

LEADERSHIP COUNCIL
of
AGING ORGANIZATIONS

Barbara B. Kennelly, Chair

July 19, 2005

Via Fax

Congress of the United States
Washington, DC

Dear Representative/Senator:

The undersigned members of the Leadership Council of Aging Organizations (LCAO) strongly believe that Social Security is the cornerstone of our nation's income security for retirees, survivors, disabled workers and their families and we are committed to ensuring its future.

The long-term funding shortfall in Social Security should be addressed but the program is not in crisis. The LCAO supports a strong and healthy Social Security system and believes that with modest adjustments, Social Security will continue to provide our children and grandchildren with the same secure, life-long, inflation-protected foundation of retirement security that is provided to current retirees.

Some propose establishing private accounts financed with Social Security funds that are needed for current or future benefits. We urge you to recognize the adverse effect those accounts would have on Social Security's long-term solvency; on Social Security benefits, including benefits for survivors and disabled workers; and on the federal budget and the federal debt.

The LCAO believes that private accounts financed with any Social Security money is not a solvency option. Rather, transferring money out of Social Security into individual accounts would make solvency worse, add trillions of dollars to the national debt and weaken retirement security. We oppose Social Security legislation that includes these private accounts.

In addition, we oppose substituting "progressive indexing" in the formula for calculating initial Social Security benefits. This change would mean a substantial reduction in benefits for most future retirees and would fundamentally change the structure of Social Security. Middle-class Americans, who rely on Social Security for a basic floor of retirement income, would be particularly hard hit. In fact, no Social Security recipient would be better off financially under this proposal and 70 percent of future retirees would be worse off.

Therefore, we urge you to reject any proposals that would transfer any Social Security funds into private accounts. In addition, proposals that would substantially cut future benefits, such as progressive price indexing, should be rejected.

We are available to meet with you or your staff to discuss the LCAO position on Social Security.

Sincerely,

*AARP
AFL-CIO
AFSCME Retiree Program*

July 19, 2005

Alliance for Retired Americans
American Association for International Aging
American Federation of Teachers
American Geriatrics Society
American Society on Aging
Asociacion Nacional Pro Personas Mayores
Association for Gerontology and Human Development in Historically Black Colleges and Universities
Association of Jewish Aging Services of North America
Eldercare America, Inc.
The Gerontological Society of America
Gray Panthers
National Academy of Elder Law Attorneys
National Association of Nutrition and Aging Services Programs
National Association of Professional Geriatric Care Managers
National Association of Retired and Senior Volunteer Program Directors, Inc.
National Association of Senior Companion Project Directors
National Association of Social Workers
National Caucus and Center on Black Aged, Inc
National Citizens' Coalition for Nursing Home Reform.
National Committee to Preserve Social Security and Medicare
National Council on the Aging
National Indian Council on Aging, Inc.
National Senior Citizens Law Center
OWL, the voice of midlife and older women
Service Employees International Union