

Congress of the United States
Washington, DC 20515

April 18, 2013

The Honorable Barack Obama
President of the United States
The White House
Washington, DC 20500

Dear Mr. President,

We write as Members of Congress to convey our serious concerns regarding your recent budget's proposed cuts to Social Security through the adoption of the so-called "chained" consumer price index.

Fundamentally, budget negotiations are not an appropriate venue for discussion of Social Security reforms. Any reforms should aim to strengthen the program for current beneficiaries and extend its long-term solvency for future generations. Shifting to the chained-CPI is bad policy because it fails to accurately track seniors' and disabled beneficiaries' real expenses. The chained-CPI is not a technical tweak to reduce runaway cost-of-living adjustments. To the contrary, beneficiaries have gone without increases in recent years and are often managing meager household budgets. We appreciate your efforts to reach a budget compromise, but cutting Social Security would compromise the hard-earned benefits of America's seniors and disabled.

The Secretary of the Treasury and former Director of the Office of Management and Budget have clearly stated that Social Security is not the problem. As you know, not one penny of the deficit or our national debt is due to Social Security. Built up for the express purpose of supporting the retirements of the Baby Boomer generation, Social Security's \$2.7 trillion Trust Fund will fully fund benefits into the 2030s and 75 percent of owed benefits thereafter. Social Security is a self-sustaining social insurance program that protects every American against absolute destitution due to old age, a disabling accident, or the death of a breadwinner. At your inauguration you made clear that Social Security frees us to take risks that make this country great. Therefore, we strongly urge you to reconsider making benefit cuts in order to pay for deficit reduction.

The current CPI already assumes consumers substitute certain items when prices rise, the chained-CPI would make these assumptions even more drastic and unrealistic. Seniors cannot find substitute health care or substitute medicine, and they face mobility and other challenges that reduce their ability to substitute across other categories of goods. Therefore, relying on this faulty measure will both reduce cost-of-living increases to beneficiaries and reduce their quality of life. Most beneficiaries are already living on fixed incomes, and they are not living lavishly. Far from being too generous, the current formula does not adequately keep pace with seniors' real expenses. The chained-CPI would only make this problem worse.

The chained-CPI is a benefit cut that compounds throughout retirement. Cutting the benefits earned and relied upon on by retirees may seem to be a modest change, but even slight reductions will meaningfully impact the quality of life of millions of Americans. The chained-CPI will result in a cut of nearly \$1,600 by the time the average beneficiary is in his or her nineties, taking away a month's worth of benefits in the final months of one's life.

The chained-CPI will disproportionately hurt women and cut veterans' disability benefits. The average yearly benefit for women is \$2,000 less than for men, women rely more heavily on Social Security as a greater proportion of their retirement income and live longer than men. Finally, we should not forget that veterans would also be hit with enormous cuts. A fully disabled veteran who began receiving benefits at age 30 would have a yearly benefit cut of \$3,200 by age 65. We simply cannot do that to our veterans.

We appreciate the difficult position you are in as you attempt to reach a budget compromise that will reduce the deficit, but we respectfully ask that you consider the impact the chained-CPI will have on Americans already relying on fixed incomes from Social Security. We must work to reduce the deficit, but do it the right way; not on the backs of seniors and working families who have contributed to Social Security their entire lives.

Please stand with us as you always have to protect seniors, veterans, and disabled Americans, and let's dispel the myth that Social Security is to blame for the debt we now must reasonably reduce. The chained-CPI does not add balance to a deficit reduction plan, but it will cut the hard-earned benefits of millions of Americans. We cannot support this approach.

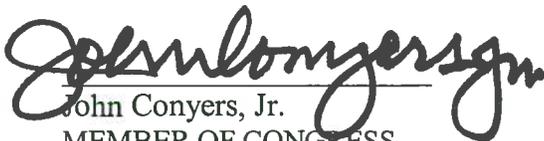
Sincerely,



Theodore E. Deutch
MEMBER OF CONGRESS



Daniel B. Maffei
MEMBER OF CONGRESS



John Conyers, Jr.
MEMBER OF CONGRESS



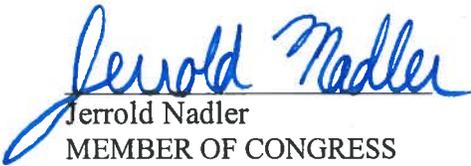
Marcy Kaptur
MEMBER OF CONGRESS



Peter DeFazio
MEMBER OF CONGRESS



Maxine Waters
MEMBER OF CONGRESS



Jerrold Nadler
MEMBER OF CONGRESS



Gene Green
MEMBER OF CONGRESS



Alcee L. Hastings
MEMBER OF CONGRESS



Eddie Bernice Johnson
MEMBER OF CONGRESS



Bobby L. Rush
MEMBER OF CONGRESS



Janice D. Schakowsky
MEMBER OF CONGRESS



John Lewis
MEMBER OF CONGRESS



James P. McGovern
MEMBER OF CONGRESS



James R. Langevin
MEMBER OF CONGRESS



Frederica S. Wilson
MEMBER OF CONGRESS



David N. Cicilline
MEMBER OF CONGRESS



Elizabeth H. Esty
MEMBER OF CONGRESS



Alan Grayson
MEMBER OF CONGRESS



Alan S. Lowenthal
MEMBER OF CONGRESS



Jim McDermott
MEMBER OF CONGRESS



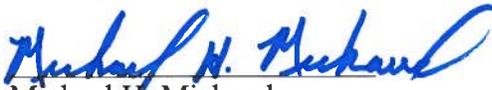
Robert C. "Bobby" Scott
MEMBER OF CONGRESS



Rush Holt
MEMBER OF CONGRESS



Raul M. Grijalva
MEMBER OF CONGRESS



Michael H. Michaud
MEMBER OF CONGRESS



Judy Chu
MEMBER OF CONGRESS



Jared Huffman
MEMBER OF CONGRESS



Carol Shea-Porter
MEMBER OF CONGRESS



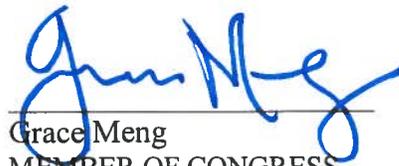
Mark Takano
MEMBER OF CONGRESS



Juan Vargas
MEMBER OF CONGRESS



Matthew A. Cartwright
MEMBER OF CONGRESS



Grace Meng
MEMBER OF CONGRESS



Adam B. Schiff
MEMBER OF CONGRESS



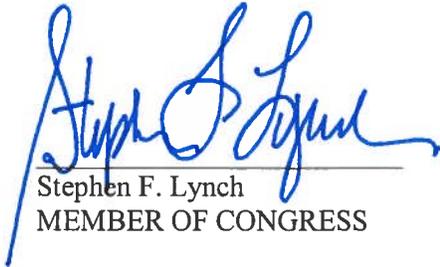
Keith Ellison
MEMBER OF CONGRESS



Albio Sires
MEMBER OF CONGRESS



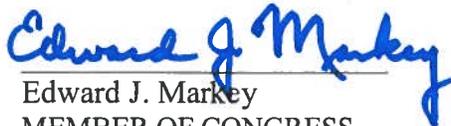
Richard M. Nolan
MEMBER OF CONGRESS



Stephen F. Lynch
MEMBER OF CONGRESS



Paul D. Tonko
MEMBER OF CONGRESS



Edward J. Markey
MEMBER OF CONGRESS



Chellie Pingree
MEMBER OF CONGRESS