

Cutting Public Pensions Could Hurt State Revenues

BY NEAH M. SCOTT, LEGISLATIVE COUNSEL

A new study by the National Conference on Public Employee Retirement Systems (NCPERS) found that cutting pensions could cost taxpayers. The 2025 report “Unintended Consequences: How Scaling Back Public Pensions Puts Government Revenues at Risk” provides an analysis of the economic impact of public pensions.

According to the study, public pensions provide not just retirement benefits but are powerful economic engines. Pension investments and retiree spending support jobs, generate tax revenue, and stimulate local economies across the country.

“In 2023 alone, the Retirement Systems of Alabama (RSA) invested more than \$44 billion in assets, with many of those dollars flowing directly into Alabama communities through investments in hotels, golf courses, office buildings, and manufacturing facilities. RSA also paid out \$4 billion in retirement benefits to its members, with the vast majority of those payments remaining in Alabama and supporting local

businesses and services.

This spending and investment activity generated an estimated \$2.6 billion in state and local revenue in Alabama, according to NCPERS, significantly more than the \$1.7 billion in tax dollars contributed toward pension funding. Alabama is one of 43 states where public pensions generate more revenue than they cost, creating a net fiscal benefit for taxpayers.”

The NCPERS report cautions policymakers to weigh these economic impacts carefully when considering any changes to public retirement systems. Efforts to scale back pensions may appear fiscally prudent on the surface, but could undermine local economies, reduce public revenues, and shift greater costs onto future taxpayers.

As the study makes clear, strong public pension systems not only provide retirement security to public servants but also play a vital role in sustaining state and local economies. ●

Why Are Rural Hospitals Closing?

BY ALANA SEMUELS, SENIOR CORRESPONDENT, *TIME*

Thomasville Regional Medical Center was supposed to be a game-changer. Situated in the U.S. Congressional district with the worst health outcomes in the country, the hospital opened in 2020 with state-of-the-art equipment, including a 3D mammogram and an MRI scanner. But it closed less than five years later in September 2024.

The hospital now stands empty: its pristine hallways dark, its expensive machines gathering dust. “It’s almost like the apocalypse happened,” says Sheldon Day, the mayor of Thomasville, who had worked for almost a decade to get a hospital to open there.

This apocalypse is happening throughout rural communities across the country.

More than 100 rural hospitals have closed in the past decade, according to the Cen-



ter for Healthcare Quality and Payment Reform (CHQPR), a national policy

center that works to improve health care payment systems. About one-third of all rural hospitals in the country are at risk of closing because of financial problems. In Alabama, 23 rural hospitals—about half of all of them in the state—are at immediate risk of closing, according to CHQPR.

Even more are in trouble with the passage of the sweeping new federal budget reconciliation law, which includes cuts that will slash Medicaid spending in rural areas. . . .

“When you look at the data, what you see is that Medicare and Medicaid are not the problem,” says Harold Miller, president and CEO of CHQPR. “The problem

Alabama Tourism Shines

SOURCE: TRAVEL AND TOUR WORLD

Travel and Tour World's Airlines News had a 13-page, positive story on tourism, this being the first page:

"In 2025, Alabama joins with Texas, California, New York, Alaska, and Illinois in shaping the future of U.S. tourism, contributing to the skyrocketing travel industry and driving massive revenue generation. These states are not only attracting millions of visitors but also leading the charge in defining the landscape of American tourism. Alabama, once an overlooked destination, has rapidly expanded its offerings, with record-breaking visitor spending and a growing number of international travelers.

Alongside tourism giants like Texas, known for its vast attractions and dynamic cultural scenes, California's iconic landmarks, New York's cultural and historical importance, Alaska's breathtaking natural beauty, and Illinois' vibrant cities, Alabama is quickly becoming a key player in the sector. Collectively, these states are setting new standards for tourism growth, with each contributing significantly to the nation's economy.

From expanded airline connectivity and world-class accommodations to rich cultural heritage and scenic destinations, these states are ensuring that the U.S. remains a top choice for global travelers. With more investment in infrastructure, marketing, and sustainable practices, Alabama, alongside these other leading states, is positioned to influence the future of the U.S. tourism industry for years to come.

Alabama's tourism industry is thriving in 2025, marking the state as one of the top U.S. destinations for both domestic and international travelers. The state's combination of Southern charm, historic sites, and emerging tourism infrastructure has led to a surge in both visitor arrivals and economic impact. As Alabama continues to develop its offerings to meet rising demand, this report delves into key tourism metrics for the state, including visitor arrivals, spending, hotel performance, airport transit, and emerging trends that are shaping the future of tourism in Alabama.

