CONSORTIUM FOR CITIZENS WITH DISABILITIES

Social Security Task Force
Principles To Evaluate Social Security Solvency Proposals:

Principle 1: The long-term solvency of the Social Security Old-Age, Survivors, and Disability Insurance programs should be attained through revenue increases without any benefit cuts.

Benefit cuts to Social Security include (but are not limited to): increases in the early or full retirement age, means-testing benefits, changing the Cost of Living Adjustment to make it less adequate, requiring additional work credits to obtain coverage, time-limiting benefits, restricting eligibility, reducing benefits, or altering the sequential evaluation process in a way that will increase the number of claimants denied disability benefits.

Principle 2: The increased revenue used to enhance long-term solvency of the Social Security programs may include eliminating the cap on wages subject to the FICA Social Security tax, raising the FICA tax rate, and potentially making more types of earnings subject to the FICA Social Security tax.

Principle 3: The Social Security benefits formula should be adjusted along with changes to the FICA tax rate and cap so that individuals who will contribute more to Social Security under the new rules will also receive higher Social Security benefits. Benefits for high earners should not, however, be raised to an extent that prevents the majority of the additional revenue raised by the measure being used to extend the solvency of the Social Security system, increase the progressivity of benefits, or increase the adequacy of benefits.

Principle 4: Any long-term solvency proposal for the Social Security system must use the same formula for calculating benefits for the Old-Age and Survivors Insurance programs and the Disability Insurance program.

Principle 5: Proposals to extend the solvency of the Social Security system should ensure that all components of the Social Security system (Old-Age, Survivors, and Disability) are solvent for the same period of time, either by adjusting payroll tax allocation percentages deposited in the OASI Trust Fund and DI Trust Fund or by merging the Trust Funds.

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