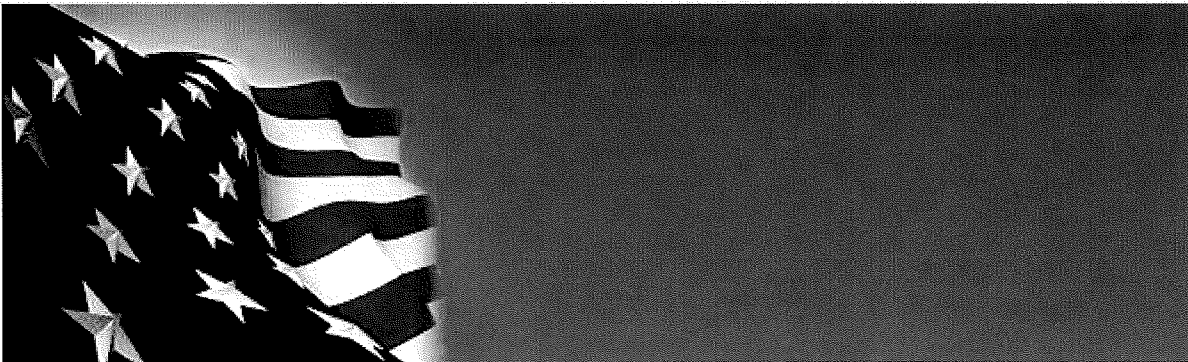


[Subscribe](#)[Share ▼](#)[Past Issues](#)[Trans](#)

CYPEN & CYPEN NEWSLETTER

for

MAY 29, 2014

Copyright, 1996-2014, all rights reserved

Stephen H. Cypen, Esq., Editor

Never Forget September 11, 2001

and

Always Remember May 2, 2011

1. ONE-IN-FOUR AMERICANS' NEST EGG BALANCE IS EXACTLY ZERO!: COUNTRY Financial Security Blog reports that one-in-four Americans, across all age groups, admit they are not saving at all for retirement. Americans ages 18-to-29 are the biggest offenders. Thirty-two percent in that age bracket are not saving at all for retirement. Perhaps they are buried in college loans or feel like retirement is too far away to worry about. Fast forward to the people 40 years and older, and you will find nearly 40% say they regret decisions they have made with their retirement savings. What is the biggest reason they point out? Nearly half say that they regret not starting to save early enough. Hopefully, these results will be an eye opener for today's 18-to-29 year olds, college loans or not, to save early and to save often. Circling back to the Americans who are not saving at all, nearly half (46%) say it is not possible for a typical middle income family to save for a secure retirement. Is it possible

they are not saving because they do not think it is possible to have a secure retirement? We will never really know, but, what we do know is making retirement a priority is an important step in achieving long term financial security and avoiding what appears to be the coming retirement crisis. On the bright side, forty-three percent of Americans say they check the health of their retirement savings every few months. It is important to make sure you doing more than just looking, however. Knowing where your money is going and how to diversify your savings so you are set up well for your golden years is crucial.

2. TRENDS IN HEALTH COVERAGE FOR PART-TIME WORKERS:

Are concerns about requirements of the new federal health insurance law causing more employers to shift to part-time workers? A new report by the nonpartisan Employee Benefit Research Institute finds there is no definitive answer to that question yet -- but notes that a shift in part-time employment was underway before the law was passed, that future trends are likely to depend more on factors such as the economy and unemployment rates. As written, the Patient Protection and Affordable Care Act of 2010 requires that employers with 50 or more full-time workers pay a penalty if they fail to provide health coverage to full-time workers in 2014, which has raised concern that employers may respond by cutting back on health coverage for part-time workers or by increasing the proportion of part-time workers employed. The Obama administration has subsequently indicated that it would delay enforcement of the terms of this employer mandate. The new analysis shows that the recent recession had already resulted in an increased use of part-time workers before PPACA was enacted: between 2006 and 2010, the percentage of workers employed fewer than 30 hours per week increased from 11.9% to 14.1%, and the percentage of workers employed 30-39 hours per week increased from 11.4% to 13.2%. Meanwhile, the unemployment rate dropped, from 9.9% in March 2010 (the month PPACA was signed into law) to 7.9% by the end of 2012. Since the end of 2012, the unemployment rate has fallen to 6.6%. As the report notes, part-time workers have a far lower rate of health coverage than full-time workers. Overall, there were 20 million workers employed under 30 hours per week, 18.8 million employed 30-39 hours per week in 2012. Among those employed fewer than 30 hours per week, 2.6 million (12.8%) had employment-based coverage from their own job, and among those employed between 30-39 hours per week, 6.3 million (33.6%) had employment-based coverage from their own job. In contrast, 60.5% of workers employed at least 40 hours per week

had employment-based coverage from their own job. A key related issue is dependent health coverage for children or spouses of part-time workers, which has been sharply declining. The likelihood that a worker employed fewer than 30 hours per week had employment-based coverage as a dependent fell substantially between 2000 and 2009: in 2009, 35% of these workers had dependent coverage, down from 46.8% in 2000. During this time, the percentage of workers employed 30-39 hours with coverage as a dependent fell from 26% to 20.5%, while the percentage of workers employed 40 or more hours per week with coverage as a dependent was mostly constant, except for a slight drop from 2003 to 2004.