Alabama experienced a significant increase in visitor numbers, welcoming a total of 29 million visitors. This

marked a notable rise compared to previous years, indicating that the state's tourism appeal continues to grow. Key attractions such as the Gulf Coast beaches, vibrant cities like Birmingham and Montgomery, and iconic historical sites like the Civil Rights Trail have all contributed to the surge in visitation. As the state focuses on expanding its tourism offerings, it is expected that this upward trend will continue, further boosting Alabama's reputation as a must-visit destination in the U.S..."

The entire article can be found at:

www.travelandtourworld.com/news/article/now-alabama-joins-with-texas-california-new-york-alaska-illinois-in-shaping-the-future-of-us-tourism-skyrocketing-travel-industry-with-revenue-generation/.

(Editor's Note: When the RTJ Golf Trail started, Alabama Tourism was \$1.8 billion. RSA investments in television, newspapers, billboards, movies, and office buildings were used to assist tourism in growing to a yearly \$25 billion industry.) ●

Why Are Rural Hospitals Closing?

continued from page one

is private insurers."

Rural hospitals depend on private insurers for the majority of their patient costs, Miller says. In Alabama, for instance, CHQPR's data show that patients with private insurance rack up 65% to 80% of patient costs in Alabama's rural hospitals; in Thomasville, 18.4% of patients were using Medicare to pay

for their coverage, 16.2% were using Medicaid, and 65.4% were using private insurance.

But many rural hospitals are losing money on what private insurers will pay for patient care. The one in Thomasville, for instance, was getting paid by private insurers roughly half of what it was costing to deliver services, according to

CHQPR. . .

Miller says that as more rural hospitals close, communities' economies—and their residents—will suffer. . .

(Editor's Note: It makes it nearly impossible to recruit new jobs to an area where there is no hospital.) ●

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Alabama Success Story

Rapahope Celebrates 40 Years of Joy, Hope, and Healing

Since 1985, Rapahope has been a source of comfort and joy for children with cancer and their families. What began with a simple seven-day getaway for 12 children has grown into a year-round, nationally-accredited program serving families from across Alabama, Louisiana, Mississippi, and Florida. Today, Rapahope offers life-changing experiences to children ages 7–17 undergoing cancer treatment.

The organization's name, Rapahope—a loose translation of “talk about hope”—perfectly captures its mission: to create a space where children and families can connect, heal, and find joy together. A proud member of the Children's Oncology Camping Association International (COCA-I), Rapahope remains committed to providing all of its programming free of charge, ensuring that financial hardship is never a barrier to hope.

PROGRAMS THAT MAKE A DIFFERENCE

Rapahope offers a wide range of experiences that bring children and families together outside the hospital walls:

- **Camp Week** – The highlight of the year! This weeklong summer camp is packed with swimming, crafts, horseback riding, a high ropes course, and all the classic camp fun. It's a time when kids can simply be kids.
- **Sibling Weekend** – Cancer affects the

whole family. This weekend is just for the siblings—giving them a chance to connect with others who understand and enjoy a camp experience all their own.

- **Teen Weekend** – For campers ages 15–18, this weekend is designed to offer big fun in a short time, including plenty of space to relax and bond with friends who “get it.”



- **Family Day** – A single-day celebration that brings together past, present, and future campers and their families. Music, games, crafts, and laughter fill the air as everyone reconnects and creates new memories.
- **Family Retreat** – A peaceful weekend getaway that allows families to step away from medical routines and experience the joy and healing of camp together. It's a time to rest, share

stories, and find strength in community.

Each program is staffed by caring volunteers, along with on-site doctors and nurses who ensure every child is safe and supported.



A MILESTONE WORTH CELEBRATING

Rapahope marks its 40th year in 2025—and the community is invited to celebrate! The 40th Anniversary Gala will be held on September 4 in Mobile, honoring four decades of unwavering service, hope, and resilience.

For tickets, volunteer opportunities, or more information about Camp Rapahope, call 251.476.9880 or email info@rapahope.org. To support Rapahope and help keep camp

free for families, donations can be made at: <https://giving.myamplify.io/app/giving/campurahope>.

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 communications@rsa-al.gov. ●

Calculators on the RSA Website

Did you know that the RSA provides links to several calculators to help you prepare for retirement? On the Calculators page at www.rsa-al.gov/about-rsa/calculators, you will find six different calculators.

The first link is for the ERS and TRS Retirement Calculator. This allows you to generate an unofficial estimate of your retirement benefits after retirement. This calculator requires you to be a registered Member Online Services

(MOS) user. By logging in to MOS, the calculator can gather information directly from your account to provide a more accurate estimate.

The next calculator is the PEEHIP Retiree Premium Calculator, which gives you an unofficial estimate of your health insurance premiums (TRS only) after retirement. You are not required to log in to MOS to view this estimate.

