

Social Security has to slash benefits in 2032 if Congress fails to act

BY MARK UDALL AND BOB BEAUPREZ

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Campaign season is once again in full swing, with countless political ads blanketing the airwaves on any number of issues: the economy, the cost of living, health care affordability, to name just a few. But there's one issue that you're unlikely to hear much about at all, despite the fact that it impacts a large and vulnerable population in our state: the future of Social Security.

Nearly 1 million Coloradans receive Social Security benefits each month. The program provides critical financial support to retirees, individuals with disabilities, widows and widowers, and their families. For these Coloradoans, Social Security is a lifeline that helps them and their families.

But here's the truth: Social Security is in trouble, and failure to act would have real consequences for those who depend upon the program.

According to projections from the Social Security trustees, the Social Security retirement trust fund will go insolvent in late 2032. When that happens, by law, program costs must be reduced, meaning an across-the-board benefit cut for beneficiaries, to match incoming revenues. The trustees estimate that cut will equal 24%, the equivalent of an annual \$18,400 loss for a typical couple retiring in 2033.

This is the reality many in Washington have been loath to acknowledge. Too often, when we hear promises made about Social Security, they involve pledges "to protect Social Security by not touching it." This may sound good, but it essentially guarantees that those benefit cuts will go into effect.

Social Security has been on a fiscally unsustainable path for decades. That is partially because of demographics — people are living longer and having fewer children, causing fewer workers to pay into the system relative to the number of retirees receiving benefits. But it is also the result of a structural mismatch between benefits and revenues, where benefits are growing over time and revenues are failing to keep up. As a result, the program has been spending more than it takes in, tapping into its reserves to cover the gap.

The good news is that we can fix this. There is no shortage of options to save Social Security, avoid the benefit cut and secure the program for future generations. But we need to act now. The sooner we act, the smaller the adjustments, the greater the options, the more time workers have to plan and adjust, and the easier it is to distribute the changes across generations.

2032 may seem a long way off, but having served Coloradans in the Senate and the House, we know firsthand just how fast the years fly by — and how slowly the wheels of change turn in Congress.

This November, Coloradans will cast their ballots for who they want to represent them for the next six years in the Senate. That means this issue has finally reached the ballot box — insolvency will hit in the final year of the term for those elected to the Senate.

As citizens, each of us has a responsibility to press our elected officials for solutions. We can start by asking one simple question: What's your plan to save Social Security?

If they start talking about “not touching the program,” ask if they’re in favor of the benefit cut that comes with their position. Chances are they’ll say no — so, what’s their plan?

Since 1940, Social Security has played a vital role in the lives of millions of Americans. Today more than 70 million people receive benefits and over 40% of seniors rely on the program for a majority of their income.

All of us probably know someone who relies on the program. That is why our elected officials can no longer ignore this issue. Six years will be here before we know it.

It was obvious long before we served in Congress that the system needed reform, but it was also obvious that too many members of both parties refused to touch the proverbial “third rail of politics” and instead preferred to kick the can down the road. However, catastrophic consequences are now just around the corner. The option of delaying action will expire soon.

Social Security is a sacred commitment to current and future retirees, one that assures all Americans that they will be supported in their old age and retirement. That commitment is on the financial rocks thanks to a longstanding bipartisan failure to preserve the program for future generations. We as voters deserve honest answers on what will be done to address Social Security’s insolvency, before it’s too late — the clock is ticking.

Mark Udall represented Colorado in the U.S. Senate from 2009 to 2015 and in the House of Representatives from 1999 to 2009. Bob Beauprez represented Colorado in the U.S. House of Representatives from 2003 to 2007.