



Legislation Text

File #: Res 31672, Version: 1

CITY OF SEATTLE

RESOLUTION _____

A RESOLUTION addressing the retirement security crisis.

WHEREAS, the United States is facing a vast retirement savings deficit estimated to be as much as \$6.6 trillion and most Americans have little or nothing in retirement savings; and

WHEREAS, the median retirement savings for all working age households in the U.S. is \$3,000, and more than one-third of working age adults have no retirement savings at all; and

WHEREAS, a January 2016, survey by Forbes Magazine and Bankrate.com found that a majority of Americans (56.3 percent) have less than \$1,000 in their checking and savings accounts; and

WHEREAS, more than half of U.S. workers have no workplace retirement plans, and of those who do, just 35 percent have defined benefit pensions; and

WHEREAS, Social Security retiree benefits average less than \$1,300 per month. For two out of three retirees, these benefits provide more than half the total of their income, and for 36 percent, Social Security is the sole source of their income including people living with long-term disabilities; and

WHEREAS, in Seattle in 2010, 11.5 percent of the population is over age 65, and 24.5 percent are between the ages of 45 and 64 (Source: American Community Survey); and

WHEREAS, people of color make up approximately 30 percent of Seattle's population, and the Social Security Administration statistics demonstrate that people of color are more likely to rely on Social Security as their primary source or sole source of income (Sources: American Community Survey and Social Security Administration); and

WHEREAS, women in Seattle comprise 57.9 percent of Seattle's population over the age of 65, and the

average Social Security benefit for women 65 and older is about \$12,400 per year compared to about \$16,500 per year for men 65 and older (Sources: American Community Survey, Social Security Administration, and National Women’s Law Center); and

WHEREAS, for LGBTQ elders, a lifetime of employment discrimination translates into earning disparities, reduced lifelong earnings, smaller Social Security payments, and fewer opportunities to build pensions, resulting in more than one-quarter of LGBTQ seniors living below the poverty level, surviving on \$2,000 or less each month; and

WHEREAS, all wage earners who earn above the cap of \$118,500 pay no payroll tax on all of their earnings above the cap, thereby paying an effective tax rate below wage earners who earn under the cap; and

WHEREAS, approximately 11.6 percent of Seattle residents do not have health insurance and many more have inadequate coverage (Source: American Community Survey), and allowing younger people to buy into the Medicare program would help address this significant problem; and

WHEREAS, Medicare, while providing good health care benefits, fails to cover hearing, vision, dental, and most long-term care services, NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE THAT:

Section 1. The Seattle City Council calls for the expansion of Social Security benefits to address the growing crisis of financial insecurity among present and future Social Security recipients.

Section 2. The Seattle City Council calls for the elimination of the income cap on Social Security to pay for the expansion of Social Security benefits.

Section 3. The Seattle City Council supports the expansion of the Medicare program to make it possible for younger people to buy into the Medicare program.

Section 4. The Seattle City Council supports the expansion of vital Medicare benefits, including dental, vision, and hearing, to be funded by raising the Medicare payroll tax from 1.45 percent to 2 percent.

Section 5. The Seattle City Council will communicate this resolution to the entire Washington

Congressional Delegation and include support for expansion and protection of these two vital social insurance programs in The City of Seattle 2016-2017 Federal Legislative Agenda.

Adopted by the City Council the _____ day of _____, 2016, and signed by me in open session in authentication of its adoption this _____ day of _____, 2016.

President _____ of the City Council

Filed by me this _____ day of _____, 2016.

Monica Martinez Simmons, City Clerk

(Seal)