Chairman Larson, Ranking Member Reed, members of the Subcommittee, I am Shaun Castle, Deputy Executive Director for Paralyzed Veterans of America (PVA), and I want to thank you for giving me this opportunity to once again testify about the importance of Social Security to millions of veterans and people with disabilities and to express PVA’s strong support for H.R. 5723, the Social Security 2100: A Sacred Trust Act.

PVA is the nation’s only congressionally-chartered veterans service organization representing veterans with spinal cord injuries or disorders. PVA’s mission focuses on advocacy on behalf of paralyzed veterans - both service-disabled and non-service disabled - but effects the broader veterans and disability communities.

Today’s date, December 7, reminds us of the sacrifices that millions of Americans have made throughout the decades in service to our nation. Since the late 1950s, military service has been covered under Social Security. These earned benefits have provided millions of veterans and their families with a measure of security in retirement. Social Security has offered support for many other veterans and servicemembers facing sudden disability or onset of serious illness. And in those circumstances when a servicemember or veteran dies, Social Security has sustained millions of their survivors.

Roughly nine million veterans receive Social Security benefits – either retirement or disability – accounting for 18 percent of all adult beneficiaries. Veterans and their
families comprise 35 percent of the Social Security recipient population.\textsuperscript{1} While the Department of Veterans Affairs’ (VA) system of health care and compensation benefits is the gold standard for veterans with disabilities, it is Social Security that offers a broader system of supports not only for veterans but also their spouses, dependents, and survivors.

You have heard my story about Social Security Disability Insurance (SSDI) and how it allowed me to put my life back together after I sustained a spinal cord injury in 2003. As a brief recap, a spinal cord injury I sustained while in the Army deteriorated after I had surgery. This forced my medical retirement from the military and set me on a years long quest for VA disability compensation. I was on the edge of being homeless when I was approved for Social Security disability benefits. Had I not received SSDI when I did, I do not honestly know what I would have done and how that would have impacted where I am today.

Let me share with you two other stories of PVA members who benefitted from Social Security disability insurance at a critical time in their lives. The first story is that of PVA’s Executive Director, Carl Blake, who was also catastrophically injured while serving in the Army. Describing the situation in which he and his wife found themselves, he writes:

\begin{quote}
In the transition time between being medically retired from the military and receiving a decision on my VA benefits, a process that took many months, we had very little income. My wife was unable to work because she was serving as my primary caregiver. And I was unable to work while going through a lengthy rehab process. SSDI ensured that we were able to have some income during that period. We would have been in a very difficult position without SSDI.
\end{quote}

Wayne Landon is a chapter leader for PVA in San Diego, California, who served three years in the Army then returned home to work as a roughneck in the oil fields of Montana. At age twenty-four, he was thrown from a horse and broke his neck leaving him with a C-5,6 tetraplegia injury. Wayne was paralyzed from the shoulders down with no means to work with the skills he had acquired up to that point in his life. According to Mr. Landon:

\begin{quote}
Social Security Disability and Medicare became my survival lifeline. The dollar amount they provided determined, in a large part, my quality of life. SSDI helped me to live a humble life. Although we have made a lot of progress in social services, we still have a lot of improvements to be made. I am very grateful for what is and has been provided to me. Social Security Disability is an insurance that I paid for through my employment deductions. It is my hope that we as a nation can provide the necessary care for all people to be able to live a high-quality, dignified life.
\end{quote}

Even before the pandemic, the U.S. faced a retirement crisis. During the last forty years, many Americans have been unable to save extensively for retirement. According to Social Security Administration data, the average monthly Social Security benefit for veteran beneficiaries aged 65 or older in 2014 was $1,442. At the median, Social Security benefits accounted for 53 percent of veterans’ personal income. When you have worked all of your life and paid into the system over that lifetime, you should not retire into poverty. Yet that is the prospect facing many of those referred to as the working poor, a portion of which includes veterans with non-service-related disabilities. According to a 2017 VA report, the working-poor rate for veterans with a disability is 7.9 percent compared to 4.4 percent for veterans with no disability. Civilian counterparts with a disability have a working-poor rate of 16.0 percent compared to 8.9 percent for those without a disability.2

For these reasons, and so many others, it is vital that Congress pass during this session the Social Security 2100: A Sacred Trust Act. This legislation would address many areas within Social Security’s benefits system that are long overdue for improvement. Following are just a few of the many important provisions that would directly benefit many PVA members and other veterans with disabilities.

**Improved Inflation Factor** - Like its predecessor, H.R. 5723 would improve the annual cost-of-living adjustment (COLA) by basing it on a consumer price index for the elderly (CPI-E), which measures the expenses most often experienced by seniors and people with disabilities. Enhanced inflation protection would help many older veteran retirees and their spouses who are more likely to rely on Social Security benefits as they age.

**Protections Against Impoverishment in Retirement** - The 2100 Act would also update Social Security’s “special minimum benefit,” so that people who have spent their working lives in low wage occupations can be kept out of poverty by their Social Security benefit. According to a 2014 report,3 over 9 percent of male veterans with disabilities live in poverty while more than 15 percent of women veterans with disabilities live below the poverty line. This provision would add significantly to their quality of life.

**Middle Income Beneficiary Tax Cut** - In addition, this legislation offers a tax cut for many other beneficiaries of modest incomes. Currently, Social Security benefits are taxed when beneficiaries have other income in addition to their benefits, if their income exceeds $25,000 for individuals and $32,000 for couples. H.R. 5723 would raise the thresholds to $35,000 and $50,000, respectively.

