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Labor and allies call for Michigan legislature to pass critical bills

By Cameron Harrison and Noah Dollar

DETROIT—Michigan Democrats are scrambling in their last month before losing control of the State House to Republicans, 58-52, in January. Bills are on the table now cover public safety, worker protections, and insurance benefits. There are a host of measures that could benefit, or others that could harm working families across the state.

Americans face the uncertainty of rising costs and now, since the last election, the uncertainty of a change in federal power. A recent survey shows, for instance, that three-fifths of voters are worried that Trump “will promote hate and division” from the White House. But several organizations in Michigan are making it clear that it’s not lawmakers, or Corporate America, that should run this state, but the people.

The UAW, for example, issued a letter on November 22 urging the State Legislature to pass legislation that enhances the lives of working families in Michigan. They are demanding that elected officials prioritize fair wages, healthcare, retirement dignity, family time, fighting against corporate greed and influence



Black elected officials in Michigan held a ‘Black Legislative State of Emergency’ press conference Monday morning in Detroit | @BGOnTheScene / Youtube

in politics, and uniting against “divide and conquer” political tactics.

Leaders in Detroit held a press conference last month to call for Michigan’s legislature to do more for the Black community during the final days of their session. They said that they would “remember” the elected officials who stood in the way of Black policy priorities during the Legislature’s lame duck session. They argued in the press conference that their needs have been ignored.

“You see the mistake that Democrats make: When we have the gavel, we don’t use it,” said Detroit City councilmember, and peace advocate, Mary Waters. “You have to use that gavel right away. That is exactly what Republicans do every single time. You cannot expect Black people and Detroiters to continue to show up for the Democratic Party, you cannot expect that if you are not going to deliver for them.”

They’re demanding a set of policy priorities that include reforming no-fault auto insurance, reforming medical utilization reviews by insurers, repealing the emergency management law, teaching African American history in schools, adjusting payday loan laws, and reforming public safety, law enforcement, and criminal

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justice.

In September, the Michigan AFL-CIO, the Michigan Education Association and the American Federation of Teachers of Michigan, penned a letter to House Speaker Joe Tate, a Detroit Democrat, and the Democratic Senate Majority Leader, Winnie Brinks of Grand Rapids, calling for lawmakers to not interfere in the Supreme Court ruling *Mothering Justice v. Attorney General Michigan State Supreme Court*.

Raised minimum wage

This ruling raised the minimum wage, eliminated a subminimum wage for tipped workers, and provided earned sick time for all workers. Under the decision, Michigan’s \$10.33-an-hour standard minimum wage will increase by \$2.15 next year and reach nearly \$15 in 2028, while the state’s tipped minimum wage will gradually move to 100% of the regular minimum wage over five years following 2025.

“We urge you to stand firm in support of these worker gains and reject any efforts to obstruct or undermine them,” the unions’ letter said. “The Legislature should let the court’s decision stand as it is, and continue to lead Michigan towards a future where workers and their families can thrive.”

Labor and progressive organizations are also calling for the passage of Senate Bills 1079 and 1080, which would update the Michigan Workers’ Compensation system to eliminate phantom wages, raise the minimum and maximum benefit amounts, and ensure that insurance companies pay their fair share of claims.

Additionally, they’re demanding crucial reforms to the unemployment insurance system. When compared to other states in the Great Lakes region, Michigan offers significantly lower unemployment benefits and shorter durations, so these organizations are calling for an extension of the number of weeks that an individual can receive benefits—from a maximum of 20 weeks to 26 weeks, and an increase in the weekly unemployment benefit amount. The House passed legislation earlier this year to extend the duration of benefits, and a Senate committee advanced a bill that would both extend the duration and increase the weekly amount.

The UAW and SEIU Michigan joined the Taking Back our Power coalition to urge the Michigan legislature to pass the “Taking Back Our Power” bills (HB 5975/HB 5976 and HB 5520/HB 5521) during the lame-duck session to “defend our democracy against corporate greed by championing crucial legislative reforms.”