3. GOING BROKE IN RETIREMENT TOP WORRY: Running out of money in retirement trumps other stress-inducing pressures, such as public speaking and gaining weight for affluent Americans. But, according to Employee Benefit News, the prospect of not having enough money to live on later in life, many are unwilling to cut spending on indulgences now in order to invest for retirement -- increasing pressures on resources such as Social Security -- rather than utilizing employer-based savings tools. Many mass affluent investors are taking a bit more of a live for today financial approach than one might expect, given their fear of running out of money in retirement. That kind of disconnect might have a significant impact on the long-term financial well-being of these investors. Millennials, on the other hand, are getting a jump on the retirement game, with many workers still in their teens taking part in employer-sponsored plans. Some of the more common reasons richer, older workers say they are not regularly saving for retirement include unexpected expenses, paying off debts and paying for a child's college education. Other indulgences that attribute to today's spending include entertainment, eating out and vacationing. As well, more women than men are worried about not having enough money in the golden years. However, it is women that are more reluctant than men to cut back present-day spending. Most mass affluent people with any retirement savings began saving at 33 years old, but millennials are planning at a younger age, between 18 and 24, with 80% of millennials noting they already have retirement savings.

4. FLORIDA STATUTE MANDATING THAT DEFENDANT SHOW AN IQ SCORE OF 70 OR BELOW BEFORE BEING PERMITTED TO PRESENT ANY ADDITIONAL INTELLECTUAL DISABILITY EVIDENCE IS UNCONSTITUTIONAL: After the United States

Supreme Court held that the Eighth and Fourteenth Amendments forbade the execution of persons with intellectual disability, Hall asked a Florida state court to vacate his sentence, presenting evidence that included an IQ test score of 71. The court denied his motion, determining that a Florida statute mandated that he show an IQ score of 70 or below before being permitted to present any additional intellectual disability evidence. The Florida Supreme Court rejected Hall's appeal, finding the State's 70-point threshold constitutional. On certiorari to the Supreme Court of Florida, the United States Supreme Court reversed, holding the state's threshold requirement unconstitutional. The Eighth Amendment, which reaffirms the duty of government to respect the dignity of all persons, prohibits execution of persons with intellectual disability. No legitimate penological purpose is served by executing the intellectually disabled. Prohibiting such executions also protects the integrity of the trial process for individuals who face a special risk of wrongful execution because they are more likely to give false confessions, are often poor witnesses and are less able to give meaningful assistance to their counsel. In determining whether Florida's intellectual disability definition implements these principles, it is proper to consider the psychiatric and professional studies that elaborate on the purpose and meaning of IQ scores. Florida's rule disregards established medical practice. The rejection of a strict 70-point cutoff in the vast majority of states provides strong evidence of consensus that society does not regard this strict cutoff as proper or humane. Every state legislature, except one, has considered the issue and has taken the position, contrary to Florida's. When a defendant's IQ test score falls within the test's acknowledged and inherent margin of error, the defendant must be able to present additional evidence of intellectual disability, including testimony regarding adaptive deficits. This legal determination of intellectual disability is distinct from a medical diagnosis, but is informed by the medical community's diagnostic framework, which is of particular help here, where no alternative intellectual disability definition is presented, and where the U.S. Supreme Court and the states have placed substantial reliance on the medical profession's expertise. *Hall v. State of Florida*, Case No. 12-10882 (US May 27, 2014).

5. NEW ORLEANS LOSES FIREFIGHTER RETIREMENT BATTLE:

The *Washington Times* reports that the U.S. Supreme Court refused to block state court rulings requiring New Orleans to pay \$17.5 million for its share of the fire department's retirement fund for 2010 through 2012. The Landrieu administration stopped making full monthly

payments to the fund in July 2010. The city said it could not afford the payments, and argued that ambiguities in the law give the mayor discretion over the amount of the city contribution. The city also says poor investments by the Firefighters Pension Board have driven up the city's contribution amount. The city had asked the U.S. Supreme Court to stay implementation of the state ruling pending an appeal. Deputy Mayor Andy Kopplin said the city was reviewing its legal options.

6. FPPTA 30TH ANNUAL CONFERENCE: The Florida Public Pension Trustees Association's 30th Annual Conference will take place on June 29 – July 2, 2014 at the Hilton Bonnet Creek, Orlando. A link on FPPTA's web site, www.fppta.org, will take you to the Hilton Bonnet Creek site to make your room reservations. You may access information and updates about the Conference at FPPTA's website. All police officer and firefighter plan participants, board of trustee members, plan sponsors and anyone interested in the administration and operation of the Chapters 175 and 185 pension plans should take advantage of this Conference.

7. WHY TEACHERS DRINK: Q. How is dew formed? A. The sun shines down on the leaves and makes them perspire.

8. TODAY IN HISTORY: In 1944, your editor was born.

9. KEEP THOSE CARDS AND LETTERS COMING: Several readers regularly supply us with suggestions or tips for newsletter items. Please feel free to send us or point us to matters you think would be of interest to our readers. Subject to editorial discretion, we may print them. Rest assured that we will not publish any names as referring sources.

10. PLEASE SHARE OUR NEWSLETTER: Our newsletter readership is not limited to the number of people who choose to enter a free subscription. Many pension board administrators provide hard copies in their meeting agenda. Other administrators forward the newsletter electronically to trustees. In any event, please tell those you feel may be interested that they can subscribe to their own free copy of the newsletter at <http://www.cypen.com/subscribe.htm>.

* * * * *

**777 Arthur Godfrey Road
Miami Beach, Florida 33140
Telephone/Miami-Dade: 305.532.3200
Telephone/Broward: 954.522.3200
Telephone/Toll Free: 800.332.3200
Telecopier: 305.535.0050
www.cypen.com
info@cypen.com**

* * * * *

[unsubscribe from this list](#) | [update subscription preferences](#)