**Securing System Financing** - And like the version of this legislation offered in the 116th Congress, this bill ensures that all these additional benefits can be paid for by

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asking those with earnings above $400,000 to contribute to Social Security and by combining the two trust funds – for retirement and survivor insurance and for disability insurance – into one unified trust fund. As we all know, only those with earnings up to the tax cap ($142,800 in 2021) currently pay into Social Security each year. Since the tax cap is raised every year, this would eventually scrap the tax cap and eliminate much of the regressive nature of the current system. Combining the trust funds would eliminate the gamesmanship often played with Social Security when rebalancing of the funds is necessitated by economic circumstances.

There are also several provisions included in the Social Security 2100: A Sacred Trust Act that reflect policy changes to address emerging challenges to the system as well as long overdue improvements to Social Security.

**Preventing Recession-Based Benefit Cuts** - When the initial outbreak of COVID-19 cost millions of jobs, the wage base to which Social Security benefits are tied went into a steep decline. A flaw in the Social Security benefit formula could have caused permanent benefit reductions for some beneficiaries. This legislation would prevent that from happening.

**Caregiver Credits** - H.R. 5723 includes an earnings credit within the Social Security benefit formula for up to five years for someone who must be out of the workforce or cut back their work hours resulting in reduced wages while caring for a young child or a dependent relative. Because Social Security benefits are based on thirty-five years of earnings, people who leave the workforce or reduce their work hours to care for children or other family members often suffer a reduction in their benefits. This would be incredibly important to the 5.5 million caregivers of veterans with disabilities, like Mr. Blake’s wife, who put their own retirement security at risk to care for their wounded, ill, or injured loved one.

**End the Five Month Wait for SSDI** - The 2100 Act would finally eliminate the five-month waiting period that most beneficiaries must endure before they can begin to receive Social Security disability benefits. Instead, individuals who qualify for these benefits based on a severe disability would be eligible for them beginning with the date their disability starts. By the time most SSDI beneficiaries are approved for benefits, they have experienced years of declining workforce participation, years of appeals, and years of living on the margins economically. People can lose their housing, health insurance, or face other financial crises, often resulting in reliance on other public benefits. For conditions with rapid onsets, such as metastatic breast and other aggressive cancers, traumatic injuries, heart attacks, and strokes, the delay can result in death before benefit eligibility begins. Forcing them to wait an additional five months to get these necessary supports is cruel and inequitable.

**Eliminate the “Cash Cliff”** - When SSDI beneficiaries decide to try returning to the workforce, they confront more barriers. Most egregious among these is the current “cash cliff” that terminates benefits once someone earns above a relatively modest income threshold for a sustained period of time. PVA has seen many of its Veterans
Career Program Ticket to Work clients struggle with this limit even as they seek to achieve economic self-sufficiency. Such was the experience of PVA member Jorge Chirinos, a non-service-connected veteran injured soon after his discharge from the Marines, who sought help from our vocational program. In his own words, “I was concerned about working and losing benefits. But my counselor carefully walked me through how paid employment would impact my SSDI benefits - and I was able to still get my monthly cash benefits while working during that time.” This legislation would create a gradual offset in which benefits are reduced by $1 for every $2 of earnings above a threshold, which is set for all beneficiaries at the “substantial gainful activity” level for blind individuals (currently $2,190 a month). Providing this cushion of support would help SSDI beneficiaries like Mr. Chirinos feel confident about returning to work.

**End Penalties for Public Servants** - This legislation would also repeal the Government Pension Offset (GPO) and Windfall Elimination Provision (WEP), so that affected state and local government retirees are no longer subject to these reductions in their Social Security benefits. Bureau of Labor Statistics data indicates that almost 12 percent of veterans with service-connected disabilities work in state and local government; so, this provision would greatly benefit them as well as many other veterans with non-service-connected disabilities who work in this sector.

**Send Annual Benefit Statements** - PVA has long supported legislation to require the Social Security Administration to mail an annual Social Security Statement to all workers aged 25 and older who are not receiving benefits, unless a worker chooses electronic delivery. Inclusion of this provision in the 2100 Act means that workers would have a better understanding of the benefits for which they are paying and have additional information to plan for their retirement.

**Limit Field Office Closures** - We are also pleased to see that this legislation would prevent the Social Security Administration from reducing the number of field offices below the level in operation at the end of fiscal year 2021, and bar any field office closure unless certain requirements are met, including advance public notice, opportunities for public input, and a robust consideration of the burdens that the closure would place on individuals served by the office. As PVA testified last year, many of our Veterans Career Program clients faced considerable challenges trying to manage their benefits and income reporting requirements online during the COVID-19 pandemic. Indeed, many people with disabilities prefer going in person to a local Social Security office to apply for benefits, report information, and ask questions because of their unfamiliarity or discomfort with technology. With assistance from our counselors, our clients were able to submit information in other ways and then confirm receipt with a phone call. However, for those not working with an organization like PVA and who do not have access to, or the skill set to manage computer equipment, this is likely a much more stressful process.

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Thank you, Chairman Larson, Ranking Member Reed and members of the Subcommittee for your attention this afternoon. This legislation demonstrates that preserving and strengthening Social Security can be done without causing harm to beneficiaries, many of whom rely heavily on its programs for their economic security. PVA stands ready to work with you and your colleagues in advancing this legislation to extend and enhance Social Security.