

**Statement of Nancy J. Altman<sup>1</sup>, J.D.  
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**HEARING ON THE FIERCE URGENCY OF NOW –  
SOCIAL SECURITY 2100: A SACRED TRUST**

**United States House of Representatives  
Committee on Ways and Means  
Social Security Subcommittee**

**December 7, 2021**

Chairman Larson, Ranking Member Reed, and Other Members of the Subcommittee:

Thank you for holding this extremely aptly named hearing: It is urgent, indeed, imperative, that this Congress vote on expanding Social Security to address the nation's looming retirement income crisis, as well as other challenges confronting our country. The *Social Security 2100 Act: A Sacred Trust* (hereinafter, the 2100 Act) is a solution. It is wise policy and represents the will of the people. It will improve the economy, create jobs, and add substantially to the security of working families.

**Action on Social Security is Long Past Due**

It has been a half century since Congress enacted a Social Security increase into law. Indeed, President Richard Nixon was the last president to propose and sign into law bills that expanded Social Security. Since then, Congress has cut Social Security benefits substantially. Social Security retirement benefits [will be 24 percent lower](#) in 2050 than they would be, if those cuts had not been enacted.

The nation is now facing a retirement income crisis. In the four decades since Congress last enacted benefit increases, not only was Social Security cut, traditional employer-sponsored defined benefit pension plans [have largely disappeared](#). In 1970, [45 percent](#) of private-sector workers participated in defined benefit plans; in 2021, only [11 percent](#) do. Further, in 1978, Congress enacted Internal Revenue Code section 401(k), which gave employees the ability to defer compensation tax-free. The highest paid employees and their employers took advantage of this tax expenditure by establishing 401(k) plans in place of traditional pension plans. History has now revealed that those 401(k) plans are [inadequate](#) for all but the very wealthiest.

As a consequence of these developments, too many workers fear that they will never be able to retire without drastic reductions in their standards of living. [Numerous polls](#) and surveys over recent years reveal that not having enough money in retirement leads the list of Americans' top financial concerns. Expert analyses make clear that Americans' concerns about retirement are well founded. The Center for Retirement Research at

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<sup>1</sup> I have a forty-five-year background in the area of Social Security. I am president of Social Security Works. I also chair the Strengthen Social Security Coalition, comprised of over 350 national and state organizations representing 50 million Americans, including seniors, workers, women, people with disabilities, veterans, people of low income, people of color, communities of faith, and others. From 1983 to 1989, I was on the faculty of Harvard University's Kennedy School of Government and taught courses on private pensions and Social Security at the Harvard Law School. In 1982, I was Alan Greenspan's assistant in his position as chairman of the bipartisan commission that developed the 1983 Social Security amendments. From 1977 to 1981, I was a legislative assistant to Senator John C. Danforth (R-Mo.) and advised him regarding Social Security. From 1974 to 1977, I was a tax lawyer with Covington & Burling, where I handled a variety of private pension matters. I have authored or co-authored four books on Social Security as well as numerous articles.

Boston College [reports](#) that one out of two working-age households will be unable to maintain their standards of living in retirement even if they work until age 65, take out reverse mortgages on their homes, and annuitize all of their other assets. Moreover, the number of working-age households unable to retire and maintain their standards of living [increases to over 60 percent](#) when health care costs are taken into account.

In the last few years, Congress has addressed a small part of the retirement income crisis through the enactment of the SECURE Act of 2019 and the resolution of the multiemployer pension plan issue as part of the American Rescue Plan Act of 2021. Yet Social Security, which Congress has not increased in half a century, is unquestionably the most important part of the nation’s patchwork retirement income system. It is well past time for Congress to vote on expanding Social Security. That is the most effective way to address the nation’s retirement income crisis.

The nation’s patchwork system of retirement income – if it can be called a system, since it is largely an historical accident – has sometimes been described as a three-legged stool, but that was never an accurate image. Even for workers fortunate to have employer-sponsored pensions and personal savings to supplement their Social Security, their Social Security benefits have generally been the most important and secure source of retirement income. A more apt image of the nation’s retirement system is a pyramid, as pictured to the right.

