

February 3, 2016

The Honorable Bernie Sanders
United States Senate
Washington, D.C., 20515

Dear Senator Sanders:

On behalf of the millions of members and supporters of the National Committee to Preserve Social Security and Medicare, I write to endorse your legislation, S. 731, the “Social Security Expansion Act.” The National Committee commends you for introducing this legislation, which extends the solvency of both the Old-Age and Survivors and the Disability Insurance Social Security trust funds through 2074.

Your bill should give all Americans confidence that Social Security will be there for them when they need it, whether they apply for retirement or disability benefits. Moreover, your bill achieves this while at the same time making important improvements to the benefits Social Security provides.

Included in the “Social Security Expansion Act” are the following benefit improvements:

- A boost in Social Security benefits of about \$65 a month for most beneficiaries;
- Adoption of the Consumer Price Index for the Elderly (CPI-E) for the purpose of determining cost-of-living adjustments (COLA) for Social Security beneficiaries;
- An increase in the special minimum benefit so that it equals up to 125 percent of the poverty level for an individual. This benefit would be indexed in future years by increases in the COLA.

The “Social Security Expansion Act” strengthens Social Security’s financial foundations by increasing revenue dedicated to support the program. First, it extends the payroll tax to all wages paid to workers that are in excess of \$250,000. Over time, this provision would completely eliminate the cap on Social Security taxes. While the National Committee supports this provision, we believe it could be improved by providing that the additional Social Security taxable wages stemming from it be taken into account in determining workers’ benefits.

The second revenue measure would subject unearned household income above \$250,000 (\$200,000 for single individuals) to a tax of 6.2 percent. This is the same Social Security tax rate that applies to most earned income and would provide an important new stream of revenue that

would help strengthen Americans' confidence that Social Security will be there for them in years to come.

The National Committee generally supports the provisions included in your bill and proudly endorses the "Social Security Expansion Act." This bill represents a bold and forceful step on behalf of seniors and all Americans by strengthening and safeguarding Social Security for future beneficiaries while at the same time making important improvements in the adequacy of the benefits the program provides. We look forward to working with you to enact this important legislation.

Sincerely,

A handwritten signature in cursive script that reads "Max Richtman".

Max Richtman
President and CEO