a special contest. Here's how it works:

Every RPEA member updating his or her contact information—either online, by mail or phone—will be entered into a drawing. RPEA will randomly select 10 winners - each receiving a **\$50 gift card** to a retailer or restaurant:

- ▶ Retailers: Target, Walmart, Amazon, Kohl's
- ▶ Restaurants: Denny's, Panera, Subway, Chick-Fil-A, Chipotle

There are four ways to enter:

1. Update your information online at: <https://www.rpea.com/index.php/news/contact> OR...
2. Use the QR Code below to update your contact information, OR...
3. Fill out the form on page 18 completely and mail to RPEA, OR...
4. Call RPEA Headquarters at (800) 443-7732

The deadline to enter is **October 31, 2025**. Winners will be announced soon afterwards.

LET'S STAY CONNECTED!

Your voice matters. Updating your contact information ensures you don't miss important updates, benefits news, and opportunities to advocate for retiree rights. Even if you know your contact information is current, please email, call or mail us to be entered into the drawing. There's one entry per member.



DOMINICK BEI

RPEA-Backed Candidate Dominick Bei Falls Short in CalPERS Election

The Retired Public Employees' Association of California (RPEA) thanks Dominick "Dom" Bei for his dedication and commitment during his campaign for CalPERS All Member Representative, Position A.

Although Dom did not advance to the runoff, his candidacy elevated the conversation about transparency, accountability, and the urgent need to address the challenges facing CalPERS members. His campaign gave voice to thousands of members who want stronger leadership, fairer governance, and action on rising costs.

WHY DOMINICK RAN

Dom's campaign was driven by a commitment to tackle the issues most important to members:

- **Fixing Investment Leadership Instability.** CalPERS has struggled with repeated turnover in its Chief Investment Officer role. Dom highlighted how a broken incentive system drives instability and pledged to reform it so CalPERS can retain the investment expertise necessary to secure long-term returns.
- **Controlling Rising Healthcare Costs.** Members are paying more for healthcare each year, often with no improvement in services. Dom spoke out against unchecked premium hikes and called for stronger oversight of insurers and providers to reduce costs while protecting quality.
- **Restoring Accountability.** Dom shined a spotlight on how executive bonuses and policy decisions are often made without transparency. He pledged to bring accountability back to CalPERS governance.

LOOKING AHEAD

While the election outcome was not what we hoped for, RPEA remains proud to have endorsed Dominick. His campaign energized members and underscored the importance of having leaders who are willing to challenge the status quo.



Dominick "Dom" Bei



▲ Candidates Bei and Pacheco at campaign rally
Dom Bei with members of Riverside Sheriff's Assoc.. ▼



JOSE LUIS PACHECO

RPEA-Backed Candidate Jose Luis Pacheco Falls Short In Close Election

The election for the CalPERS Board of Administration All Member Position B seat has concluded, and despite a strong campaign and overwhelming support from retirees and active employees, Jose Luis Pacheco fell short of re-election, his coalition included retirees, safety, and labor unions.

For years, he built a reputation for independence, preparation, and his unwavering commitment to CalPERS members. He consistently asked the tough questions, demanded accountability, and worked to safeguard pension and healthcare security for the 2.3 million members who depend on CalPERS.

Known for doing his homework, Pacheco comes to every meeting prepared, informed, and ready to engage. His diligence reflects his deep understanding of the fiduciary responsibility CalPERS board members hold. Colleagues and observers alike often note that he is one of the few voices on the Board, who consistently puts members first. His re-election secures a strong and thoughtful advocate for years to come.

Though the outcome was disappointing, Pacheco's legacy on the Board is undeniable. When we needed courage from someone to stand up and challenge something presented to the CalPERS Board that could hurt members, Pacheco would do this. The underfunding of CalPERS at less than 80 percent, the massive liabilities of \$150 billion, the support for risky investments, and the escalating cost of health benefits, these and other concerns were not pushed aside by Pacheco. He set a high bar for what a responsible fiduciary should be, and for that we thank him.

We are immensely proud of the campaign Jose Luis Pacheco ran and his integrity on the CalPERS Board. His leadership, diligence, and courage to always put members before politics will have a lasting impact. He has set a high bar for what fiduciary service should look like.

Pacheco's campaign proved that members across the system value accountability and independence. His voice will continue resonating with retirees and active employees who valued strong oversight and protection of pensions and healthcare benefits.