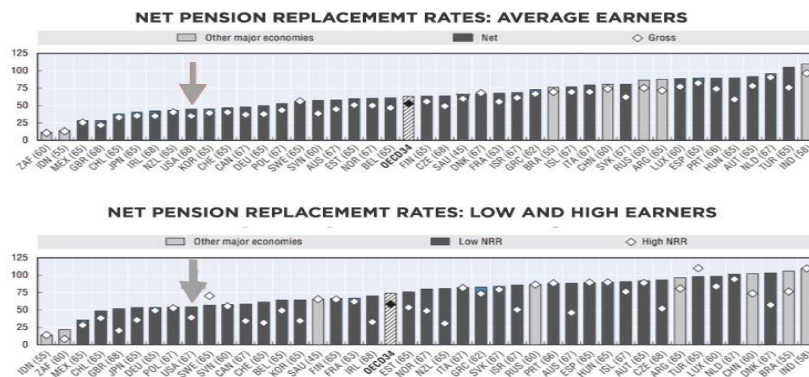


As the image of the pyramid conveys, Social Security provides a strong, solid base upon which fortunate workers can build. It is the nation’s most universal, efficient, secure, and fair source of retirement income. It combines the best attributes and strengths of employer-sponsored defined benefit plans and defined contribution plans, with none of the weaknesses. Its one shortcoming is that its benefits are too low.

As vital and well-designed as Social Security is, its benefits are extremely modest by virtually any measure. In absolute terms, the average monthly Social Security benefit in October was just [\\$1,441.81](#) (\$17,301.72 on an annualized basis). That is below [the 2021 official federal poverty level](#) for a two-person household, and substantially below the amount needed to satisfy the [Elder Economic Security Standard Index](#), a sophisticated measure of the income necessary to meet bare necessities.

Social Security’s benefits are also extremely low compared to the retirement benefits of other industrialized nations, as the following chart reveals. (The bars designating U.S. benefits are identified with arrows.)

### Social Security Replacement Rates in OECD Countries by Earnings Level



Social Security’s absolute benefit levels and its levels compared to other nations’ benefits are informative, but the most important measure of the inadequacy of Social Security’s benefits is what proportion of pay is replaced. After all, replacing lost wages is the goal of retirement income.

Experts estimate that workers and their families need to replace about 70 to 80 percent of pre-retirement pay to maintain their standards of living. Those with lower incomes need higher percentages; those more affluent, with more discretionary income and other assets, need somewhat less.

While Social Security appropriately replaces a larger proportion of preretirement pay of workers who have lower wages, it [does not come close](#) to providing sufficient income to meet the goal of maintaining standards of living in retirement. Workers earning around \$55,000, who retired at age 62 this year, received only 31 percent of their pay or about \$17,000 a year. Lower-income workers, earning around \$25,000, received around 42 percent of their pay, but that is only about \$10,400 a year.

### **In Addition to the Retirement Income Crisis, Expanding Social Security is a Solution to Other Challenges**

As the retirement income crisis was building over the last few decades, wages largely stagnated for all but the highest earners. Recent decades have seen a dramatic increase in the share of all income going to the top one percent of America's households, rivaling the period of extraordinary inequality existing just before the Great Depression of the 1930s.

Not only is the large and growing income and wealth inequality unfair and immoral, it is deeply destabilizing. Former President Barack Obama called it "the defining challenge of our time." Expanding Social Security's modest benefits for current and future beneficiaries while requiring the wealthiest to pay more, as the 2100 Act does, will help to slow or even reverse this dangerous inequality.