These bills target corporate influence in Michigan elections by limiting or prohibiting contribu-

tions by giant utility corporations, such as DTE, to the political process. They also limit awarding contracts to entities that donate or contribute to certain political candidates or committees.

Far from a partisan issue, the Taking Back Our Power bills have strong support among all political party affiliations—77% of Democrats, 73% of Independents, and 62% of Republicans. A recent survey found that 86% of Michiganders strongly support prohibiting regulated monopolies and companies seeking government contracts from making political contributions.

“We must prevent regulated monopoly corporations and companies seeking government contracts from making political contributions in Michigan,” the UAW said.

“We are deeply grateful to UAW and SEIU Michigan for their unwavering commitment to defending our democracy against corporate greed and their leadership in rallying labor support behind the overwhelmingly popular Taking Back Our Power legislative package,” the coalition said.

“Their advocacy highlights the urgent need to curb corporate influence in our political system, which has too often drowned out the voices of working-class Michiganders.

“Labor unions have always stood as advocates for justice, dignity, and the rights of working people. With UAW and SEIU Michigan joining this fight, we are stronger than ever in demanding a government that prioritizes the needs of its people over the interests of corporations.”

Labor and progressives are also urging passage of bills for pension benefits to be restored for all state workers, enhancements to state employees’ defined benefit retirement programs, revisions to healthcare contributions for public sector employees, paid family leave mandates, amendments to state voting laws through the Michigan Voting Rights Act, updates to worker safety laws, and a bill seeking to protect reproductive health data.

Trump’s backdoor scheme to destroy Social Security, Medicare, Medicaid

By Mark Gruenberg

WASHINGTON—When Republican Donald Trump returns to the Oval Office next month, the first idea he plans is to extend and expand his eight-year-old tax cut for corporations and the rich. That and other plans he has will destroy

the safety nets the country depends upon without ever having to do what Elon Musk is urging – the direct elimination of Social Security and other programs.

Trump has dropped hints and details of his tax schemes especially the continuation and expansion of tax cuts for corporations and the wealthy.

Taken together they mean that the Social Security Trust Fund, which is already declining, will reach a point, six years from his inauguration, where it will have no outside income except payroll taxes themselves.

No interest from federal bonds. No other outside money. No repayment of the billions of dollars the federal government “borrowed” from the trust fund for years. No nothing.

This in turn means, recipients will have to live on reduced Social Security checks, starting after 2031, not in 2034. Estimates of reduced checks vary, from between 21% and 34%. The lesser cut is if the economy grows “dynamically,” as Republicans always predict.

But Senate Finance Committee Chairman Ron Wyden, D-Ore., citing the non-partisan Congressional Budget Office, predicts Trump’s high tariffs will make the economy shrink. Wyden, who will yield the panel chair when the Republicans assume Senate control, discounts “dynamic” growth.

He didn’t say how much it would shrink. Neither did CBO. It just said the economy—and tax revenues—grew in the last two years mostly due to inflation from the temporary stimulus Democratic President Joe Biden pumped in to successfully combat the coronavirus-caused depression. That stimulus is ending.

“The last time Republicans spent this much money for no apparent gain was the war in Iraq,” says Wyden. “Trump’s political donors want a return on their investment, and Republicans are going to give it to them, even at the cost of shrinking our economy and destroying jobs.”

Elon Musk, whom Trump has put in charge of cutting the government down in size—before the president-elect himself started taking programs off the table—has an even worse idea, which he shares with Sen. Mike Lee, Utah: Kill Social Security directly. That draws the ire of Richard Fiesta, executive director of the labor-backed Alliance for Retired Americans.

“Lee has dreamed about phasing out Social Security and the benefits generations of Americans have earned for more than a decade. His bad ideas have been rightfully ignored but he got a big assist from Elon Musk, who amplified Lee’s wrongheaded views about Social Security on X,” formerly Twitter.

