

Resolution in Opposition to Cuts in Social Security

Whereas the current cost-of-living adjustments (COLAs) applied annually to Social Security benefits and other government programs already fail to account for the higher inflation seniors experience due to their disproportionately higher health care costs; and

Whereas the proposal to subject COLAs to a so-called “chained” CPI (consumer price index) would result in an estimated 0.3% yearly reduction in those COLAs, amounting to an average annual reduction of about \$130 per Social Security recipient, and a 9.2% reduction (almost \$1400/year) by the time current 65-year-olds reach age 95; and

Whereas the concept of a chained CPI is based on the false premise that, as prices rise, consumers will simply shift their purchasing to less expensive goods and services, while many expenses unavoidable for seniors, such as drugs, health care services, food and property taxes, continue to rise inexorably; and

Whereas, in addition to over 56 million Social Security recipients, there are more than 15 million SSI and VA beneficiaries and military and federal civil service retirees who will be affected; and

Whereas the impact of those reductions will be greatest on those who begin to draw benefits at an earlier age (e.g., military and disabled), and on those who live the longest – typically women who have outlived their other sources of income, depleted their assets, and rely on these benefits as their lifeline to financial stability; and

Whereas generations currently coming of age (a) will have reduced lifetime earnings due to the ongoing recession, (b) will face unprecedented levels of student loan debt and are highly unlikely to ever have defined benefits pensions (and research has shown that 401(k) programs fail to sufficiently prepare Americans for retirement), and (c) will therefore be even more dependent than current retirees on adequate funding of Social Security and realistic COLA calculations; and

Whereas Social Security can be made solvent for at least 75 years, and its benefits increased, by the simple expedient of subjecting all earned income to the FICA tax; and

Whereas cutting Social Security and other safety-net programs would seriously jeopardize the American social contract that has been in place since the New Deal; and

Whereas two-thirds of poll respondents over 50 (Democrats, Republicans and Independents) have said they'll be less likely to support anyone who backs President Obama's proposal to implement a chained CPI, which will result in severe negative repercussions for our Party in 2014 and 2016 if implemented; and

Whereas the Washington State Democratic Central Committee adopted, on April 27, 2013, a Resolution based on substantially the same factual assertions set forth above and concluding

by urging our state's Democratic Congressional Delegation to refuse to pass a budget that includes cuts to Social Security and other benefits by implementing a chained CPI;

Therefore, be it resolved that we are in full accord with our State Democratic counterparts and specifically call on our own Democratic Representatives and Senators to refuse to support any budget proposal that subjects COLAs in Social Security and other programs to a chained CPI; and

Be it further resolved that, going forward, we will refuse to endorse or support any federal candidate that either votes for or advocates for cuts to Social Security, and that all candidates seeking our endorsement or support should be made aware of this policy.

Adopted June 25, 2013, by King County Democratic Central Committee;

Adopted July 9, 2012, by Washington State Progressive Caucus