

Amendment to the Chairman's Mark

Offered by Representatives Cicilline, Schwartz, Castor,
McDermott, Lee, Jeffries, Pocan, and Schrader

Protecting Workers and Retirees from the Risks of Social Security Privatization.

1. At the end of Title 7, add the following:

“Sense of the House on Social Security Privatization

(a) The House finds that---

- (1) Social Security is America's most important retirement resource, especially for seniors, because it provides an income floor to keep them, their spouses and their survivors out of poverty during retirement – benefits earned based on their past payroll contributions;
- (2) in January, 56.8 million people relied on Social Security;
- (3) Social Security benefits are modest, with an average annual benefit for retirees of about \$15,000, which is the majority of total retirement income for more than half of all beneficiaries;
- (4) diverting workers' payroll contributions toward private accounts undermines the social safety net by subjecting the workers' retirement decisions and income to the whims of the stock market;
- (5) diverting trust fund payroll contributions toward private accounts jeopardizes Social Security because the program will not have the resources to pay full benefits to current retirees; and
- (6) privatization increases federal debt because the Treasury will have to borrow additional funds from the public to pay full benefits to current retirees.

(b) It is the sense of the House that Social Security privatization is fiscally irresponsible and would put the retirement security of seniors at risk, and that any Social Security reform legislation shall reject partial or complete privatization of the program that includes private accounts funded by current payroll taxes.”

2. Amend the committee report to reflect the following policy assumptions:

The resolution assumes that any Social Security reform legislation rejects privatization proposals, because the diversion of payroll contributions and reliance on the financial markets undermines the federal budget and the social safety net.