



Leadership Council  
of Aging Organizations

*Debra B. Whitman, Chair*

May 20, 2015

The Honorable Xavier Becerra  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Representative Becerra,

On behalf of the Leadership Council of Aging Organizations (LCAO), a coalition of 72 national nonprofit organizations concerned with the well-being of America's older population and committed to representing their interests in the policy-making arena, we write to express our strong support for the **One Social Security Act**.

Combining the Old Age and Survivors (OASI) Trust Fund and the Disability Insurance (DI) Trust Fund into a single fund is a common sense policy that is long overdue. Although the funds are administratively separate, they come from a single source (FICA payroll contributions). Policymakers, experts, and analysts usually treat the two funds as one combined fund, because all parts of Social Security are so intertwined. A single benefit formula generates retirement benefits, survivor benefits and disability benefits, and changes to one part of the system can have significant impacts on the other parts. The annual Trustees Reports provides projections as if the two trust funds were combined ("OASDI"), and these are the projections that are most cited and most useful.

The Disability Insurance Trust Fund was established as a result of the 1956 legislation that established disability insurance benefits within the Social Security system. Because providing actuarial projections for disability insurance was relatively new and uncertain, the funds were administratively separated. However, as far back as 1979, the bipartisan Social Security Advisory Council unanimously recommended a unitary trust fund. Those experts pointed out that requiring legislative reallocations "is cumbersome and can cause needless public worry about the financial integrity of the Social Security system."

Having two separate trust funds adds unnecessary complexity and can lead to unnecessarily scaring the American people about the strength of the Social Security system. Currently, the combined trust funds have sufficient resources to pay all Social Security benefits in full and on time, through 2033. But because of there are two separate trust funds, the media is already reporting that those receiving Social Security disability benefits will experience a devastating 19% cut in benefits if Congress doesn't act before the end of 2016. We understand that Congress does not want that to happen, but the media reports are technically accurate, and unduly frightening for those receiving disability benefits and their families. Americans pay into one

Social Security system to protect themselves and their families against loss of income at retirement, death *or* disability – there is no justification for allowing one type of benefit to be cut due to the administrative separation of the trust funds.

Therefore, the undersigned organizations support combining the two funds, to increase simplicity within the Social Security system and to avoid the artificial crises stirring up needless anxiety that come periodically with the discussions around Congress taking action on reallocation. We applaud you for your legislation, which makes this long overdue improvement.

Sincerely,

AFL-CIO

Aging Life Care Association (formerly NAPGCM)

Alliance for Retired Americans

American Federation of Government Employees (AFGE)

American Federation of State, County and Municipal Employees (AFSCME) Retirees

American Federation of Teachers (AFT) Retirees

American Postal Workers Union (APWU) Retirees

American Society on Aging (ASA)

Association for Gerontology and Human Development in Historically Black Colleges and Universities (AGHDHBCU)

B'nai Brith International

Center for Medicare Advocacy, Inc.

International Association for Indigenous Aging (IA<sup>2</sup>)

The Jewish Federations of North America

Justice in Aging

LeadingAge

National Academy of Elder Law Attorneys (NAELA)

National Active and Retired Federal Employees Association (NARFE)

National Adult Protective Services Association (NAPSA)

National Association for Home Care & Hospice

National Association of Area Agencies on Aging (n4a)

National Association of Social Workers (NASW)

National Association of State Long-Term Care Ombudsman Programs (NASOP)

National Caucus and Center for Black Aged, Inc. (NCBA)

National Committee to Preserve Social Security and Medicare (NCPSSM)

National Hispanic Council on Aging (NHCOA)

Pension Rights Center

Services and Advocacy for GLBT Elders (SAGE)

Social Security Works

Volunteers of America (VOA)

Wider Opportunities for Women (WOW)

Women's Institute for a Secure Retirement (WISER)