



Leadership Council
of Aging Organizations

Barbara B. Kennelly, Chair

August 10, 2010

United States Senate
Washington, DC 20510

Dear Senator:

The Leadership Council of Aging Organizations is a broad coalition that focuses on the well-being of America's 87 million older adults. This month, we take great pleasure in celebrating the 75th birthday of Social Security. We believe that no government action in our nation's history has had a larger or more positive impact on our constituents and *yours* than the enactment of Social Security in 1935. In today's climate of economic turmoil and financial insecurity, a strong Social Security system is more important than ever.

Social Security is America's primary income protection system providing disability, retirement and life insurance protection for nearly all workers and their families. The system, which has never failed to pay monthly benefits, is self-sustaining, and is funded by the payroll contributions of workers and their employers.

Throughout most of its history Social Security has collected more in payroll contributions than it has paid out in benefits. As a result, the Trust Fund has accumulated a reserve of \$2.6 trillion. These reserves are invested in interest-bearing U.S. Treasury bonds. Guaranteed by the full faith and credit of the United States, these bonds are widely recognized to be the safest investments on earth.

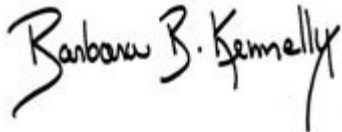
Knowing this, we are greatly dismayed that, in some quarters, Social Security is now seen as a solution to U.S. deficits. Social Security has never contributed a penny to the deficit or the long term debt. Yet, some on the National Commission on Fiscal Responsibility and Reform, as well as some Members of the U.S. House and Senate, say Social Security benefits should be cut in order to reduce deficits and stabilize the economy. This could not be more unfair to American workers, who have contributed to Social Security in good faith and who deserve the benefits they have earned.

LCAO recognizes that Social Security was never meant to replace all of the income lost when a worker retires. But the reality is that for most workers, not just the poor, it represents at least half of retirement income. At a time when pension plans, retirement savings accounts and home equity have been decimated by economic chaos, Social Security has remained constant. With a 75-year record of dependability, we believe that the program should be strengthened, not cut.

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Our organizations know that Social Security will eventually experience a shortfall that will need to be addressed. But this is a manageable problem that does not require drastic changes in the system or cuts for beneficiaries. We look forward to working with members of Congress on proposals to sustain and strengthen Social Security for future generations. Until then, we hope that we can work together to fight off harmful changes to the system, while celebrating Social Security's unparalleled importance and its historic 75th birthday.

Cordially,

A handwritten signature in black ink that reads "Barbara B. Kennelly". The signature is written in a cursive style with a large initial 'B' and a long, sweeping tail on the 'y'.

Barbara B. Kennelly
Chair, Leadership Council of Aging Organizations