Moreover, the 2100 Act will ameliorate racial disparities in wealth and incomes. People of color have lower incomes, less secure employment, and fewer savings, on average, than European-Americans. Social Security replaces a higher proportion of earnings of workers with lower wages and more intermittent employment. Furthermore, Social Security's disability and life insurance benefits are derived from the same benefit formula as retirement benefits, and so the 2100 Act improves those benefits automatically, as well. These are benefits disproportionately claimed by families of color. Expanding Social Security's disability and survivor, as well as retirement, benefits, while requiring the wealthiest to pay more, as the 2100 Act does, will help to reduce the nation's racial wealth gap.

Importantly, slowing or even reversing income and wealth inequality will improve Social Security's financing. Indeed, the income inequality of recent decades is a [major factor](#) behind Social Security's projected funding shortfall. That inequality has caused Social Security to lose billions of dollars of revenue every year. The Social Security maximum wage base or earnings cap is indexed to average wages. Because the earnings of high-income workers have increased much more rapidly than the average over the last several decades, an increasing amount of their earned income falls above Social Security's maximum earnings cap. In 2020 alone, those at the top paid \$84.4 billion less to Social Security, only because the cap has slipped from covering 90 percent of nationwide wages, as Congress intended, to 83 percent today. Those are billions of dollars that should have gone to Social Security but instead stayed in the pockets of the wealthiest among us. Unquestionably, the richest are not paying their fair share into Social Security.

Adding to Social Security's lost revenue as a result of today's income inequality, the vast majority of workers contribute to Social Security with every paycheck, but when their wages are stagnant, so are their Social Security contributions. The percentage of wages paid as current cash compensation has also declined sharply as health insurance has accounted for a bigger and bigger portion of employee compensation.

It is imperative that Congress see Social Security as the solution that it is. The enactment of Social Security in 1935 was among the factors that reduced income and wealth inequality, building a strong, stable middle class. It has transformed the nation.

Prior to Social Security, Americans routinely moved in with their adult children. Those adult children were forced to divide their resources between their own children and their aging parents. Social Security made economically-independent old age a reality, allowing families to focus more of their resources on their children. Unfortunately, the retirement income crisis and its causes are likely to require adult children to take resources away from their children in order to help support aged parents.

When President Franklin D. Roosevelt signed Social Security into law, he called it “a cornerstone in a structure which is being built but is by no means complete.” The last time Congress added to that cornerstone was a half century ago. It is well past time that Congress expand Social Security to address the retirement income crisis, reverse the growing income and wealth inequality and reduce the squeeze on working families, caught between aging parents and children.

### **Important to Restore the Intangible Benefit of Security, Peace of Mind**

Despite its modest benefits, Social Security is most Americans’ largest asset. Though the exact value varies with age and other important factors, Americans’ Social Security [disability insurance](#), [life insurance](#) and [joint and survivor retirement annuities](#) have present values worth hundreds of thousands of dollars. It represents most of the income of 40 percent of the households of beneficiaries 65 or older and virtually all of the income of one out of seven of those households. It represents similarly large proportions of the incomes of those receiving Social Security disability benefits.

In addition to those extremely valuable cash benefits, Social Security is intended to provide, as its name suggests, a sense of security, peace of mind. Working families should be secure in the knowledge that when wages are gone in the event of old age, disability or death, Social Security will be there. That intangible benefit of security has been lost or at least diminished because too many Americans have been convinced, erroneously, that no benefits will be paid in the future. Indeed, many Americans believe that Congress has diverted their Social Security contributions to an improper purpose.

The 2100 Act provides an important down payment on addressing the retirement income crisis, as well as the challenges of income and wealth inequality and the squeeze on working families. Importantly, every penny of new benefits is paid for and, indeed, the projected shortfall is cut by more than half.

Under current law, Social Security insurance contributions or premiums, the predominant source of its revenue, are proportionate up to the maximum wage base of \$142,800 in 2021, and regressive beyond that. The 2100 Act gradually eliminates the maximum wage base by requiring earnings above \$400,000 to be subject to Social Security insurance contributions. Consistent with the fundamental principle that those who contribute more, receive higher benefits, those additional contributions will result in higher benefits for those contributors.