Jose Luis Pacheco



▲ Jose Luis Pacheco with RPEA President Margaret Brown
Candidates Bei and Pacheco form campaign partnership ▼





INVESTOR'S CORNER

CALPERS INVESTS \$2 BILLION IN JP MORGAN HIGH YIELD ETF

By Al Darby | Vice President

CalPERS recently invested \$2 billion in a JP Morgan high-yield Exchange Traded Fund or ETF. An ETF is an investment fund holding multiple securities and can be traded like a stock on an exchange through your broker. In other words, an ETF is a mutual fund you can buy and sell with less hassle and cost (if a load fund) than a traditional mutual fund.

and manage risk – while most ETFs only passively track indexes. With active management, we should expect reduced trading costs, improved liquidity, and scale-up can occur more readily.

Hopefully, active management can achieve its lofty goals of identifying junk bonds that are below investment-grade but offer high yields while recognizing the higher risk nature of them. Managing risk is a feature of the JPHY that is not found in a conventional ETF. JPHY is designed to provide fundamental research that has a sophisticated method of selecting mispriced securities thereby minimizing drawdowns. Additionally, JPHY is run by a team of portfolio managers who choose and manage the bonds to outperform a benchmark.

High Manager Fees Raise The Prevailing Question: Couldn't Some Of This Work Be Done In-House?

This \$2 billion in the JP Morgan Active High-Yield ETF (JPHY) is primarily focused on owning junk bonds. It's said to be a safer investment than private credit, which comprises subprime loans to entities and individuals where CalPERS has invested \$5 billion. These investments represent about one percent of the value of the pension fund (PERF). With the diminishing returns of investment (ROI) in private equity (PE) continuing to plague that segment of public pension fund investments, the JPHY ETF is a more attractive fixed-income investment due to the potential high ROI, while being a liquid asset unlike PE holdings. Unlike most ETFs, this particular one is actively managed and thus acquires specific securities

This new investment strategy by CalPERS hopes to minimize the overcrowded condition in evidence with the private credit market. Carefully selecting junk bonds that are mispriced to the downside can be a profitable market segment. We hope that the fee structure in JPHY is within reasonable limits and has expertise in performing the active management functions promised. If so, CalPERS may have found an additional path to improved ROI.

Since CalPERS has successfully done this sort of work before, this question prevails: "Could this work be done in-house?" This JPHY venture continues the saga of whether there is a necessity for outside manager fees.

HEALTH BENEFITS DIRECTOR REPORT

OPEN ENROLLMENT, PBM AND VACCINES

J.J. Jelincic | Director of Health Benefits



OPEN ENROLLMENT

The annual CalPERS open enrollment for health benefits will be over by the time you read this. You should assume you are locked in until the next open enrollment period. If your life circumstances change you MAY be able to change medical plans between open enrollment periods. You can contact the CalPERS call center to see if you are eligible.



PBM

Effective January 1, 2026, CVS/Caremark will be the new Pharmacy Benefits Manager (PBM) for most plans offered by CalPERS. Kaiser and BlueShield HMOs are the exception. There will be changes in the formulary. If you are impacted, you should receive a notice from CalPERS and Caremark. Watch the mail. AS ALWAYS, IF YOU GET MAIL FROM CalPERS, OPEN AND READ IT.



VACCINES

Vaccines save lives. That is a simple truth. That is not to say that no one has negative reactions to vaccines. These negative reactions are rare but not non-existent. My father died from a complication from his heart surgery. This does not mean we should ban heart surgeries. They save lives. Vaccines do not necessarily prevent infection. The goal is to reduce severity, hospitalizations and death.

Vaccines have become political and politics is killing people. Trump 1.0 did a great job developing the COVID vaccine. It did a less than stellar job in developing a means to distribute it and get people immunized.

Vaccines are not perfect. Some are more effective than others. If a virus is stable, that gives us a big advantage. Measles is an example of a stable virus that is unlikely to replicate and mutate, so scientists could predict that immunity would last a long time, which it does. Smallpox and polio, highly contagious viruses that were almost eradicated through vaccination, are also stable with low mutation rates.

Viruses that replicate fast and mutate a lot, like influenza and COVID pose a challenge for vaccine makers. Every year there are multiple new strains of flu, which is why you should get a flu shot every year. This season's flu vaccine offers protection against four different strains, but next year, there likely will be new ones.

