



Senator Arthur Orr

My Hero for 2023

BY DAVID G. BRONNER

In the world of politics, it is not uncommon for a friend to become an adversary, or an adversary to become a supporter on different problems or objectives.

While the Legislature passed two major pieces of legislation cutting future revenue (overtime and grocery tax), it could have been much worse. This was the year of tax cuts and exemption legislation. With record revenues, the Legislature faced a lot of external and internal pressure to cut taxes.

The problem is, these record revenues were due to one-time federal monies and the conservative budgeting by legislators in the prior session due to economic uncertainty. Alabama was second to last in tax collections in the nation, BUT that was BEFORE these two new tax cuts. The sugar high from the one-time influx of federal dollars is also ending.

If the Legislature had passed all the 22+ tax cuts and exemption bills that were filed this year, the future impact on the Education Trust Fund and General Fund budgets would have been devastating. Luckily, the Legislature limited what bills it did pass. One Senator in particular, **Senator Arthur Orr**, saw the big picture and worked to protect the budgets. As chair of the Senate Budget Committee for Education, he mitigated the negative impacts of the tax cuts that were passed, and even set aside money in a savings account for when the federal monies dry up and the cuts to the budgets hit. These efforts ensured that the worst-case scenario did not come to fruition. ●



2023 Legislative Session Update

BY NEAH M. SCOTT, LEGISLATIVE COUNSEL

The 2023 Legislative Session ended on June 6, 2023. As it has always done, the Legislature ensured the TRS and ERS were fully funded at the actuarially-set rates. Additionally, the Legislature funded PEEHIP at the requested employer rates and appropriated an additional \$99 million to PEEHIP as reimbursement for its COVID-19 expenses. **This funding means that PEEHIP does not have to increase costs to employers or members.**

The Legislature reformed the State Police retirement benefits by reopening the State Police Plan and improving the State Police Tier II retirement benefits. This change should be very beneficial to the state troopers and law



No Good Deed Goes Unpunished

BY DAVID G. BRONNER

Wow! The last legislative session was the most unusual I have

ever witnessed. Cutting taxes made great soundbites but had little impact on individuals, as we already have the lowest tax revenue in the United States! Cutting the tax on \$100 of groceries this September reduces the tax from \$10 to \$9 and then \$8 on September 1, 2024. Even IF there is growth in revenue of at least 3.5%, the cost to the Education Trust Fund would then be \$300 million a year!

With “Daddy Warbucks” in Washington, Alabama had the most money to spend in its history. However, **INSTEAD OF SPENDING, WE SHOULD HAVE INVESTED TO GET MORE FUNDS**, as Arkansas did in its Medicaid program called ARHOME for 340,000 low-income Arkansans. They spent **\$267 MILLION TO GET \$2.67 BILLION**. Alabama spent millions to give \$150 - \$300 to some of our citizens while ignoring low-income Alabamians and retirees.

Instead of expanding one of the best pre-k programs in the country statewide, we chose to move at the speed of a turtle crossing the interstate in Alabama in July! But not to be outdone, we cut the 5% income tax for overtime. No state has even considered that option, and now every employer, from the very large to small mom-and-pop employers, will need to figure out how to separate this time and report it. At best, Alabama accountants will be in high demand.

Maybe we can make some wise financial decisions during the upcoming special session to draw a new voting map for elections as requested by the U.S. Supreme Court. Here is one idea that could help increase revenues for education: Why not get the Alabama gambling industry under control and taxed like the rest of America does? ●

A Tiny Investment is Growing Big Time

EDITORIAL

One of the RSA's early investments in Alabama was in 1985 in the small town of Cullman. The RSA funded one of the first distribution centers in the state. Our investment of \$10.4 million yielded a return of 11.6% and was paid off in 1995.

The distribution center company was

called Walmart. Today, Walmart has five distribution centers, 144 retail stores, and employs 41,029 associates in Alabama.

History is nice, but the best news is that Walmart will now spend \$350 million to update the center with robotics and AI to nearly double the number of products it can ship to stores. The project will be

the largest investment in the history of Cullman County.

Congratulations to the leadership and people of Cullman County that made Walmart want to expand. You made it all possible! ●

How Billions in COVID-19 Relief Aid Was Stolen or Wasted

BY RICHARD LARDNER, JENNIFER MCDERMOTT, AND AARON KESSLER, ASSOCIATED PRESS

Fraudsters used the Social Security numbers of dead people and federal prisoners to get unemployment checks. Cheaters collected those benefits in multiple states. And federal loan applicants weren't cross-checked against a Treasury Department database that would have raised red flags about sketchy borrowers.

