

Resolution Requesting that the Congressional Delegation of the State of _____ Work To Pass Social Security Personal Retirement Accounts

WHEREAS, Demographic changes and cost increases will drain the existing Social Security system.

WHEREAS, Without significant changes to the system, costs will exceed revenues starting in 2018 and the trust fund will be completely exhausted by 2042.

WHEREAS, Not reforming the system will require a 50 percent tax increase on every working American or a 30 percent benefit cut.

WHEREAS, Social Security provides a below market average rate of return of 1.5 percent which further contributes to the system's financing problem.

WHEREAS, Allowing younger workers to divert a portion of their payroll taxes into Personal Retirement Accounts will ensure a higher retirement benefit without the need to raise taxes and/or cut benefits.

WHEREAS, Allowing younger workers to invest a portion of their payroll taxes into Personal Retirement Accounts will eventually eliminate the \$10 trillion in unfunded Social Security liabilities.

RESOLVED, that the _____ (House/Senate) of the State of _____ requests our elected Representatives and Senators in the United States Congress support no increases in payroll taxes, no cuts to Social Security benefits, and optional Social Security Personal Retirement Accounts.

RESOLVED, That copies of this resolution be transmitted to the state of _____'s Congressional Delegation.

If you have any questions about this sample resolution, please contact Amanda Hydro at Americans for Tax Reform at (202) 785-0266.

The current Social Security system is facing insolvency due to sweeping demographic shifts. The program was set up so that payroll taxes from current workers are used to pay Social Security benefits to current retirees. This pay-as-you-go program would be viable only if the number of workers grew faster than the number of retirees. When the program began there were 42 workers for each retiree. But now there are only three workers per retiree, and that ratio will soon drop to about 2-to-1. Social Security will start running deficits in the year 2018 and the Trust Fund will be completely exhausted by 2042. Without reform, massive tax increases or benefit cuts or some combination of both will be needed to pay benefits in the future. So the present system is not viable and that is why President George W. Bush wants to allow workers to invest a portion of their payroll tax dollars in personal investment accounts. For more information view the Social Security Administration's report: <http://www.ssa.gov/OACT/TR/TR04/trTOC.html>