There have been a number of changes at the federal level - all of which are designed to limit access to vaccines. Most are driven by politics, ideology and a desire to create confusion. Most are generating pushback from the medical community. Politicians like to score points. Doctors like to save lives.

CalPERS and its medical plans are NOT changing requirements and/or copays. They will continue to provide COVID, flu and RSV vaccines at no cost. I urge you to get vaccinated. Protect yourself and others.

Remember, while you can make your own decision about getting vaccinated, you are also making decisions for others. You can impact others who are immuno-compromised or have underlying conditions and cannot get vaccinated. Do you want to impose your choice and risks on others?

Until next time, stay healthy and watch out for each other.

The image shows the California State Capitol building in Sacramento, California, under a clear blue sky. In the foreground, the California state flag is visible, featuring a grizzly bear on a green patch of land with a red star above it, and the words "CALIFORNIA REPUBLIC" below. The Capitol building is a large, white, neoclassical structure with a prominent dome and columns.

CALIFORNIA LEGISLATURE WRAPS UP

A SESSION OF BIG SWINGS AND QUIET COMPROMISES

By Pat Moran | RPEA Lobbyist,
Aaron Reed & Associates

As the gavel came down on the final day of California's 2025 legislative session, the mood in Sacramento was a mixture of exhaustion, relief, and a touch of frustration. For weeks, the Capitol had been buzzing with frantic negotiations, last-minute amendments, and marathon floor debates — the familiar theater of a Legislature racing toward adjournment. By the time lawmakers filed out of the chambers, they had moved dozens of consequential bills to the Governor's desk, while quietly letting others slip into the shadows until next year.

THE PUSH AND PULL OF POWER

If one theme defined this year's sprint to adjournment, it was the struggle between local control and statewide priorities. Nowhere was that more visible than in the high-stakes battle over housing near transit. Legislators ultimately passed a measure allowing residential towers up to 75-feet tall around transit hubs, overriding local zoning rules. Supporters called it a bold step toward addressing California's housing crisis; opponents blasted it as Sacramento once again dictating land use to cities already stretched thin.

That tension — how far the state should go to solve urgent crises like housing, climate, and affordability — echoed through countless committee rooms and caucus huddles.

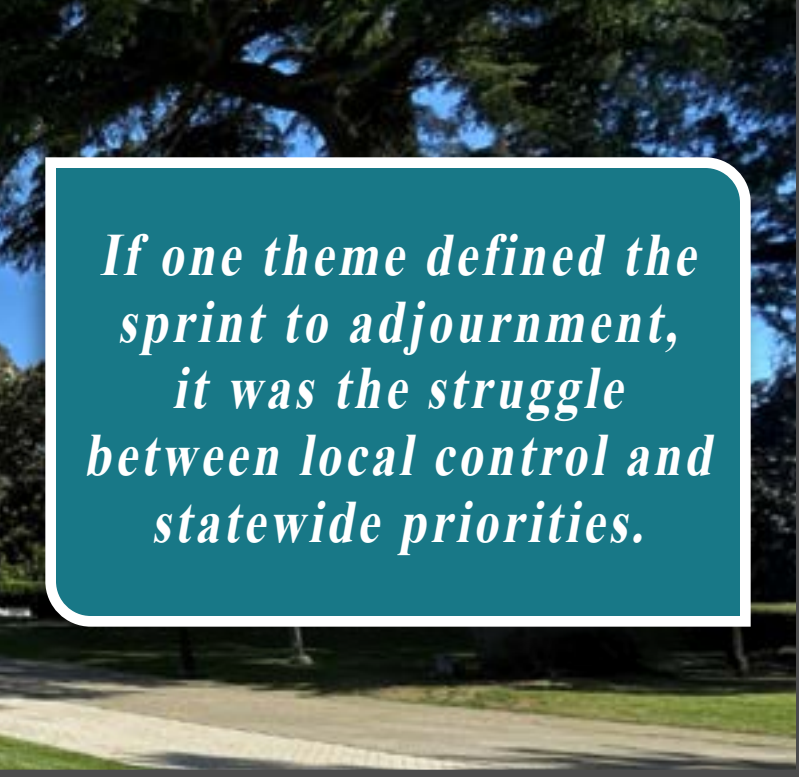
CLIMATE, ENERGY, AND THE PRICE OF PROGRESS

The Legislature also delivered a package of energy and climate bills that aimed to strike an elusive balance: keeping electricity bills from soaring while staying true to California's clean-energy goals. Deals were cut late into the night, with lawmakers approving measures to streamline transmission projects and adjust the state's cap-and-trade program.