The final four calculators are the IRS Withholding Estimator, Social Security

Retirement Estimator, AARP Social Security Calculator, and Medicare Eligibility Calculator. These are provided as a courtesy to our members and link to the official websites of the IRS, Social Security Administration, AARP, and Medicare. ●

Sports Betting: How much Americans spend

\$21.5B 2020	\$57.2B 2021	\$93.2B 2022	\$121B 2023	\$150B 2024 ESTIMATE
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Source: American Gaming Association

You Need a Fall Break at RSA's Outstanding Hotels, Spas, and RTJ Golf



Member Hotel
Discounts Webpage

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ENJOY YOUR FALL A Special Deal FOR RSA MEMBERS

The Battle House, A Renaissance Hotel \$129

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- October 4-6, 10-12, 15-23, 26-28
- November 7-12, 16-18, 23-30

The Battle House RSA Spa Package \$244

- September 1-3, 8-10, 22-24, 29-30
- October 6, 15, 20-22, 27-28
- November 10-12, 17-18, 24-26

Riverview Plaza \$119

- September 1-9, 15-17
- October 5-7, 16-20, 23-25, 29-30
- November 15-20, 28-30

Grand Hotel \$137 (plus a 15% resort fee)

- September 5-8, 12-16, 21-23
- October 12-13, 19-20, 29-31
- November 2-3, 16-17, 24-25, 30

Grand Hotel RSA Golf Package \$209 (plus a 15% resort fee)

- September 5-8, 12-16, 21-23
- October 12-13, 19-20, 29-31
- November 2-3, 16-17, 24-25, 30

Grand Hotel RSA Spa Package \$285 (plus a 15% resort fee)

- September 5-7, 12-16, 21-23
- October 12-13, 19-20, 29-31
- November 2-3, 16-17, 24-25, 30

Renaissance Shoals \$119

- September 1-4, 14-15 • October 5-6, 15-16, 26-27
- November 1-2, 9-10, 23-24

Renaissance Shoals RSA Spa Package \$229

- September 1-4, 14-15 • October 5-6, 15-16, 26-27
- November 1-2, 9-10, 23-24

Renaissance Ross Bridge* \$129 (plus a 15% resort fee)

- September 1-4, 7, 11, 21, 28-30
- October 1-2, 13-14, 22-23 • November 2-3, 16, 23-27

Renaissance Ross Bridge* RSA Spa Package \$260 (plus a 15% resort fee)

- September 28-30 • October 1, 22
- November 3, 24-25

Auburn/Opelika Marriott Resort* \$119 (plus a 10% resort fee)

- September 1-2, 7-8, 21-22
- October 5-6, 12-13, 26-27 • November 16-19, 23-26

Auburn/Opelika Marriott Resort* RSA Spa Package \$234 (plus a 10% resort fee)

- September 1-2, 7-8, 21-22
- October 5-6, 12-13, 26-27 • November 16-19, 23-26

Prattville Marriott \$109

- September 1-3, 5-6, 24-25
- October 10-11, 15-16, 20-21
- November 2, 8-9, 16-17, 28-30

Renaissance Montgomery \$129

- September 1-2, 27-30 • October 1-2, 23-26
- November 2-3, 9-10, 13-14

Renaissance Montgomery RSA Spa Package \$244

- September 1-2, 27-30 • October 1-2, 23-26
- November 2-3, 9-10, 13-14

Rates available the 1st of the month and are not applicable to groups.

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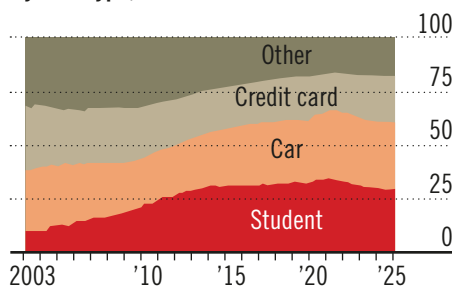
*Visit Member Discounts page for details.

ERS Board Election Results

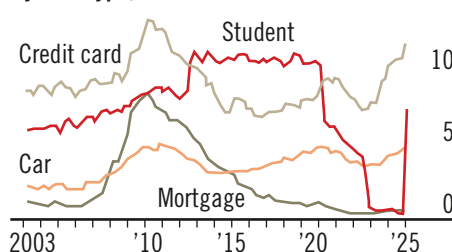
The Employees' Retirement System (ERS) Election Committee has certified the election results for the Active or Retired Local Employee Position on the ERS Board of Control. Congratulations to Mike Gillespie on his reelection. He will begin a new four-year term on October 1, 2025.

Back to Reality

Non-mortgage household debt by loan type, %



90-day delinquencies* by loan type, % of balance



Sources: New York Fed Consumer Credit Panel; Equifax; Federal Reserve Bank of New York *90 or more days past due

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