The new revenue makes the system fairer by requiring the wealthiest to pay the same rate on earnings above \$400,000 that minimum wage workers and middle-class workers pay on all their earnings. Over time, as the current base rises automatically, all wages will be covered by Social Security for both contributions and benefit purposes, resulting in a proportionate structure across the income scale.

Increasing Social Security’s revenue by requiring the wealthiest to contribute to Social Security at the same rate on their wages over \$400,000 as 94 percent of workers do on all of their wages is an important step to restoring

that intangible benefit of security. For those who have understandably but erroneously been convinced that Congress has stolen their contributions, a vote on the 2100 Act should also help restore their confidence that Congress is a responsible steward of their earned Social Security.

### **How Social Security Should Be Expanded**

To begin to address the retirement income crisis, Social Security benefits should be increased for all current and future beneficiaries, as the 2100 Act does. In addition, Social Security should be increased in targeted ways, where there is a disproportionate amount of poverty, as the 2100 Act also does. Finally, Social Security should be updated and improved in other ways, as the 2100 Act does, as well.

#### **➤ Across-the-Board Benefit Increases**

Across-the-board increases are vitally important. Some argue that, if benefits are increased, the increases should go only to those at or near poverty. But this view reveals a fundamental misunderstanding of what Social Security is.

Social Security is insurance, not welfare. It is unsurprising that some confuse Social Security and welfare because it is among the nation's most effective anti-poverty programs, but that is a byproduct. Welfare programs are designed to alleviate poverty. Social Security and other insurance programs are designed to prevent beneficiaries from falling into poverty in the first place.

Social Security is part of workers' compensation. It is a benefit that workers earn. Its goal is to insure wages so that if and when they are lost, workers and their families can maintain their standards of living. It is designed to replace wages, not simply provide everyone with a subsistence-level benefit. The nation already has means-tested welfare for seniors and people with disabilities: The Supplemental Security Income ("SSI") program, financed from general revenue. SSI has eroded and should be updated and expanded, but Congress must not turn Social Security from insurance for working families into welfare for the poor.

Though the wealthiest among us may not recognize Social Security's importance to them, they might gain insight from the cautionary tale of Neil Friedman, a millionaire who invested his entire fortune with Bernie Madoff. When Madoff's Ponzi scheme was revealed, Friedman and his wife found themselves forced to survive on only their Social Security and money they could earn selling note cards emblazoned with photos of their former lavish vacations. Moreover, the Friedmans were not the only Madoff victims left destitute.

Though those who are high-income and from privileged backgrounds may feel financially invincible, any of us can be hit with a disabling illness or accident making further work impossible. We may die prematurely, leaving young children. Moreover, none of us are immune from scam artists and other nefarious actors who seek to steal the resources we have. Social Security is there to provide basic economic security for all of us – rich, poor, and those in between.

It is noteworthy that Social Security has a single benefit formula generating retirement, survivor, and disability benefits. Consequently, across-the-board Social Security expansions increase the benefits not just of those receiving retirement benefits, but those receiving disability and survivor benefits, as well. Beneficiaries include Gold Star families, who have lost loved ones fighting for our country. They also include those who are struck by national or personal tragedy, such as the thousands of children who lost parents in the terrorist attacks of 9/11 as well as the first responders, severely disabled as a result of those attacks, and their families. Across-the-board increases, as the 2100 Act provides, appropriately protect those tragically injured or killed in the prime of life, as well as those fortunate to live to very old age.



## ➤ Targeted Benefit Increases

In addition to an across-the-board benefit increase, Congress should enact targeted benefit increases, as the 2100 Act proposes. The Social Security 2100 Act updates and improves the so-called special minimum benefit, as President Biden has promised to do. Congress first enacted a minimum benefit as part of the Social Security Amendments of 1939. In 1972, when Congress enacted automatic adjustments, it added the special minimum.