The votes were hailed as pragmatic by some, but others saw them as compromises that chipped away at hard-won environmental standards. As one weary senator put it in the closing hours: "We didn't get perfect, but we got progress."

WHAT DIDN'T MAKE IT

Not every big idea survived the grind. A closely watched bill that would have required companies to disclose when artificial intelligence (AI) is used in life-altering decisions — from housing applications to college admissions — stalled out. It was a sign of just how complex, and politically fraught, the AI debate has become. Lawmakers hinted it will be back in 2026, likely with new coalitions and even sharper arguments.



If one theme defined the sprint to adjournment, it was the struggle between local control and statewide priorities.

BEHIND CLOSED DOORS

As always, some of the most consequential deals were cut far from the public eye. Lobbyists, legislative leaders, and the Governor's office huddled in late-night meetings, hammering out language that only emerged hours before floor votes. That practice has long been a source of tension in Sacramento — critics argue it undermines transparency, while defenders insist it's the only way to move complicated, high-stakes bills across the finish line in a politically divided environment.

WHAT COMES NEXT

With the session adjourned, attention shifts to the governor's office, where the stack of freshly passed bills now awaits signature or veto. Meanwhile, lawmakers are already looking ahead to 2026. Bills that failed this year — from AI safeguards to expanded environmental protections — are poised for another run. Budget fights loom on the horizon, especially as California wrestles with the cost of implementing its ambitious housing and climate goals.

For Californians, the impact of this session will unfold gradually — in taller buildings rising near train stations, in energy bills that (hopefully) don't climb as steeply, and in the quieter policy shifts that reshape how local governments, businesses, and communities navigate the state's future.

A FAMILIAR ENDING, A NEW BEGINNING

The end of session is always a paradox. On the one hand, it's a finish line — the culmination of months of debate, protest, and persuasion. On the other, it's only the beginning, as the real-world consequences of these bills play out in neighborhoods, on utility grids, and in courtrooms.

As lawmakers packed their offices and headed home, one thing was clear: California's grand experiment in governing a state of nearly 40 million people is never really "finished." The work pauses, shifts, and then begins again — louder, harder, and no less urgent when the gavel drops next year.

Two important bills awaiting action by the Governor that were supported by RPEA

AB 251 (Kalra) addresses elder abuse cases by targeting the destruction or concealment of critical evidence, known as "spoliation." The bill authorizes courts to impose penalties or draw negative inferences against parties who intentionally destroy, alter, or withhold evidence in elder abuse proceedings. By strengthening accountability in these cases, AB 251 improves the ability of victims and their families to pursue justice and ensures that seniors are better protected from those who would try to escape liability by hiding the truth.

AB 351 (Cabaldon) limits the influence of private equity and hedge funds in controlling health facilities, aiming to protect patient care from being compromised by purely financial motives. The bill also voids "gag clauses" in facility contracts that restrict transparency about care quality, ownership, or safety issues. By reinforcing accountability and ensuring that health decisions are not driven solely by profit, SB 351 strengthens protections for patients and residents, including retirees who depend heavily on skilled nursing facilities and other health services. RPEA supports this bill as an important safeguard for care quality and elder protections.



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 CWV/CVC

Signature Date Do Not Auto Renew

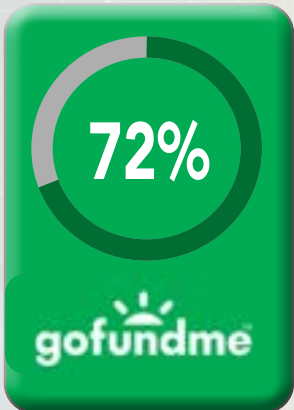
Enclosed is my check in the amount of \$60 for membership in RPEA. (Membership is \$30 for Affiliate members.)

WE'RE CLOSING IN ON THE TRUTH – BUT WE NEED YOU!



CALPERS INVESTIGATION

The Retired Public Employees' Association (RPEA) is powered by volunteers dedicated to protecting your CalPERS pension and retirement security.



