

Opening Statement
Chairman Bill Nelson
Senate Special Committee on Aging: State of the American Senior: The Changing Retirement
Landscape for Baby Boomers
September 25, 2013

Good afternoon, everyone. Thank you for being here as we discuss the retirement security of baby boomers and older Americans. The American senior is in real financial trouble. Changes in the retirement system, higher health care costs and the recession have all combined to put baby boomers on shakier financial footing than their parents and grandparents.

The American dream – that if you work hard, you will be rewarded with a comfortable retirement – is fading away.

People today are not only retiring with less money coming in, but more money is going out to pay off expenses like debt or medical bills. And that doesn't even factor in the financial challenges faced by seniors with long-term health care needs.

So as we here in Congress are in the midst of once again talking about cutting spending, it's important to think about the impact this would have on people who are already living with little to no disposable income.

More than three in five Floridians on Social Security get at least half of their income from those benefits. Over three and a half million Floridians—or one in five residents— rely on Medicare. And let's not forget about the Floridians who could get Medicaid if the state would expand its program under the Affordable Care Act. According to a report by the Commonwealth Fund, one in five uninsured Floridians are between the ages of 50 and 64 so they are too young for Medicare.

I've heard all sorts of stories from Floridians about how shaky their finances are in retirement. Michael Vita of Miami works for a financial planner, so all of his papers and investments are in order. But even he is only bringing in \$50 more per month than he spends, so any real expense that comes his way could have a real impact on his financial wellbeing.

Jim Marzano of Tampa says he is nowhere near where he was a decade ago before the recession. He's been out of work a total of three years in that time. He kept being told he was overqualified for jobs. Now both he and his wife are working, and between the two of them they are making what he made by himself 11 years ago. So he, too, will be working for a long time.

So what can be done to stem this tide? What can we do to make sure our seniors have enough money to last them for retirement?

That's what we are here to find out. That is a crisis in the making, and I hope our panel today will shed some light on some solutions we can adopt as we go forward.