The goal was to ensure that workers who contributed to Social Security over a lifetime of work should not retire into poverty and should receive benefits larger than they could receive simply by applying for means-tested welfare. However, because of the way that the special minimum was indexed, it has eroded in value and [virtually no one](#) receives it today. The 2100 Act increases the amount of the special minimum benefit so that no worker, after a lifetime of working and contributing to Social Security, will retire at less than 125 percent of poverty. In addition, the 2100 Act indexes the special minimum in the same way as other Social Security benefits, so it does not disappear in the future, as it essentially now has.

In addition to expanding benefits for those working at low wages for a lifetime, the 2100 Act improves the benefits of widow(er)s when the couple earned similar wage amounts over their working years, as President Biden has promised to do. This improvement disproportionately guards women against a steep drop in income when widowed. Another improvement disproportionately benefiting women is credit for caregiving. When workers take time out of the paid workforce to care for family members, they not only lose wages, but also fail to earn credit toward their future Social Security benefits. In order to increase the economic security of those who engage in the invaluable work of caring for children, aging parents, and other relatives in need of care, those caregivers should receive credit toward their Social Security benefits, as the 2100 Act proposes and as President Biden has promised.

A benefit that Social Security once provided, the so-called student benefit, should be restored and improved, as the 2100 Act does. Generally, parents contribute to the costs of their children's post-secondary education, if they are financially able to do so. All of us, through Social Security, should provide that support when workers have lost wages as the result of death, disability, or old age. In addition to restoring the benefit, the 2100 Act appropriately makes it available to full- and part-time students up to age 26.

Another important targeted expansion is the repeal of WEP-GPO, which falls heavily on the nation's firefighters, police, and other public servants who serve us. Those provisions should be eliminated, as the 2100 Act does and as President Biden promised to do.

The 2100 Act includes other extremely important targeted expansions, as well. By definition, those who qualify for Social Security disability insurance are unable to support themselves through work. Yet the law requires them to go without income for a five-month waiting period. This makes no sense. The 2100 Act wisely repeals the five-month waiting period, as President Biden has promised to do. The legislation also encourages return to work by those who may be able to do so. It does this by phasing out benefits for those earning above the statutorily defined substantial gainful activity level, rather than terminating them abruptly.

The 2100 Act also expands the ability of grandchildren living with grandparents to receive dependent benefits. This is so warranted given the extremely important role grandparents often play in directly caring for grandchildren when their own children are unable to do so.

Another extremely important targeted increase: The oldest among us and others who have been receiving Social Security for many years have disproportionately large rates of poverty both because they have, after so many years, exhausted other resources, and because Social Security benefits have eroded due to an inadequate cost of

living adjustment. The 2100 Act provides an increase in benefits after beneficiaries have been receiving benefits for 15 years, an improvement also championed by President Biden.

### ➤ **Additional Protections**

The 2100 Act updates the measure of the cost of living of Social Security beneficiaries, so it more accurately reflects their costs and prevents their benefits from eroding over time. One of Social Security's most important features – one not generally found in its private sector counterparts – is that all benefits are automatically adjusted every January to offset inflation.

The current index, the CPI-W, only measures the cost of living of urban workers, not Social Security beneficiaries, who are generally not working. The CPI-W was the only measure that was available in 1972, when the automatic adjustments were enacted, but the shortcomings of the measure for Social Security (and other programs for seniors and people with disabilities for which it is used, including military retirement benefits, veterans' compensation, civil service retirement benefits, and SSI) are obvious. People who are working (and indeed, the general population) have substantially different spending patterns from seniors and people with disabilities. Seniors and people with disabilities spend more on health care and long-term care — where prices rise faster — and less on clothing, the latest technology and similar items — where prices tend to rise more slowly — than younger, healthier Americans.

In 1987, Congress instructed the Bureau of Labor Statistics to produce the CPI-E, an index measuring the cost of living of the elderly, because of the obvious shortcomings of the CPI-W. The 2100 Act simply takes the commonsense step of applying this more accurate measure to Social Security, as President Biden has proposed to do, as well. It should be noted that doing so is not a benefit increase. It simply ensures that benefits will not erode, but will maintain their purchasing power over time.