To strengthen that fight, RPEA launched a GoFundMe campaign to hire nationally recognized forensic pension attorney Edward Siedle—known nationwide as the “pension warrior.” His independent investigation will hold CalPERS accountable for its high-fee, low-performance investments and other

governance failures to ensure the fund is managed in the best interests of its 2.3 million members.

Thanks to the generosity of members and supporters, we have already raised 72% of our goal. We are so close—but we need your help to cross the finish line.

“Every dollar donated brings us one step closer to exposing the truth about how CalPERS is managing your pension,” said Margaret Brown, RPEA President. “Our members’ generosity has been inspiring. With your help, we can get this investigation fully funded.”

HERE'S HOW YOU CAN HELP TODAY:

- **Donate online:** <https://gofund.me/18d53079>
- **Use your smartphone camera** with the QR Code
- **Donate by mail:** Send a check payable to RPEA, 300 T Street, Sacramento, CA 95811. Please note CalPERS Investigation on the memo line.

RPEA is made up of retirees just like you—working together to safeguard what we earned. Your donation, large or small, could be the one that gets us across the goal line. Together, we can uncover the truth and protect your retirement.

Scan QR code below to donate,
or visit GoFundMe website at:

<https://gofund.me/18d53079>



Edward Siedle

LEADERSHIP UPDATE

RPEA WELCOMES NEWLY SWORN-IN AREA DIRECTORS

By Margaret Brown | President RPEA



The Retired Public Employees' Association proudly swore in several dedicated leaders to serve as Area Directors, continuing our strong tradition of volunteer leadership that protects retiree pensions and health care benefits.



The following individuals were sworn in to represent their regions:

- Area 1 – Rachel Maldonado Aziminia
- Area 3 – Gary Harm
- Area 5 – Steven Lacey
- Area 7 – Ken Brown
- Area 9 – Jeff Baker, New Area Director, Las Vegas, NV

Jeff Baker, who joins as our newest Area Director, brings a wealth of experience to the role. With more than 20 years in investment management, including seven years at CalPERS in the Global Equities Group, Jeff was a senior investment officer responsible for hiring external managers across all asset classes, both domestically and globally. He also served at the San Diego County Retirement Association, where he oversaw equity and fixed income investments. Jeff holds an MBA and CFA. He has dedicated his career to ensuring sound investment strategies and protecting retirement assets.

As president, I am thrilled to welcome these caring members. Our Area Directors are the heart of RPEA's advocacy and member engagement. Each of these leaders brings valuable experience and dedication ensuring that the voices of retired public employees are heard.



Jeff Baker

We are incredibly lucky to have Jeff Baker, whose investment background will be an asset to RPEA's ongoing work to protect our pensions and benefits.

We also appointed 3 new Assistant Area Directors

- Area 6 – Kathryn Johnson-Sanders
- Area 7 – Anthony Delgado
- Area 8 – Lew Elliott



Please join us in congratulating our Area Directors and Assistant Area Directors, thanking them for their commitment to serving RPEA members statewide.



OUTGROWN YOUR BENEFITS?

TIME TO EXPAND YOUR COVERAGE.

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- Hearing Benefits
- Discounts on Travel, Dining & more

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Retired Public Employees' Association of
California



PROPOSITION 50

WHY WE HAVE IT AND WHAT IT DOES

By Randall Cheek | Legislative Director

This November 4, 2025, California voters face a special election asking them to vote “Yes” or “No” on Proposition 50, placed on the ballot by the California Legislature, which redrew the congressional lines for the 2026 election.

HOW DID PROP 50 HAPPEN?

How did this happen, you may ask? Aren't the lines redrawn every 10 years by a citizens' commission? Why are we doing this in mid-decade? Good questions which I will try to answer.

According to *The New York Times*, President Trump asked states controlled by Republican governors and their state houses to come up with more Republican congressional house seats. States like Texas, Missouri and Florida considered this with Texas and Missouri already moving forward to eliminate Democratic house seats. In response, Democratic-led states threatened to follow suit by creating more Democratic house seats. These states include California, New York, New Jersey and Illinois.

TEXAS'S ROLE IN PROP 50

Understanding why the California Legislature is asking for voter approval of a new set of congressional district maps means knowing what is happening in Texas.

