STRENGTHEN SOCIAL SECURITY

...don't cut it.

August 8, 2011

Senate Majority Leader Harry Reid
The Capitol
Washington, D.C. 20510

Dear Majority Leader Reid:

We thank you for your tireless leadership in support of Social Security and for your efforts to prevent Social Security benefits from being cut in the Budget Control Act of 2011. You are a true champion of the 55 million Americans who depend on Social Security.

On behalf of the Strengthen Social Security Campaign, which is comprised of more than 320 national and state organizations representing more than 50 million Americans from many of the nation's leading aging, labor, disability, women's, children, consumer, civil rights and equality organizations, we write to urge that your three appointees to the **Joint Select Committee on Budget Deficit Reduction** be steadfast supporters of Social Security, who oppose including cuts to the program in any plan to reduce the deficit.

Regrettably, Social Security cuts were on the table during recent rounds of deficit negotiations between the White House and Congress. A strong push was made to, at a minimum, reduce Social Security's cost-of-living adjustments (COLAs) by adopting the chained CPI (Consumer Price Index). That change would cut Social Security benefits by $112 billion over 10 years and result in considerable hardship for millions of beneficiaries, especially the oldest of the old.

Such a cut is very misguided as the current formula used to calculate the annual COLA is already inaccurate because it does not take into account the higher share of spending devoted to health care by seniors and people with disabilities, and that health care prices rise much more rapidly than overall prices. Moreover, such a cut would violate a promise made by many politicians that they would not support benefit cuts for anyone currently receiving benefits or of persons who are nearing retirement age.

Given these earlier debt discussions about cutting Social Security and the Super Committee's considerable power, including that its recommendations will receive an up-or-down vote, without amendment and without being subject to the filibuster, we fear that Social Security will be targeted for significant cuts.

That would be very unfortunate and very inappropriate because we believe Social Security should not even be considered for cuts by the committee because:

- Social Security does not contribute a penny to the federal deficit.
- Social Security already operates under its own spending cap as benefits will automatically be cut across-the-board, without any action by Congress, if Social Security ever does not have enough income to cover its costs.
- Social Security is a pension plan with its own dedicated revenue stream that demands it be considered totally separate from deficit discussions. Doing otherwise will likely intensify the public's suspicions that Congress is raiding Social Security.
- Social Security's long-range funding shortfall, modest in size and still decades away, should be dealt with separately from the Super Committee's crisis-oriented deficit-reduction negotiations, and after Congress has completed its deficit-reduction work.
- Agreeing on a long-term funding solution for Social Security is very challenging, but it is not urgent and should not be done in haste.
- Many politicians have promised that they would not cut the benefits of anyone who currently receives benefits or the benefits of persons who are nearing retirement age. Other than increasing the program's revenues, breaking that promise is the only way to produce savings within the 10-year period of time that the Super Committee is focused on.
- Cutting Social Security will not reduce the public debt.
- Voters are strongly opposed to cutting Social Security, especially for deficit reduction. Politicians do so at their peril.
- Maintaining Social Security's modest benefit levels, or, better yet, increasing them, is the right policy, especially in light of the sharp decline of traditional pensions in the private sector and the loss of individual savings as the result of the Great Recession.

A more detailed analysis of our concerns is available here. Thank you for considering our views. For further information your staff can contact Frank Clemente, Campaign Manager, at fclemente@socialsecurity-works.org, or 202-587-1632.

Sincerely,

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Campaign Co-Chair

Eric Kingson
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Frank Clemente
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