In addition, the 2100 Act provides middle class beneficiaries with a tax break by exempting benefits from the federal income tax for all those with incomes below \$35,000 for individuals and \$50,000 for married couples (as opposed to \$25,000 and \$32,000 respectively under current law).

Another improvement: The pandemic exposed an unintended mistake in the law, when the collapse of the economy was projected to result in lower benefits simply because of a glitch in the benefit formula. The formula relies on nationwide average wages which generally rise every year, but looked like they might fall substantially this year. Fortunately, the economy came back stronger and quicker than anticipated so the drop in benefits will not occur. Nevertheless, the 2100 Act fixes the law to remove the unintended consequence from ever occurring.

The 2100 Act also simplifies the law in an extremely important way. Social Security's disability, retirement, and survivor benefits are interwoven. They derive from the same benefit formula. When beneficiaries receiving disability benefits reach retirement age, their benefits do not change in amount but become retirement benefits. The Social Security contributions paid by employees and matched by employers pays for all benefits. Yet those contributions are divided into two trust funds, the Old Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund. The annual Trustees Report reports the actuarial status of the combined trust funds, as it should, but technically, legislation is required if one fund has insufficient reserves and the other has sufficient reserves. The 2100 Act takes the commonsense step of simplifying administration and guarding against a phony shortfall nevertheless requiring Congressional action by simply combining the trust funds.

Another important provision: The law clearly requires that the Social Security Administration mail statements to covered workers so they know what benefits they can expect to receive and can correct in a timely manner

any mistakes in their reported earnings. Around a decade ago, SSA ceased to mail the statements, relying instead on workers going online to find their statements themselves. The 2100 Act reinforces that Congress still intends that SSA mail the statements to all workers aged 25 and older, as the original legislation clearly states.

The 2100 Act also makes clear that it recognizes the vital role that field offices play and how disruptive closings can be. The legislation requires public notice and other safeguards so local communities have a say in these vital services.

Finally, the 2100 Act recognizes the important role representatives play in the ability of those with disabilities to access their earned benefits. In recognition of that significant role, the 2100 Act increases the level of fees that representatives can receive. The increase is long overdue. It has been well over a decade since those fees were last increased.

### **Expanding and Not Cutting Social Security, While Requiring the Wealthiest to Pay More, Has Strong Bipartisan Support**

Although the 2100 Act has no Republican cosponsors, polling reveals that it is fully bipartisan. Support for Social Security benefit expansions and opposition to benefit reductions cut across ideological divides. [Poll after poll finds](#) that an overwhelming majority of Republicans, independents, and Democrats share these views. They are held by Trump supporters and progressives. All ages, genders, income levels, races, and ethnicities hold these views. While polling reveals that Americans are willing to pay more for Social Security, even larger majorities believe the wealthy should pay more.

[A poll conducted by the AARP](#), for example, on the occasion of Social Security's 85<sup>th</sup> birthday, found that 71 percent of Democrats, 55 percent of Republicans and 71 percent of independents believe that Social Security benefits are too low. Consistent with that finding, 74 percent of all respondents, including 78 percent of Democrats and 67 percent of Republicans, are concerned that their Social Security will not be enough for them to make ends meet.

And this is a voting issue. A Public Policy Polling survey conducted in 2018 [found that](#) 56 percent of those who voted for Donald Trump and 55 percent of those who identify as Republican would be more likely to vote for a candidate who "supported expanding and increasing Social Security."

Furthermore, [a survey conducted](#) for the nonpartisan National Academy of Social Insurance in 2014 by Greenwald & Associates found that 85 percent of respondents – including 91 percent of Democrats, 80 percent of Republicans, and 86 percent of independents – believe that Social Security is more important than ever. In that same survey, 72 percent of respondents – including 79 percent of Democrats, 65 percent of Republicans, and 70 percent of independents – agreed that "we should consider increasing Social Security benefits."

