

Enrolled

Senate Memorial 1

Sponsored by COMMITTEE ON RULES

To the Senate and the House of Representatives of the United States of America, in Congress assembled:

We, your memorialists, the Senate of the State of Oregon, in legislative session assembled, respectfully represent as follows:

Whereas Social Security's income protections, such as guaranteed lifelong benefits, cost-of-living adjustments to guard against inflation, increased benefits for families, greater income replacement for low-income workers and disability and survivor benefits, are the backbone of retirement security and family protection in the United States of America; and

Whereas Social Security provides crucial and often indispensable income protection for the 47 million individuals, or one in every six Americans, currently receiving benefits; and

Whereas Social Security is the nation's most successful and most important family income protection program but has long-term funding needs that should be addressed; and

Whereas some policymakers propose to address those needs by cutting guaranteed benefits and privatizing Social Security by diverting a third or more of workers' payroll tax contributions from the Social Security trust funds to private investment accounts; and

Whereas privatization will multiply Social Security's funding needs by draining resources from the trust funds into private accounts, increasing the federal deficit by \$2 trillion over the first decade alone and by even more in future years, putting the United States deeper in debt to foreign creditors; and

Whereas some public officials and members of the United States Congress have suggested that the federal government will not pay back the moneys borrowed from the Social Security trust funds over the past 20 years to pay for programs other than Social Security, thereby denying working families the contributions they have paid into Social Security while employed and posing the threat of further retirement benefit cuts; and

Whereas privatization of Social Security will reduce guaranteed benefits by 30 percent for young workers, even for those who do not participate in private accounts, and will cost them \$152,000 on average over the course of their individual retirements, thus denying them benefits they have earned and imperiling their economic security; and

Whereas cutting guaranteed benefits will hurt the nation's elderly persons because Social Security is the only source of secure income for most elderly persons, provides at least half the income in nearly two-thirds of the households of older Americans and safeguards nearly 11 million senior citizens from poverty; and

Whereas reducing guaranteed benefits will harm women and people of color who are unable to save for retirement because they earn less money than white men and are subsequently more likely than white men to rely on Social Security for most of their retirement incomes and less likely than white men to receive job-based pension incomes; and

Whereas diverting resources from Social Security to fund private investment accounts will threaten guaranteed survivor and disability benefits, while roughly one in five workers dies before retirement and nearly three in 10 become too disabled to work before reaching retirement age; and

Whereas privatization of Social Security will overburden local and state governments as reductions in guaranteed benefits will increase demands for public assistance at the very time a

growing federal deficit will compel the federal government to shift more financial responsibility to the states and local communities; and

Whereas the United States Congress should not risk rushing through damaging and drastic changes to Social Security that will undermine family income protections, but should instead take the time needed to develop careful, thoughtful reforms that will address Social Security funding without slashing benefits or expanding the federal deficit; now, therefore,

Be It Resolved by the Senate of the State of Oregon:

(1) The Congress of the United States of America is respectfully urged:

(a) To commit to paying back to the Social Security trust funds those moneys borrowed and expended for purposes other than Social Security programs;

(b) To carefully study a variety of potential reforms that will address Social Security's funding problems while ensuring that Social Security continues to meet its purpose of providing income protection and economic security to America's working families;

(c) To enact only those changes to Social Security that will strengthen Social Security's income protections without slashing guaranteed benefits or expanding the federal deficit; and

(d) To reject any proposals to divert moneys from the Social Security trust funds to fund private investment accounts.

(2) A copy of this memorial shall be sent to each member of the Oregon Congressional Delegation.

Adopted by Senate May 31, 2005

Secretary of Senate

President of Senate