Criminals and gangs grabbed the money. But so did a U.S. soldier in Georgia, the pastors of a defunct church in Texas, a former state lawmaker in Missouri and a roofing contractor in Montana.

...An *Associated Press* analysis found that fraudsters potentially stole more than

\$280 billion in COVID-19 relief funding; another \$123 billion was wasted or mis-spent. Combined, the loss represents 10% of the \$4.2 trillion the U.S. government has so far disbursed in COVID relief aid.

That number is certain to grow as investigators dig deeper into thousands of potential schemes.

How could so much be stolen? Investigators and outside experts say the government, in seeking to quickly spend trillions in relief aid, conducted too little oversight during the pandemic's early stages and instituted too few restrictions on applicants. In short, they say, the grift was just way too easy. "Here was this sort of endless pot of money that anyone could access," said Dan Fruchter, chief of the fraud and white-collar crime unit at the U.S. Attorney's office in the Eastern

District of Washington. "Folks kind of fooled themselves into thinking that it was a socially acceptable thing to do, even though it wasn't legal."

The U.S. government has charged more than 2,230 defendants with pandemic-related fraud crimes and is conducting thousands of investigations.

...The pilfering was wide but not always as deep as the eye-catching headlines about cases involving many millions of dollars. But all of the theft, big and small, illustrates an epidemic of scams and swindles at a time America was grappling with overrun hospitals, school closures and shuttered businesses. Since the pandemic began in early 2020, more than 1.13 million people in the U.S. have

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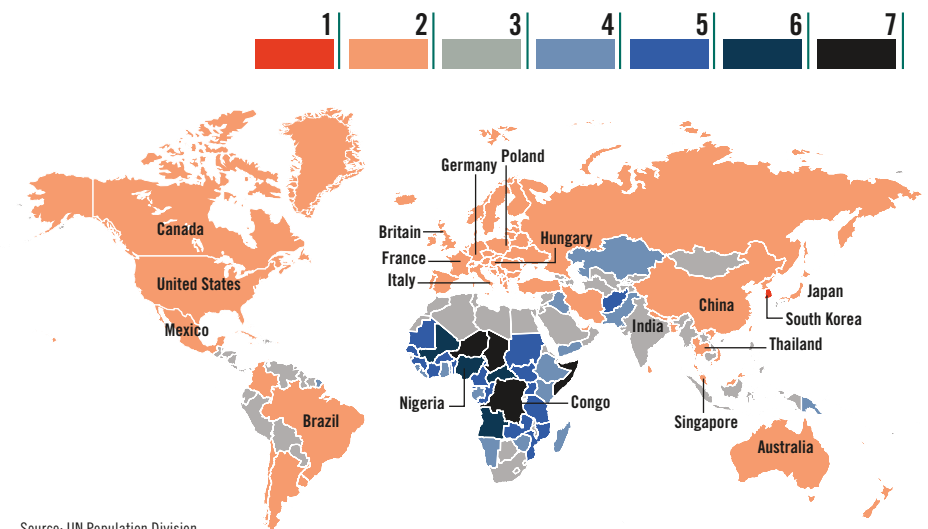
enforcement working for the Alabama Law Enforcement Agency (ALEA).

The Legislature also made minor changes to return-to-work laws. Initially, legislation was filed to temporarily increase the compensation limits for all retirees. This bill was later amended to apply only to ERS retirees who return to work as school resource officers or correctional officers and was enacted as amended. This exception will expire at the end of 2026.

For a full list of all enacted legislation impacting the RSA and its members, please check our legislative web page at www.rsa-al.gov/about-rsa/legislation/. ●

Where have all the babies gone?

Total fertility rate, live births per woman 2023 forecast



Alabama Success Story

Inclusive Postsecondary Education is Serving Students with Intellectual Disabilities in Alabama

Did you know a population of students has been effectively excluded from going to college as recently as the 2000s? Inclusive higher education has arrived in Alabama and is changing the landscape of our state for the better. The word “inclusive” means institutions of higher education are beginning to welcome individuals with severe intellectual disabilities to participate in college life. Although these students need additional resources and support, the fact they are now part of higher education is a significant step toward equipping all residents in our state with what they need to participate, contribute, and thrive as citizens.