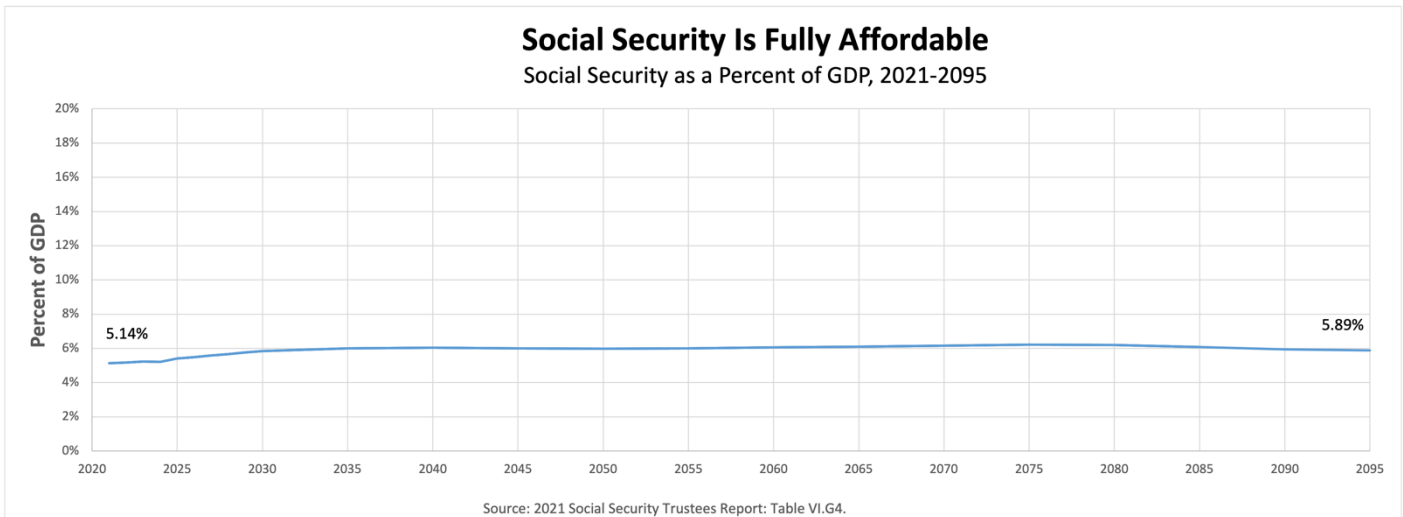
Not only are the benefit increases and absence of cuts in the 2100 Act popular, so is the method of paying for them. In that same National Academy survey, 81 percent of respondents – including 87 percent of Democrats, 72 percent of Republicans, and 81 percent of independents – responded that they "don't/didn't mind paying Social Security taxes." Indeed, 77 percent of respondents, including 84 percent of Democrats, 69 percent of Republicans, and 76 percent of independents, supported "increasing the Social Security taxes paid by working Americans," if needed to "preserve Social Security benefits for future generations." Those percentages increased to 83 percent of all respondents – including 92 percent of Democrats, 71 percent of Republicans, and 84 percent of independents – when the question was whether "top earners" should pay more.



## Whether to Increase or Cut Social Security’s Modest Benefits is a Question of Values, Not Affordability

Expanding, not cutting, Social Security, while requiring the wealthiest to begin to pay their fair share is a question of values and beliefs. It is unquestionably affordable. As the following chart makes clear, Social Security’s cost as a percentage of GDP is close to a straight horizontal line for the next three-quarters of a century and beyond.

Social Security is calculated to cost a high of 6.21 percent of GDP in 2075 and then decline to 5.89 percent at the end of the 21<sup>st</sup> century. That is a lower percentage of GDP than many other industrialized countries spend on their counterpart programs today.



Moreover, our nation is projected to be much wealthier at the end of the 21st century, just as we are wealthier now than we were seventy-five years ago, before computers, smartphones, and other technological advances. That means that the 6 percent of GDP will be easier to afford in the future, just as an individual earning \$100,000 can more easily afford a 6 percent expenditure (despite it being a larger dollar amount) than an individual earning \$10,000. In one case, \$94,000 remains; in the other, just \$9,400.

