

# New Social Security Bill Introduced That Can Finally Solve All Of The Problems

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## New Social Security Bill Introduced That Can Finally Solve All Of The Problems

**CALL, WRITE AND FAX YOUR ELECTED OFFICIALS AND TELL THEM TO SUPPORT THE " Social Security Expansion Act (SSEA)" FULLY AND TOTALLY!**

Congressman Peter DeFazio and Senator Bernie Sanders introduced joint legislation, the Social Security Expansion Act (SSEA), to strengthen and expand Social Security for current and future generations.

The Social Security Expansion Act would:

- **Extend the solvency of the Social Security trust fund 75 years, through 2096**, by requiring the wealthiest Americans to pay their fair share into the fund, just like everyone else. This legislation would lift the income tax cap and subject all income above \$250,000 to the Social Security Payroll tax. Under this bill, more than 93 percent of households would not see their taxes go up by one penny.
- **Expand Social Security benefits across-the-board for current and new beneficiaries.** Under this bill, Social Security benefits for someone turning 62 next year would be \$200 per month higher.
- **Increase Cost-of-Living Adjustments (COLAs).** This bill would more accurately measure spending patterns of seniors by adopting the Consumer Price Index for the Elderly (CPI-E), which would change the formula to reflect what seniors spend a disproportionate amount of their income on such as health care and prescription drugs.
- **Require millionaires and billionaires to pay their fair share into Social Security.** Currently, workers have 12.4 percent taken out of each paycheck and contributed to the Trust Fund, half paid by the employer and half by the worker. This bill would require the wealthy pay the same 12.4 percent on their investments and business income by increasing the net investment income tax by 12.4 percent and applying it to certain business income not already covered by payroll taxes.
- **Improve the Special Minimum Benefit for Social Security recipients.** This bill will help low-income workers stay out of poverty by updating and increasing the Special Minimum Benefit and indexing the benefit level so that it is equal to 125 percent of the poverty line or about \$17,000 for a single worker who had worked their full career.
- **Restore student benefits up to age 22 for children of disabled or deceased workers** if the child is a full-time student in a college or vocational school. This legislation restores student benefits to help educate children of deceased or disabled parents (these benefits were eliminated in 1983).
- **Combine the Disability Insurance Trust Fund with the Old Age and Survivors Trust fund** to help senior citizens and persons with disabilities.

TSCL's endorsement of this legislation was included with the announcement from the bill's sponsors:

"The Senior Citizens League (TSCL) is proud to support Congressman DeFazio's Social Security Expansion Act. An extra \$200 a month would go a long way in helping retirees make ends meet and extending the solvency of the Social Security program for 75 years means this benefit will pay itself forward for years to come," said **Richard Delaney**, Chair, The Senior Citizens League.

The full list of original cosponsors include: Representative Peter DeFazio (OR-04), Steve Cohen (TN-09), Ocasio-Cortez (NY-14), Stephen Lynch (MA-08), Raúl Grijalva (AZ-03), Gwen Moore (WI-04), Pramila Jayapal (WA-07), Donald M. Payne, Jr. (NJ-10), Jamaal Bowman (NY-16), Rashida Tlaib (MI-13), Alma Adams (NC-12), Jesús "Chuy" García (IL-04), Jamie Raskin (MD-08), Shelia Jackson Lee (TX-18), Chellie Pingree (ME-01), Barbara Lee (CA-13), Jan Schakowsky (IL-09), and Eleanor Holmes Norton (DC-AL), Michael F.Q. San Nicolas (GU-00), Jim McGovern, (MA-02).

Over 40 nationwide organizations have endorsed this legislation including: AFL-CIO, Social Security Works, National Committee to Preserve Social Security and Medicare (NCPSSM), The Senior Citizen's League (TSCL), Center For Medicare Advocacy, Alliance for Retired Americans, Justice in Aging, Public Citizen, Consumer Action, Economic Opportunity Institute, AFSCME, Working Families Party, People's Action, Strengthen Social Security Coalition, California Alliance for Retired Americans, Campaign For America's Future, Center for Popular Democracy, Our Revolution, Indivisible, Gen-Z for Change, Puget Sound Advocates for Retirement Action (PSARA), PSARA Education Fund, Physicians for a National Health Program – Washington, MoveOn, The Backbone Campaign, Labor Campaign for Single Payer, United Electrical, Radio, & Machine Workers of America, American Federation of Teachers (AFT) Washington Retiree Chapter #8045, AFT Washington, AIDS Healthcare Foundation, Maine People's Alliance, ACRE, United Food and Commercial Workers Union (UFCW) 3000, Arkansas Community Organizations, UltraViolet, National Organization for Women (NOW), DC chapter of DCNOW, Citizen Action of Wisconsin.

For bill text, [click here](#).

For a fact sheet on the bill, [click here](#).

The proposal, called the Social Security Expansion Act, would expand benefits for current and new beneficiaries by \$200 per month, or \$2,400 per year, and would make the monthly checks more generous in other ways. To do that, and improve the program's solvency at the same time, the plan also calls for raising taxes on high-earning households.

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[Supplemental Security Income bill may be step toward broader reform](#)

[Here are the changes Americans are willing to make to fix Social Security](#)

In 2022, payroll taxes are applied to income up to \$147,000. The bill calls for lifting that cap and applying the Social Security payroll tax to all income of more than \$250,000.

Social Security payroll taxes are applied at a rate of 6.2% for both the employer and employee, for a total of 12.4%, which is deducted from paychecks.

The bill calls for having the wealthy pay more through a 12.4% tax on investment and business income. It would also apply levies to certain business income that is not currently subject to payroll taxes.

Currently, a worker earning \$147,000 pays 6.2% of their income to Social Security payroll taxes. But if instead they earn \$1.47 million, they pay just 0.6% of their income to Social Security, Sanders said.

"That may make sense to somebody," Sanders said. "It doesn't make sense to me."

Under the terms of the bill, more than 93% of households would not see their taxes go up.

At the same time, it would extend the program's solvency past 2096.

New projections from the Social Security trustees show the program's combined funds will only be able to pay full benefits until 2035, at which point 80% of benefits will be payable.

Raising taxes on the wealthy in order to shore up the program is popular among voters, according to a [survey released this week](#) by the University of Maryland's [Program for Public Consultation](#).

## How the bill would increase benefits

The proposal also calls for boosting benefits in several ways.

It would, for example, increase minimum benefits to 125% of the poverty line and index them. That would amount to about \$17,000 for a single worker who has worked for their entire career, according to the proposal.

It also aims to make annual cost-of-living adjustments more generous by changing the measurement by which they are calculated to the consumer price index for the elderly, or CPI-E, which some advocates argue better reflects retiree spending.

The legislation would also restore benefits for students up to age 22 if they are attending college or vocational schools and are the children of disabled or deceased workers. That would reverse a 1983 policy that eliminated benefits for those people.

The effects of the plan [has been analyzed](#) by the Office of the Chief Actuary at the Social Security Administration.

"We estimate that enactment of these provisions would extend the ability of the OASDI (Old Age, Survivors, and Disability Insurance) program to pay scheduled benefits in full and on time throughout the 75-year projection period," said Stephen Goss, chief actuary at the Social Security Administration, in a statement.

The new proposal has the backing of advocacy groups focused on expanding Social Security, including Social Security Works and the National Committee to Preserve Social Security and Medicare.