While inclusive higher education is a relatively new phenomenon, the University of Alabama (UA) has supported these students on campus for over 20 years. The CrossingPoints Program began in 2002 as a partnership between Tuscaloosa City Schools, the Tuscaloosa County School System, and the UA’s College of Education. Once one of the first of its kind across the country, CrossingPoints affords students with intellectual disabilities who were still receiving Individuals with Disabilities Education Act (or IDEA)-related services an opportunity to have a college-like experience on campus during the day. These classes include important skills such as independent living, employment, social engagement, and self-determination. We are proud that 75% of our Tier 1 graduates leave with full-time employment, higher than the national average of about 40% of the same population.

In 2016, CrossingPoints expanded and created the Summer Bridge Program for students exploring the idea of postsecondary education. This allows students with intellectual disabilities the chance to live in residence halls, eat in dining facilities, practice utilizing transportation skills around campus and town, and take a class alongside UA peers to include program-specific coursework. Many of our students who come to Tuscaloosa for Summer Bridge are away from home for the first time. They walk away with more refined skills, a college experience, and a decision if continuing in postsecondary education is the best fit.

Due in large part to the reauthorization of the Higher Education Opportunity Act in 2008, CrossingPoints expanded with grant funding from the U.S. Department of Education to welcome students with intellectual disabilities as UA students. This three-year program provides the opportunity for students with intellectual disabilities from across the country to earn UA’s only certificate, the CrossingPoints Certificate of Occupational Studies, and participate in commencement exercises alongside other UA students.

These students enroll in classes alongside their peers in addition to program-specific classes, receive intensive independent living instruction, involve themselves in student organizations (including fraternities, sororities, and intramurals!), attend sporting events, and participate in community service activities.

“CrossingPoints opens doors to students who, until recently, would not have been able to have the dream of attending an institution like the University of Alabama,” says Dr. Kagendo Mutua, co-founder and director of the CrossingPoints Program. “Programs like ours make it possible for a subpopulation of college-age students who previously had been foreclosed from learning opportunities that a college campus offers students. In essence, CrossingPoints provides students with intellectual disabilities a space to create legendary stories for or about themselves.” Our students have secured meaningful employment in areas such as



elementary education, postsecondary education, retail, hospitality, and the sports industry. We even had a student sign with a talent agent working specifically with individuals who have disabilities!

Without CrossingPoints, UA would not be serving our state well and would leave behind a population who contribute to the life of our state. Interested in how we serve our students? Follow along at @UACrossingPoints on Facebook and Instagram to see what our students are doing on campus!

This is a series of articles about Alabama Success Stories. Please let us know if you have a similar success story you would like to share with the RSA membership. You may contact us at communication.correspondences@rsa-al.gov. ●

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- September 4-6, 11-12, 18-20, 25-27

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- July 6, 26 • August 13-14, 20-22, 29-30
- September 10-12, 19, 24-26

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- September 10-12, 19, 24-26

Grand Hotel RSA Spa Package \$285

- (plus a 15% resort fee)
- July 6 • August 14, 21-22, 29-30
- September 11-12, 19, 25-26

Marriott Shoals \$119

- July 5-6, 16, 23, 30 • August 6, 13, 20, 27-28
- September 4-5, 10, 17, 24

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- September 4-5, 10, 17, 24

Renaissance Ross Bridge \$129

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- August 1-2, 6, 13, 20, 27, 30-31
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(plus a 10% resort fee) Web reservation will show \$144, including \$25 resort fee. Guest will only be charged RSA rate at checkout.

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How Billions in COVID-19 Relief Aid Was Stolen or Wasted

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died from COVID-19, according to the Centers for Disease Control and Prevention.

Michael Horowitz, the U.S. Justice Department inspector general who chairs the federal Pandemic Response Accountability Committee, told Congress the fraud is “clearly in the tens of billions of dollars” and may eventually exceed \$100 billion.

Horowitz told the AP he was sticking with that estimate, but won’t be certain about the number until he gets more solid data.

“I’m hesitant to get too far out on how much it is,” he said. “But clearly it’s substantial and the final accounting is still at least a couple of years away.”

Mike Galdo, the U.S. Justice Department’s acting director for COVID-19 Fraud Enforcement, said, “It is an unprecedented amount of fraud.”... ●



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