

**TOWN OF FAIRFAX
STAFF REPORT**

To: Mayor, Members of the Town Council
From: Michele Gardner, Deputy Town Clerk *mg*
Date: May 1, 2013
Subject: Consideration/Adoption of Resolution No. 13-23 A Resolution of the Town Council of the Town of Fairfax Opposing Reduction in Social Security Benefits

RECOMMENDATION

Consider the attached resolution opposing a reduction in Social Security benefits.

DISCUSSION

The above resolution was drafted by Council Member Bragman for consideration and adoption by Council.

ATTACHMENTS

Resolution No. 13-23 A Resolution of the Town Council of the Town of Fairfax Opposing Reduction in Social Security Benefits

RESOLUTION NO. 13-23

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FAIRFAX OPPOSING
REDUCTION IN SOCIAL SECURITY BENEFITS**

WHEREAS, Social Security provides fundamental protections against risks that all Californians face; and,

WHEREAS, Social Security belongs to the people who have worked long and hard, contributed to the program, and are entitled by law to receive the benefits paid for upon retirement, disability, or death; and,

WHEREAS, in addition to over 56 million Social Security recipients, there are more than 15 million SSI and VA beneficiaries and military and federal civil service retirees who will be affected by a reduction in benefits; and,

WHEREAS, Five million Californians, including 3.4 million retirees and 700,000 disabled workers, rely upon Social Security and Medicare as the foundations of their health and financial security; and,

WHEREAS, Social Security is the primary source of life insurance protection for 370,000 California children; and,

WHEREAS, Social Security lifts over 1.1 million Californians out of poverty; contributes nearly \$67 billion in economic activity; and,

WHEREAS, Social Security funding is independent of the federal government, does not, and by law never will, contribute to the federal deficit; and,

WHEREAS, Social Security currently enjoys a surplus which is expected to grow to \$3.1 trillion by 2020, and is currently projected as solvent through 2032, and that shortfalls thereafter could be mitigated by incrementally raising the cap on earnings subject to Social Security withholding; and,

WHEREAS, Losses of pensions, 401(k)'s, home equity, and earnings have greatly diminished the retirement incomes of Californians; and,

WHEREAS the proposal to subject COLAs to a so-called "chained" CPI (consumer price index) would result in an estimated 0.3% yearly reduction in those COLAs, amounting to an average annual reduction of about \$130 per Social Security recipient, and a 9.2% reduction (almost \$1,400/year) by the time current 65-year-olds reach age 95; and

WHEREAS the concept of a chained CPI is based on the false premise that as prices rise, consumers will simply shift their purchasing to less expensive goods and services, while many expenses unavoidable for seniors, such as drugs, health care

services, food and property taxes, continue to rise inexorably.

**NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF FAIRFAX
DOES HEREBY RESOLVE AS FOLLOWS:**

We call upon our Congressional representatives to firmly oppose any reduction in Social Security benefits through the "chained CPI", or other scheme; and request that a copy of this resolution be sent to Congressman Huffman and Senators Feinstein and Boxer.

The foregoing Resolution was duly introduced and adopted at a regular meeting of the Town Council of the Town of Fairfax held in said town on the 1st day of May 2013 by the following vote, to wit:

AYES:
NOES:
ABSENT:

JOHN REED, MAYOR

Attest:

Deputy Town Clerk

