



A Bipartisan Social Security Commission

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In 1981, the Social Security trust funds were nearly empty and President Ronald Reagan and Congressional leaders in both parties appointed the National Commission on Social Security Reform, chaired by Alan Greenspan, to come up with a long-term solution. Its recommendations set the table for bipartisan legislation – the Social Security Amendments of 1983 – that extended the life of the program by 50 years. Now, 35 years after the Greenspan Commission was created, it is time for a new bipartisan commission focused on strengthening Social Security for current and future generations.

What's the problem? - Social Security is in serious trouble again and the trust funds are heading toward insolvency, just as the baby boomer generation approaches retirement. It will run out of money when today's 49 year olds reach normal retirement age unless significant action is taken.

The federal government spends more on Social Security than on anything else. 60 million Americans depend on it, and 100 million will be receiving benefits 30 years from now. It has an unfunded obligation - benefits it will not be able to pay under current law - of \$11.4 trillion.

A commission could develop a solution to avoid large across-the-board cuts in benefits that would occur if Social Security goes insolvent – the program's Trustees currently project that to happen in 2034.

Why now? - Doing nothing means a 21 percent benefit cut for all retirees regardless of income, which would double the number of seniors living in poverty. The longer we wait to fix the program, the harder it will be to solve.

Why is a commission a good solution? - A commission creates an environment for compromise, where a deal can be struck and where both parties can work together. Troublesome political and technical issues can be worked out more easily under the umbrella of political cover that a commission would provide.

What would the Cole-Delaney bill do? - Rep. Tom Cole (R-OK) and Rep. John Delaney (D-MD) have proposed legislation to create a bipartisan "Commission on Long-Term Social Security Solvency", based in the legislative branch, to make the Social Security trust funds solvent for 75 more years. It would have thirteen members - three each appointed by party leaders in the House and Senate and a Chair appointed by the President. It would have to report its recommendations within one year of its first meeting. Nine votes would be needed to send the report to Congress, where it would get expedited consideration and an up-or-down vote.