Texas does not have a citizens commission to draw its legislative districts, and the Texas Legislature has drawn the congressional and state legislative maps for decades. As a result, Texas has been challenged in court on a number of occasions for violating the Federal Voting Rights Act. The Texas maps were redrawn in 2021 by the Republican controlled State Legislature, giving Texas two more Congressional seats. Republicans hold a slim majority in the House of Representatives with

220 seats to 213 Democratic seats (there are two vacant seats which were held by Democrats).

With mid-term elections in 2026, Republicans are concerned because the party holding power in the White House usually loses seats in the mid-terms. President Trump reached out to Texas Republican Governor Gregg Abbott, and asked him to get five more Republican Congressional seats in mid-decade. The total registered Texas voters are 17,485,702. The Democrats have 8,133,683; the Republicans have 6,601,189; and the unaffiliated have 2,750,830.

Because the Texas Republicans have the majority in both Texas houses, they drew the lines by gerrymandered district maps thus eliminating Democratic seats. This allows them to pick up five more Republican seats. Will this be challenged in court? Most likely, but who knows the outcome?

So why does this concern California? Governor Gavin Newsom, who some say eyes the 2028 presidency, threw down the gauntlet to Texas Republicans. He said if they try to rig the election to favor Republicans and keep control of the House, that he will have lines redrawn in California to gain five Democratic seats, which is what the California Legislature did with its plan to take the five seats.

THE FIVE SEATS IN QUESTION

The five seats in question currently held by Republicans include the following:

Doug LaMalfa (CA-01). His district would lose the Republican-leaning areas across the Oregon border while gaining Democratic-leaning areas around Santa Rosa.

TABLE A

Kevin Kiley (CA-03). His district would lose the Republican-leaning Eastern Sierra while gaining some Democratic-leaning areas around Sacramento.

David Valadao (CA-22). His district would gain Democratic-leaning areas in Fresno County.

Ken Calvert (CA-41). His district would be moved from the swing areas of the western Inland Empire to Democratic-leaning areas in Los Angeles County.

Darrell Issa (CA-48). His district would lose some Republican-leaning areas in San Diego County, while gaining some Democratic-leaning areas around the Coachella Valley.



Republicans have sued twice to stop Prop 50 from getting on the ballot but the courts have sided with the governor both times. Why put it on the ballot? Because the citizens’ redistricting commission was established by propositions approved by voters, and changing it requires a two-thirds vote of the Legislature or voter approval by voters. Thus Prop 50 was put on the ballot by the Legislature to be approved by voters.

FUELING PROP 50 IS CONTROL OF FUNDING AND CONGRESS

Why, you ask, is keeping the House so important to Republicans? Two things: control of Congress and control of funding. According to POLITICO, sources in the Republican Party say President Trump fears his agenda is threatened and there may be investigation hearings of his administration, if Democrats regain control of the House. Meanwhile, Newsom believes that California will be shortchanged on receiving its fair share of federal funding, as it relates to the midterm elections. For example, as the governor points out, President Trump is trying to cut federal grants to the Universities of California and California State Universities.

YES ON PROP 50 FUNDING	NO ON PROP 50 FUNDING
Over \$12 million from labor groups including SEIU, the California Teachers Association and the California Nurses Association	Charles T. Munger, Jr., who contributed \$20.1 million
George Soros donated \$10 million	Republican Rep. Doug LaMalfa donated about \$19,000
More than \$5 million from House Democrats’ campaign committee	Assemblymember James Gallagher donated about \$7,800
\$2.5 million from Michael Moritz, an early Google and PayPal investor	Retired Palo Alto investor Stuart Beattie donated \$1,000
\$2 million from the Democratic Governors Association	
\$2 million from Netflix CEO Reed Hastings	
\$2 million from Newsom’s gubernatorial campaign account	

DONORS

As of September 18, 2025, donors for and against Prop 50 appear in Table A above:

Former House Speak Kevin McCarthy claims he will raise \$100 million to defeat Prop 50, and former Republican Gov. Arnold Schwarzenegger has become a vocal opponent of redistricting.

How will Californians vote on Prop 50? No one knows for sure. Current polls show it is winning, but plenty of money will be spent to convince voters one way or another before November 4th. Also, just because the seats in Texas and California are being redrawn, doesn’t mean the outcome will be what those who redrew the districts desired. Read the voting pamphlets and make your decision and remember, voting is critical.



WHAT IS THE NEW \$6,000 TAX DEDUCTION FOR SENIORS CREATED BY THE BIG BEAUTIFUL BILL?