“Musk and Lee teaming up to go after Social Security should enrage and concern every single



Demonstrators form a symbolic chain to protest against a proposed change in the formula for determining annual Social Security benefits known as “chained CPI,” Tuesday, July 2, 2013, in Philadelphia. | Matt Rourke/AP

American who has contributed to Social Security,” Fiesta said after the two reiterated their stand on December 3.

“Social Security is a solemn promise between the American people and the government. We pay for Social Security’s guaranteed benefits with every paycheck and expect them to be there when we retire, lose a spouse or parent, or become disabled.

“No one voted to phase out Social Security or let Wall Street gamble with their earned benefits. Older Americans will rightly punish any politician who tries to cut their benefits or gut the system that has worked for generations.”

“Social Security has faced a financing shortfall for years, in part because of demographic shifts,” Tara Siegel Bernard explained in the New York Times. “More retirees are collecting benefits for longer periods, and a declining birthrate means fewer workers contributing to payroll taxes, the primary source of Social Security funds. And a larger share of the country’s income base is not subject to the tax compared with years past.

“The trust fund that pays retiree benefits is projected to be depleted in 2033. At that point, tax revenue will be enough to pay 79% of scheduled benefits. If nothing is done, beneficiaries would see their checks shrink 21%.”

Wait, it gets worse.

“The nonpartisan Committee for a Responsible Federal Budget projects exempting taxes on benefits would result in Social Security and Medicare receiving \$1.6 trillion less in revenue between 2026 and 2035 than if the current rules stayed in place, causing Social Security to become insolvent in 2032, followed by Medicare in 2030—one and six years sooner than currently projected, respectively,” wrote Forbes senior tax reporter Alison Durkee.

And those numbers don’t take into account what would happen if the Republican-run Congress followed Trump next year, as it did eight years ago, and cut taxes on corporations and the rich even further, made the cuts permanent, or both.

“Coupling that exemption with other Trump proposals would make Social Security run out of cash even quicker, the Committee for a Responsible Federal Budget projected in October,” Durkee continued.

Other Trump plans, especially increasing tariffs by 20% overall and 60% on goods from China, and jailing and deporting 11 million undocumented peo-

ple—“would add approximately \$2.3 trillion to Social Security’s deficit and cause the program to become insolvent by fiscal year 2031,” Durkee added.

Yes, deporting the undocumented would hurt Social Security. Studies show they contribute around \$12 billion yearly in payroll taxes—and they’ll never get a cent back.

Some taxpayers will benefit more than others.

“Any plans to eliminate taxes on Social Security benefits would primarily help beneficiaries who earn between \$63,000 and \$200,000, according to the Tax Policy Center,” certified public accountant Kemberley Washington wrote for the nonpartisan tax newsletter Bankrate. “Under current law, those who have a low to modest income aren’t typically required to pay taxes on Social Security benefits.

“Beneficiaries whose Social Security benefits are taxed usually have other significant income sources, such as wages or other income reported on their tax return. The IRS looks at beneficiaries’ combined income—half of their Social Security benefits plus nontaxable interest plus some other income—to determine if income tax will be owed.

“For 2024, if you’re a single tax filer with combined income between \$25,000 and \$34,000, you may owe income tax on up to half of your benefits. If your combined income tops \$34,000, you may owe income tax on up to 85% of your benefits.

“For married filing jointly filers, if you have combined income of \$32,000 to \$44,000, you may owe income tax on up to half of your benefits, and if your combined income exceeds \$44,000, you can expect to pay income tax on up to 85% of your benefits.”

Those are low figures for people who earn money outside Social Security. After all, the \$15 in the “\$15 and a union” campaign works out to \$31,200 gross, for a year’s worth of 40-hour work weeks.

As you might expect, there is one radical “tax the rich” solution to this problem, courtesy of the Institute for Policy Studies. Tax the wealth of the rich, and everybody else—not their adjusted gross income.

In other words, don’t tax Donald Trump’s pay or his interest and dividends or his income from renting out Mar-a-Lago for lavish soirees. Fully tax the value of Mar-a-Lago, and his golf clubs, hotels, and high rises, instead. You could even use that far richer stream of revenue to fund Social Security.

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