Nor should the increase of around one percent of GDP be difficult to absorb. To put that projected increase in perspective, military spending after the 9/11 terrorist attack increased by [over one percent of GDP](#), as a result of the Iraq and Afghanistan wars—and that increase was the result of a surprise attack, with no advance warning. Similarly, spending on public education nationwide increased by [2.8 percentage points of GDP](#) between 1950 and 1975, when the baby boom generation showed up as schoolchildren, without much advance warning.

## Expanding, Not Cutting, Social Security Will Strengthen the Economy

Because the vast majority of Social Security’s 65 million beneficiaries are low or moderate income, they tend to spend their benefits immediately in the local community in which they live. A [2013 report](#) sponsored by the AARP found, “Every dollar of Social Security benefits generates about \$2 of economic output.” In just 2012 alone, according to the study, Social Security benefits were responsible for generating over 9.2 million jobs and more than \$370 billion in salaries, wages, and other compensation. Those benefits created around \$1.4 trillion in economic output. Social Security’s contribution to the economy accounted for over \$222 billion in tax revenues to states, localities and the federal government.

Social Security is especially important to rural communities, which tend to be older. A [2011 study](#) by the Center for Rural Strategies found that Social Security provided [9.3 percent of total income](#) in rural counties in 2009. Some rural counties [have](#) substantially higher percentages. In Alcona, Michigan, for example, 20.1 percent of total personal income in 2010 came from Social Security. Similarly, 20 percent of total personal income in the rural county of Hickory, Missouri came from Social Security. Likely, these percentages are considerably higher today. By comparison, the percent of total personal income from Social Security in those two counties in 1970 was 10.9 percent and 11.5 percent, respectively – about half what it was in 2010.

Those favorable economic impacts on local communities would be larger still if benefits are expanded. For the information of members of this Subcommittee, below are the congressional districts of each member together with the number of Social Security beneficiaries in the district and the total monthly benefit amounts paid to those in the district in December 2020.

Member	District	Number of Beneficiaries	Total Monthly Benefits
Rep. John Larson	CT-01	144,976	\$223 million
Rep. Bill Pascrell	NJ-09	124,167	\$179 million
Rep. Linda Sánchez	CA-38	115,073	\$154 million
Rep. Brian Higgins	NY-26	158,135	\$225 million
Rep. Steven Horsford	NV-04	144,265	\$203 million
Rep. Earl Blumenauer	OR-03	136,413	\$200 million
Rep. Terri Sewell	AL-07	157,219	\$195 million
Rep. Gwen Moore	WI-04	114,465	\$153 million
Rep. Tom Reed	NY-23	169,963	\$237 million
Rep. Tom Rice	SC-07	216,179	\$309 million
Rep. Jodey Arrington	TX-19	126,855	\$168 million
Rep. Ron Estes	KS-04	146,112	\$216 million
Rep. Kevin Hern	OK-01	156,773	\$233 million

## **Conclusion**

I commend Chairman Larson and his 194 cosponsors for their support of the *Social Security 2100 Act: A Sacred Trust*, which expands benefits, without cuts, while bringing in enough revenue to pay for all expansions and reduce significantly the projected shortfall. It is sound, thoughtful legislation, consistent with the structure and fundamental principles underlying the Social Security program.

I also applaud Chairman Larson for his commitment to transparency. In my view, the reason that Congress has not already enacted legislation eliminating the projected shortfall is that it has attempted to cut benefits, which the American people strongly oppose. Worse, after President George W. Bush’s effort failed, Congress has sought to enact cuts using undemocratic fast-tracked commissions and committees, in meetings conducted behind closed doors – efforts seemingly designed to avoid political accountability. When Congress considers the 2100 Act, which polling shows the American people support, deliberations can and should occur in the sunshine.

My colleagues in the Social Security community and I look forward to continuing to share our views with Congress, the media, and the public as this important legislation is considered through regular order and voted on without delay.