



Kriss Worthington

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ACTION CALENDAR

July 6, 2010

To: Honorable Mayor and Members of the City Council
 From: Councilmember Kriss Worthington
 Subject: Oppose Social Security and Medicare Solvency Commission Act (S. 276)

RECOMMENDATION

Send a letter urging Senator Feinstein to withdraw this damaging bill or amend it to benefit the important needs of our senior citizens and people with disabilities and to send letters to Senator Boxer and Congresswoman Lee asking them to please oppose S. 276.

BACKGROUND

The Social Security and Medicare Solvency Commission Act (S. 276) was introduced by Senator Feinstein. It will establish the National Commission on Entitlement Solvency to review and report to the President and Congress on the Social Security and Medicare programs.

According to the California Alliance for Retired Americans (CARA), “these commissions are more likely to propose benefit cuts for present or future recipients instead of needed improvements in benefit adequacy and financing.”

Various communities will be severely impacted by S. 276. Statistics show that “more than one-third of all people 65 and older rely on Social Security for 90 percent of their income.” (CARA) Many communities will be impacted by poverty upon the enactment of S. 276. Statistics presented by the CARA state that “women make up 60 percent of Social Security beneficiaries and they depend on it more than men do for retirement.” Furthermore, “more than 75 percent of older Latinos and nearly 80 percent of African Americans rely on Social Security for most of their income.” (CARA)

Social Security and Medicare are invaluable tools to our communities and we need to reject damaging threats such as S. 276.

FINANCIAL IMPLICATIONS

None.

CONTACT PERSON

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Senate Bill 276 may be found at: <http://www.govtrack.us/congress/billtext.xpd?bill=s111-276>

Dear Senator Feinstein,

We urge you to withdraw the Social Security and Medicare Solvency Commission Act (S. 276) or amend it to do something more beneficial for individuals with disabilities and senior citizens.

According to the California Alliance for Retired Americans, "Social Security is our country's most important and successful retirement insurance program, providing economic security to retired Americans and their families, persons with disabilities and surviving spouses and children of deceased workers for 70 years."

S. 276, would be a major setback for the economic well being of the American public especially to many vulnerable populations. According to CARA statistics, "Social Security has helped generations of American retire with dignity and Medicare has helped reduced senior poverty by two-thirds since it began in 1965." The bill also poses threats to minority communities including women and various ethnic groups who rely on insurance programs like Social Security and Medicare for survival.

We need to reject threats such as S. 276 and instead of undermining such invaluable tools to our communities we should consider other alternatives. CARA has presented other options to improve our nation's economy with relatively modest adjustments without cutting Social Security and Medicare benefits. These alternatives include:

- Raising the payroll tax cap on Social Security taxes for the wealthiest Americans
- Freezing the estate tax at 2009 levels and apply those revenues to Social Security
- Putting people back to work in sustainable American jobs
- Supporting legislation proposed by Senator Tom Harkin (D-IA) "The Wall Street Fair Share Act" (S. 2927) and Representative Peter DeFazio (D-OR) "Let Wall Street Pay for the Restoration of Main Street Act of 2009" (H.R. 4191). This legislation would place a modest tax on Wall Street financial speculation while leaving the vast majority of ordinary investors largely unaffected. All told, this modest tax of 0.25 percent would raise over \$75 billion a year.

We thank you for your time and consideration and urge you to reconsider the consequences S. 276 has on vulnerable communities including people with disabilities, senior citizens, and various ethnic groups and to withdraw or amend S. 276.

Respectfully,