By Dev Berger | Managing Editor.

Confused by the \$6,000 Social Security tax credit created by the Big Beautiful Bill?

If so, you're not alone by a long shot.

The confusion for this started with an early July e-mail and a Social Security Administration July 3, 2025 memo, referencing President Trump's "one big beautiful" bill as providing "long-awaited tax relief to millions of older Americans."

Here's the thing. It didn't create a new tax credit for older people. What it created was a new tax deduction for the 2025 tax year, that reduces taxable income for qualifying adults aged 65 or older.

Social Security said the legislation makes it so "nearly 90%" of SS beneficiaries no longer have to pay federal income tax on benefits, because of an additional \$6,000 senior deduction.

However, tax experts say these statements are inaccurate and misleading.

Howard Gleckman, a senior fellow at the Urban-Brookings Tax Policy Center, stated: "It's simply not correct to say that there's a provision in this bill that is going to eliminate the Social Security benefit tax for 90% of the population."

Gleckman also addressed another mistake in the Social Security Administration's memo, which said the law helps protect Social Security. Not true, said Gleckman. The law actually weakens the program's funding by reducing the tax money it receives.

So what exactly do we know about the details of this new tax deduction?

QUESTION/ANSWER

What it is:

It's a new bonus deduction of up to \$6,000 per eligible taxpayer (\$12,000 for a married couple if both qualify).

How it works:

The deduction reduces the amount of income subject to federal taxes. It is available for tax years 2025 through 2028.

Who qualifies:

Taxpayers aged 65 or older by December 31, 2025, who have a modified adjusted gross income (MAGI) below certain thresholds qualify.

Income limitations:

The deduction begins to phase out for single filers with a MAGI over \$75,000 and for married couples filing jointly with a MAGI over \$150,000.

How it is claimed:

You must file a tax return and include your Social Security number(s). It can be claimed by both taxpayers who take the standard deduction and those who itemize.

Additional standard deduction:

This new bonus is in addition to the existing extra standard deduction for seniors. For 2025, a single taxpayer could receive a total standard deduction of up to \$23,750 (the base \$15,750, plus the existing \$2,000 senior deduction, plus the new \$6,000 deduction).

Who benefits most from the tax deduction?

The additional senior deduction will not affect taxes on Social Security benefits for individuals and couples below the impacted income thresholds, since they already are not subject to levies on their benefits. Nor will it help people who earn too much to qualify for the new deduction. Higher-income individuals and married couples with more than \$75,000 or \$150,000 in modified adjusted gross income, respectively, may not see their Social Security benefit taxes reduced, unless they are in the phaseout window.

For taxpayers who qualify, the senior deduction may reduce, rather than eliminate, their taxes on benefits. The Urban-Brookings Tax Policy Center estimates that fewer than half of older adults will benefit from the senior deduction. "The people who benefit the most, we estimate, are people who made between \$50,000 and \$200,000," Gleckman said.



FBI, SEC, Whistleblowers Invited to Join CalPERS Investigation

By Dev Berger | Managing Editor

On September 30, 2025, in Substack, forensic pension attorney Edward Siedle addressed CNBC's "Squawk on the Street" segment, *CalPERS Expands in Private Markets*, where CalPERS CEO Marcie Frost was interviewed and responded to questions about an earlier CNBC News report about the RPEA GoFundMe effort to investigate CalPERS.

"After smirking," wrote Siedle, "Frost gratuitously assured Wall Street listeners, 'Private markets are called private for a reason... CalPERS is not sharing the limited partnership agreements, CalPERS is not sharing any side letters... we are extremely transparent... But frankly, private markets are private for a reason...'"

Siedle pointed out that Frost had no reason to say on national television "that the pension was committed to keeping Wall Street's secrets from public scrutiny—other than to reassure Wall Street and possibly thwart fundraising for the transparency initiative."

"A savvy public pension fiduciary would have seized the moment to defend the public's right to transparency and accountability," wrote Siedle. "Public pensions are supposed to be subject to public scrutiny . . . and those Wall Street investment managers unwilling to be fully transparent should not be handling public monies."

Frost's commitment "to Wall Street secrecy schemes, as opposed to restoring accountability to CalPERS stakeholders and California taxpayers," has Siedle "inviting the FBI, SEC and any CalPERS whistleblowers to join in the impending investigation into CalPERS." Bravo.

Why...

