



6333 W. Bluemound Road
Milwaukee, WI. 53213

**Testimony
United States Senate
Special Committee on Aging
June 17, 2009
Leon Burzynski, President
Wisconsin Alliance for Retired Americans**

Mr. Chairman and Members of the Special Committee on Aging:

My name is Leon Burzynski. I am the president of the Wisconsin Alliance for Retired Americans (WIARA), representing more than 89,000 Wisconsin retirees, and part of the national Alliance for Retired Americans, representing more than 4 million retirees across the nation. We are dedicated to the economic and health security for current and future retirees.

I greatly appreciate the opportunity to testify today on the importance of strengthening Social Security. Senator Kohl, I especially want to thank you for all your efforts on behalf of Wisconsin retirees and working families.

The theme of this hearing, "Social Security: Keeping the Promise in the 21st Century," is as relevant now as any time in the history of the program. The recent economic downturn clearly demonstrates that the guaranteed benefits of Social Security are the foundation of retirement security. We in the Alliance for Retired Americans believe Social Security is vitally important for current retirees, our children and our grandchildren. Please consider:

- Social Security is America's family insurance policy. Retirees, workers, surviving spouses, and children all benefit from the program.
- Two-thirds of retirees receive more than one-half of their income from Social Security.
- If Social Security did not exist today, about forty percent of retirees over 65 would have incomes below the poverty level.
- It provides a steady stream of income, with built in protection against excessive inflation, that you cannot outlive.

I would like to share four personal stories from members of the Alliance for Retired Americans about how Social Security helped them and their families.

- Michael Ott from Hilbert, Wisconsin, ran the family farm until it became impossible to compete with large corporate farms. Michael ended up with a part-

time job paying just over the minimum wage. At age 62, he began collecting Social Security, and was getting by. Michael had been sick, but was hoping to make it to 65 and have Medicare. Unfortunately, he ended up in the emergency room where he was diagnosed with congestive heart failure. As a result, he had to stop working. What would Michael have done without the guaranteed \$600.00 monthly he received from Social Security?

- Without Social Security, Jet Jennings, a cancer patient from Bow, New Hampshire, would be unable to pay for her chemotherapy and other medications. The Social Security she receives also helps pay for her food and regular household expenses. These benefits play an important role in her life, and she can state confidently that if Social Security did not exist, her income would be inadequate to cover her expenses.
- Art Palleon from Cedarburg, Wisconsin, is a retired teacher. When he was seventeen years old, his father died. During this difficult and challenging time, Art's mom received survivor benefits that helped in raising her six children. Art has stated on a number of occasions that Social Security benefits "kept his family intact" after the passing of his dad.
- Bob Kirkner of King, North Carolina, is seventy years old, a proud father and grandfather. He retired with a good pension and optimistic future after 34 years as a mechanic for US Airways. When US Air first declared bankruptcy, Bob's health insurance payment went from \$40 to \$600 per month, until he received his Medicare and VA benefits. After the second bankruptcy filing, Bob's pension was cut drastically, and his Social Security check that was a supplement is now half his income. Even with Medicare and VA benefits, Kirkner's health care costs him almost \$400 per month.

With all due respect to those claiming the program is in a financial crisis, we strongly disagree. According to the Social Security trustees, the program will have enough funds to pay full benefits through 2037 and about 78% thereafter. In consideration of our children and grandchildren, we are not suggesting Congress do nothing. However, the time is approaching when Congress will need to take action to extend the solvency of Social Security. One simple solution is to restore the earnings cap to the historical level of 90% of all wages earned. The erosion to the current level of approximately 82% of wages has deprived the Social Security Trust Fund of income to ensure payments for future beneficiaries.

In conclusion, Mr. Chairman, Social Security has been the underpinning of our country's safety net. We believe President Obama and Congress should be able to ensure it's solvency without making radical changes to this fiscally responsible federal program that is essential for retirement security and peace of mind.

In closing, Mr. Chairman and Members of the Committee, thank you for giving me this opportunity to speak about the importance of Social Security.