



OWL's Statement on the Report by the National Commission on Fiscal Responsibility and Reform

OWL is disappointed that the National Commission on Fiscal Responsibility and Reform included Social Security in its agenda. Social Security is not a part of the deficit facing our nation today. Some modifications to Social Security will strengthen this important retirement income program over the long term for millions of working Americans and their dependents, but any changes to Social Security should come as part of a separate effort to ensure its solvency and improve its benefits.

Recognizing that the Commission has proposed changes to Social Security even though it does not contribute to the deficit, below we outline specific principles that should be adhered to in reforming the Social Security program.

OWL supports policies that:

- Maintain and strengthen Social Security's progressive structure. Social Security currently has a progressive benefit structure, which should be maintained for low and moderate-income workers. The Commission suggests changing it to lower benefits for those with an average wage of \$15,000. OWL opposes this benefit cut.
- Increase the cap on wages to improve Social Security's funding base. Raising the cap would increase the solvency of Social Security and increase the progressivity of the program.
- Maintain the Social Security's cost of living adjustment to help provide income adequacy for the increasing numbers of beneficiaries who rely on Social Security for their sole source of income. COLAs are key to keeping retirees from falling into poverty, especially those over 85 years of age. We support the commission's proposal to enhance benefits for the very old and the long-time disabled as they are among the poorest among us.
- Establish a minimum benefit that would take into account part-time work as well as full-time work. Women are more likely than men to take time out of the paid workforce or work part-time to raise children and care for aging family members. The minimum benefit proposed by the Commission would not help many low-income older women.



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- Maintain the current retirement age. Policies in place currently encourage those who can work longer to work longer. Raising the retirement age is a benefit cut which would fall heaviest on those who are forced out of the labor market or are unable to continue to work.
- OWL members understand that a large deficit can decrease the quality of life for all Americans. OWL supports rational approaches to addressing this deficit that do not include cuts to Social Security.

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