

RESOLUTION 052301

Urging the U.S. Congress to reject the privatization of Social Security by reducing Social Security's guaranteed benefits and diverting money intended for Social Security into private investment accounts and further urging Congress to commit to securing the Social Security Trust Fund.

WHEREAS, Social Security's income protections - guaranteed, lifelong benefits, cost-of-living adjustments to guard against inflation, increased benefits for families, greater income replacement for low-income workers, and disability and survivor benefits - are the backbone of retirement security and family protection in the United States.

WHEREAS, Social Security provides crucial, often indispensable income protection for the 47 million individuals - one of every six Americans - receiving benefits.

WHEREAS, Social Security is the nation's most successful and most important family income protection program, but it has long-term funding needs we should address.

WHEREAS, some policymakers propose to address these needs by cutting guaranteed benefits and privatizing Social Security, that is, diverting a third or more of workers' payroll tax contributions intended for the Social Security Trust Fund and into private investment accounts.

WHEREAS, privatization will exacerbate Social Security's funding needs by diverting resources from the Trust Fund into private accounts, increasing the federal Social Security deficit by \$2 trillion over the first decade alone.

WHEREAS, privatizing Social Security will cut guaranteed benefits by 30 percent for young workers, even for those who do not participate in private accounts, reducing their lifetime benefit by nearly \$152,000.00, greatly weakening their retirement security.

WHEREAS, cutting guaranteed benefits will hurt the elderly because Social Security is the only secure source of retirement income for most Americans, providing at least half the income of nearly two-thirds of older American households and lifting more than 11 million seniors out of poverty.

WHEREAS, cutting guaranteed benefits will hurt women and people of color, as they are more likely to rely on Social Security for their retirement income. These demographics earn less over their lifetime, and are thus less able to save for retirement, and are less likely to receive job-based pensions in retirement.

WHEREAS, diverting resources from Social Security to fund private accounts will threaten guaranteed survivor and disability benefits, thus harming working families - particularly African-Americans -, as roughly one in five workers dies before retiring and nearly three in 10 become too disabled to work before reaching retirement age.

WHEREAS, privatizing Social Security will burden state and local governments, as cuts in guaranteed benefits will increase demands for public assistance at the very moment growth in the federal deficit due to privatization induces the federal government to shift greater responsibilities onto states and localities.

AND WHEREAS, Congress should not rush through drastic and damaging changes in Social Security that undermine its family income protections but instead, should take the time to develop careful and thoughtful reform that address Social Security's funding needs without slashing benefits or contributing to the deficit.

NOW, THEREFORE, BE IT RESOLVED by the Commissioner of Cuyahoga County, Ohio that we urge the Congress of the United States to:

Reject proposals to divert money out of Social Security to fund private accounts.

Carefully study a variety of potential changes that will address Social Security's problems while ensuring the program will continue to meet its purpose of providing income protection and economic security for America's families.

Adopt changes that strengthen Social Security's family income protections without slashing guaranteed benefits or contributing to the deficit.

BE IT FURTHER RESOLVED that the Clerk of the Board be, and she is, hereby instructed to transmit one copy of this resolution to Rick Werner, Deputy County Administrator/Health & Human Services; U.S. Senators Michael DeWine and George Voinovich; each member of the Cuyahoga County delegation in the Ohio Senate and Ohio House of Representatives.

On Motion of Commissioner Jones, seconded by Commissioner Dimora, the foregoing resolution was duly adopted.

Ayes: Jones, Dimora, Hagan.

Nays: None.

Resolution Adopted.

Penelope M. Hughes,
Clerk of the Board

Journal 287
June 9, 2005
052301
fg