



State of Wisconsin
2005 - 2006 LEGISLATURE

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2005 SENATE RESOLUTION 4

March 18, 2005 – Introduced by Senators ROBSON, HANSEN, ERPENBACH, MILLER, LASSA, CARPENTER, TAYLOR and WIRCH. Referred to Committee on State and Federal Relations.

1 **Relating to:** calling on the Congress of the United States to reject plans to privatize
2 Social Security by cutting Social Security’s guaranteed benefits and diverting
3 money out of Social Security into private investment accounts and, further,
4 calling on Congress to commit to repaying to the Social Security Trust Fund the
5 moneys it has taken and spent for other purposes.

6 Whereas, Social Security’s income protections — guaranteed, lifelong benefits,
7 cost-of-living adjustments to guard against inflation, increased benefits for
8 families, greater income replacement for low-income workers, and disability and
9 survivor benefits — are the backbone of retirement security and family protection
10 in the United States; and

11 Whereas, Social Security provides crucial, often indispensable income
12 protection for the 47 million individuals — one of every 6 Americans — receiving
13 benefits; and

1 Whereas, Social Security is the nation’s most successful and most important
2 family income protection program, but it has long-term funding needs that should
3 be addressed; and

4 Whereas, some policymakers propose to address these needs by cutting
5 guaranteed benefits and privatizing Social Security, that is, diverting one-third or
6 more of workers’ payroll tax contributions out of the Social Security Trust Fund and
7 into private investment accounts; and

8 Whereas, privatization will worsen Social Security’s funding needs by draining
9 resources from the Social Security Trust Fund into private accounts, increasing the
10 federal deficit by \$2 trillion over the first decade alone and more in the future and
11 putting the citizens of this country in deeper debt to foreign creditors; and

12 Whereas, some officials and members of Congress have suggested the federal
13 government will not pay back the money it has taken from the Social Security Trust
14 Fund over the past 20 years and used for other things, thereby denying working
15 families the money they paid into Social Security and leading to further benefit cuts;
16 and

17 Whereas, privatizing Social Security will cut guaranteed benefits by 30 percent
18 for young workers, even for those who do not participate in private accounts, costing
19 them \$152,000 over their retirements, denying them benefits they have earned, and
20 imperiling their economic security; and

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

1 Whereas, cutting guaranteed benefits will hurt women and people of color, as
2 they are more likely than Caucasian men to rely on Social Security for most of their
3 retirement income, they earn less than Caucasian men and are thus less able to save
4 for retirement, and they are less likely than Caucasian men to receive job-based
5 pensions in retirement; and

6 Whereas, diverting resources from Social Security to fund private accounts will
7 threaten guaranteed survivor and disability benefits, thus harming working
8 families — particularly African-Americans — as roughly one in 5 workers dies
9 before retiring and nearly 3 in 10 become too disabled to work before reaching
10 retirement age; and

11 Whereas, privatizing Social Security will burden state and local governments,
12 as cuts in guaranteed benefits will increase demands for public assistance at the very
13 moment growth in the federal deficit, due to privatization, induces the federal
14 government to shift greater responsibilities on to states and localities; and

15 Whereas, Congress should not rush through drastic and damaging changes in
16 Social Security that undermine its family income protections but, instead, should
17 take the time needed to develop careful and thoughtful reforms that address Social
18 Security's funding needs without slashing benefits or exploding the deficit; now,
19 therefore, be it

20 ***Resolved by the senate, That:***

21 (1) Congress should first commit to paying back to the Social Security Trust
22 Fund all of the money it borrowed and spent on other things;

23 (2) Congress should carefully study a a variety of potential changes that will
24 address Social Security's problems while ensuring the program will continue to meet

1 its purpose of providing income protection and economic security for America's
2 families;

3 (3) Any changes adopted by Congress must strengthen Social Security's family
4 income protections without slashing guaranteed benefits or exploding the deficit;

5 (4) Congress should reject proposals to divert money out of Social Security to
6 fund private accounts; and, be it further

7 ***Resolved, That*** the senate chief clerk shall transmit copies of this resolution
8 to the president and chief clerk of the senate of the United States, the speaker and
9 chief clerk of the house of representatives of the United States, and to each member
10 of the congressional delegation from this state.

11 (END)