

State of Vermont House of Representatives

Montpelier, Vermont

Joint House Resolution



J.R.H. 10

Joint resolution opposing the recalculation of Social Security benefits

Offered by: Representatives Pearson of Burlington, Turner of Milton, and Jewett of Ripton

Whereas, on August 14, 1935, President Franklin D. Roosevelt signed the Social Security Act, Pub.L. No. 74-271, into law, and

Whereas, one of the stated goals of the Social Security Act was “to provide for the general welfare by establishing a system of Federal old-age benefits,” and

Whereas, Social Security has a special tie to Vermont as the first ever recipient of Social Security benefits was Ida May Fuller from Ludlow who received her first monthly check of \$22.54 in 1940, and

Whereas, since that date not a single benefit payment has been missed, and

Whereas, according to the Social Security Administration, as of February 2013, there are approximately 53,880,000 Social Security recipients, of whom approximately 38,662,000 are 65 years of age or older, and

Whereas, a Social Security recipient’s monthly benefit amount is adjusted annually by the percentage increase, if any, in the Consumer Price Index for Urban Wage Earners and Clerical Workers (C.P.I.) from the third quarter of the previous year to the third quarter of the current year, and

Whereas, on April 10, 2013, President Obama presented to Congress his proposed FY 2014 federal budget, and

Whereas, with respect to Social Security, the President proposed that beginning in 2015, the current broad-based C.P.I. be replaced with a chained C.P.I. with a mathematical formulation that would slow the increase in benefits, and

Whereas, according to an editorial published on March 30, 2013 in *The New York Times*, fewer than one-half of Americans between the ages of 55 and 64 have any retirement savings, and of those persons who have established retirement savings, one-half have less than \$120,000.00 saved for this purpose, and

Whereas, the majority of retirees with an annual income of up to \$32,600.00 rely on Social Security for two-thirds or more of their income, and

Whereas, the current financial challenges associated with the federal debt have no connection to Social Security, and

Whereas, without any changes, Social Security will meet 100 percent of its obligations for the next 20 years, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly requests that President Obama and Congress seek an alternative to the proposed adjustment to the Social Security C.P.I. formula as a way to address the long-term financial problems of the Social Security System, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to President Obama and the Vermont Congressional Delegation.