ARE MORE OLDER PEOPLE DYING AFTER FALLS AND WHAT CAN BE DONE?

BY DEV BERGER | MANAGING EDITOR.

The perils of falls for older people has been a public health concern for decades. The 2023 data from the Centers for Disease Control and Prevention shows that over 41,000 Americans age 65 and older died from falls.

An even more disturbing statistic comes from the Sept. 5, 2025, *New York Times* article on increased deaths of older people after falls, which is: "Fall-related mortality among older adults has been climbing sharply."

Dr. Thomas Farley, an epidemiologist, who wrote an opinion article in the *JAMA Health Forum* (August 8, 2025), reported death rates for Americans over age 65 from fall injuries more than "tripled over the past 30 years. Among those over 85, the cohort at the highest risk, death rates from falls jumped to 339 per 100,000 in 2023, from 92 per 100,000 in 1990."

Some believe the culprit behind this is prescription drugs. For a long time, data and reports show that American older adults are heavily medicated with drugs inappropriate for older people. As Dr. Farley stated: "This didn't occur in Japan or in Europe."

The American Geriatrics Society updated fall prevention guidelines and recommended exercise or physical therapy for older adults at risk of falling.



They and others researching falls, however, question whether prescription drugs are increasing falls. Farley maintains that the data showing drugs increasing the mortality of falls are those making you drowsy or dizzy.

Dr. Thomas Gill, a geriatrician and epidemiologist at Yale University and a longtime falls researcher, feels there are alternative explanations for the increase in death rates from falls including improved reporting.

Fall-related mortality among older adults has been climbing sharply

One thing holds true according to Dr. Gill. Whether or not medication use outweighs all other factors, "nobody disputes that these agents are overused and inappropriately used" and contribute to the troubling increase in fall death rates among seniors.

It is very important that older adults raise the issue of FRIDS – Fall-Risk-Increasing Drugs- the medications associated with an increased risk of falls – with their doctors. These include psychotropic drugs (antipsychotics, antidepressants and sedatives), narcotics, and certain cardiovascular medications.

Identifying and managing FRIDS through strategies like deprescribing can be an effective way to reduce the incidents of falls and fall-related injuries.

If you or a loved one are on FRIDS, it is important to discuss them with your physicians.

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SPOTLIGHT

SCOTT SANDIN

GRAPHIC ARTIST SUPREME

By Dev Berger | Managing Editor

Among the most visible and striking changes RPEA has experienced in the last year, are the eye-catching, bold and clever graphics appearing in the RPEA bi-monthly magazine. The man behind these impressive illustrations and layouts is graphic artist Scott Sandin.

Born in Okinawa Japan, Scott is the son of a USAF F-105 fighter pilot who later became a commercial airline captain. Scott grew up in the California suburbs of Orange County, where he learned classical piano, and graduated college with a B.A. in Film/TV Communications from Chapman University, which led to work in corporate media production.

Scott did a short stint for Mattel before moving on to becoming a screenwriter and story development executive at a Los Angeles film production company. Along the way he developed graphic design and photography skills used for creating numerous ads, brochures, flyers, displays, movie posters, websites, and assorted electronic media. He also provided design for a few architectural landmarks, including the large decorative panels outside Renaissance High School for the Arts in downtown Long Beach, and a commemorate bronze relief plaque of former Navy SEAL and Medal of Honor recipient Michael A. Monsoor - featured at the stadium bearing his name at Garden Grove High School.

Over the years, Scott has played keyboards and some guitar and bass in various bands. He played in Savage City which became a "national support act" playing for some of the better venues in Orange County, and opening for such artists as Tommy Castro, Tower of Power, Little River Band, Bo Diddley, and Average White Band.



With its new, improved, professional covers and dynamic graphics, RPEA's magazine reaches more than our members. It now goes to CalPERS employers, the California Legislature and a variety of individuals, organizations and associations who care about a wide array of public employee issues and concerns.

We are proud that Scott Sandin is on our team helping with a variety of publications and outreach efforts, that keep members informed and educated about critical issues. And if anyone needs a good musician who plays piano and guitar, we have just the person for you.





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The Retired Public Employees' Association of California (RPEA) has long urged the Legislature to audit CalPERS and establish an independent Inspector General. With no action taken, we are now calling on public employees, retirees, employers, and taxpayers to help fund an independent investigation.

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**Fund the CalPERS
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